



American International Group, Inc.

Financial Supplement

Third Quarter 2010

This report should be read in conjunction with AIG's Quarterly Report on Form 10-Q for the quarter ended September 30, 2010 filed with the Securities and Exchange Commission.

American International Group, Inc.
Financial Supplement
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American International Group, Inc.

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American International Group, Inc.
Consolidated Statement of Income (Loss)
(in millions, except per share data)

	Three Months Ended					Nine Months Ended		
	Sept. 30, 2010	Sept. 30, 2009	% Inc. (Dec.)	June 30, 2010	% Inc. (Dec.)	Sept. 30, 2010	Sept. 30, 2009	% Inc. (Dec.)
Revenues:								
Premiums and other considerations	\$ 12,639	\$ 11,695	8.1 %	\$ 11,730	7.7 %	\$ 35,931	\$ 39,052	(8.0) %
Net investment income	5,231	6,409	(18.4)	5,039	3.8	15,469	14,044	10.1
Net realized capital gains (losses): (1)								
Total other-than-temporary impairments on available for sale securities	(459)	(901)	NM	(621)	NM	(1,397)	(5,200)	NM
Portion of other-than-temporary impairments on available for sale fixed maturity securities recognized in Accumulated other comprehensive loss	(345)	(57)	NM	271	NM	(595)	304	NM
Net other-than-temporary impairments on available for sale securities recognized in net loss	(804)	(958)	NM	(350)	NM	(1,992)	(4,896)	NM
Other realized capital gains (losses)	143	(897)	NM	(137)	NM	510	(77)	NM
Total net realized capital losses	(661)	(1,855)	NM	(487)	NM	(1,482)	(4,973)	NM
Unrealized market valuation gains on Capital Markets super senior credit default swap portfolio	152	959	(84.2)	161	(5.6)	432	1,143	(62.2)
Other income (1)	1,730	2,396	(27.8)	1,896	(8.8)	5,264	7,520	(30.0)
Total revenues (1)	19,091	19,604	(2.6)	18,339	4.1	55,614	56,786	(2.1)
Benefits, claims and expenses:								
Policyholder benefits and claims incurred	11,175	11,340	(1.5)	9,870	13.2	30,747	36,600	(16.0)
Policy acquisition and other insurance expenses	3,898	3,533	10.3	3,659	6.5	11,168	11,765	(5.1)
Interest expense	2,158	2,093	3.1	1,652	30.6	5,334	6,680	(20.1)
Restructuring expenses and related asset impairment and other expenses	159	254	(37.4)	68	133.8	339	908	(62.7)
Net gain (loss) on sale of divested businesses (2)	(4)	885	NM	(198)	NM	(126)	1,192	NM
Other expenses	1,283	2,016	(36.4)	1,669	(23.1)	4,354	5,465	(20.3)
Total benefits, claims and expenses	18,669	20,121	(7.2)	16,720	11.7	51,816	62,610	(17.2)
Income (loss) from continuing operations before income tax expense (benefit)	422	(517)	(181.6)	1,619	(73.9)	3,798	(5,824)	NM
Income tax expense (benefit)	469	(408)	NM	1,028	NM	1,044	(1,510)	NM
Income (loss) from continuing operations	(47)	(109)	(56.9)	591	(108.0)	2,754	(4,314)	NM
Income (loss) from discontinued operations, net of income tax expense (benefit) (3)	(1,844)	94	NM	(2,706)	NM	(4,329)	1,011	NM
Net loss	(1,891)	(15)	NM	(2,115)	NM	(1,575)	(3,303)	NM
Less:								
Net income (loss) from continuing operations attributable to noncontrolling interests:								
Noncontrolling nonvoting, callable, junior and senior preferred interests held by Federal Reserve Bank of New York	388	-	NM	508	(23.6)	1,415	-	NM
Other	104	(496)	NM	20	420.0	243	(1,271)	NM
Total net income (loss) from continuing operations attributable to noncontrolling interests	492	(496)		528	NM	1,658	(1,271)	NM
Income discontinued operations attributable to noncontrolling interests	12	26	(53.8)	13	(7.7)	35	44	(20.5)
Total net income (loss) attributable to noncontrolling interests	504	(470)	(207.2)	541	(6.8)	1,693	(1,227)	
Net income (loss) attributable to AIG	\$ (2,395)	\$ 455	NM	\$ (2,656)	NM	\$ (3,268)	\$ (2,076)	NM %
Net income (loss) attributable to AIG common shareholders	\$ (2,395)	\$ 92	NM	\$ (538)	NM	\$ (661)	\$ (3,371)	NM %
Income (loss) per common share attributable to AIG:								
Basic:								
Income (loss) from continued operations	\$ (3.97)	\$ 0.58	NM	\$ (0.02)	NM %	\$ 1.63	\$ (32.06)	NM %
Income (loss) from discontinued operations	\$ (13.65)	\$ 0.10	NM	\$ (4.05)	NM	\$ (6.51)	\$ 7.14	NM
Diluted:								
Income (loss) from continued operations	\$ (3.97)	\$ 0.58	NM	\$ (0.02)	NM	\$ 1.63	\$ (32.06)	NM %
Income (loss) from discontinued operations	\$ (13.65)	\$ 0.10	NM	\$ (4.05)	NM	\$ (6.51)	\$ 7.14	NM
Weighted average shares outstanding:								
Basic	135.9	135.3		135.8		135.8	135.3	
Diluted	135.9	135.5		135.9		135.9	135.3	

(See Accompanying Notes on Page 2)

American International Group, Inc.
Consolidated Statement of Income (Loss)
Notes

- (1) Includes gains (losses) from hedging activities that did not qualify for hedge accounting, including the related foreign exchange gains and losses (Refer to page 5), and other-than-temporary impairment charges (Refer to page 45).
- (2) Includes the net gain (loss) on sales of divested businesses that did not qualify as discontinued operations.
- (3) Refer to page 7 for details of AIG's discontinued operations.

American International Group, Inc.
Consolidated Statement of Segment Operations
(in millions, except share data)

	Three Months Ended					Nine Months Ended		
	Sept. 30, 2010	Sept. 30, 2009	% Inc. (Dec.)	June 30, 2010	% Inc. (Dec.)	Sept. 30, 2010	Sept. 30, 2009	% Inc. (Dec.)
General Insurance								
Net premiums written	\$ 8,598	\$ 8,072	6.5 %	\$ 7,792	10.3 %	\$ 24,034	\$ 23,724	1.3 %
Net premiums earned	8,597	7,936	8.3	7,733	11.2	23,971	24,231	(1.1)
Claims and claims adjustment expenses incurred	6,109	5,995	1.9	5,575	9.6	17,143	17,422	(1.6)
Change in deferred acquisition costs	(257)	(74)	NM	(104)	NM	(379)	(54)	NM
Other underwriting expenses	2,680	2,429	10.3	2,420	10.7	7,492	6,855	9.3
Underwriting profit (loss)	65	(414)	NM	(158)	NM	(285)	8	NM
Net investment income	1,007	1,133	(11.1)	1,113	(9.5)	3,191	2,437	30.9
Operating income before net realized capital gains (losses) and bargain purchase gain	1,072	719	49.1	955	12.3	2,906	2,445	18.9
Net realized capital gains (losses)	(207)	(37)	NM	58	NM	(12)	(682)	NM
Bargain purchase gain (1)	-	-	NM	-	NM	332	-	NM
Pre-tax income	865	682	26.8	1,013	(14.6)	3,226	1,763	83.0
Domestic Life Insurance & Retirement Services								
Premiums and other considerations	1,268	1,277	(0.7)	1,315	(3.6)	3,898	4,048	(3.7)
Deposits and other considerations not included in revenues under GAAP	3,170	3,081	2.9	3,653	(13.2)	10,245	9,392	9.1
Premiums, deposits and other considerations	4,438	4,358	1.8	4,968	(10.7)	14,143	13,440	5.2
Net investment income	2,656	2,739	(3.0)	2,628	1.1	7,991	6,890	16.0
Operating income before net realized capital gains (losses)	978	1,207	(98.3)	1,054	(7.2)	3,155	1,301	142.5
Net realized capital gains (losses)	20	(1,429)	NM	(966)	NM	(1,742)	(3,150)	NM
Pre-tax income (loss)	998	(222)	NM	88	NM	1,413	(1,849)	NM
Foreign Life Insurance & Retirement Services (2)								
Premiums and other considerations	2,559	2,232	14.7	2,458	4.1	7,387	6,693	10.4
Deposits and other considerations not included in revenues under GAAP	988	1,196	(17.4)	842	17.3	2,621	2,423	8.2
Premiums, deposits and other considerations	3,547	3,428	3.5	3,300	7.5	10,008	9,116	9.8
Net investment income	1,305	1,297	0.6	892	46.3	2,918	3,908	(25.3)
Operating income before net realized capital gains	534	409	30.6	607	(12.0)	1,705	1,115	52.9
Net realized capital gains	157	122	28.7	154	1.9	386	202	91.1
Pre-tax income	691	531	30.1	761	(9.2)	2,091	1,317	58.8
Financial Services (3)								
Operating income (loss), excluding non-qualifying derivative hedging activities and net realized capital gains (losses) (4)	(81)	1,238	NM	25	NM	(227)	1,439	NM
Non-qualifying derivative hedging activities	-	(3)	NM	-	NM	-	3	NM
Net realized capital gains (losses)	(8)	(85)	NM	(1)	NM	(40)	90	NM
Pre-tax income (loss)	(89)	1,150	NM	24	NM	(267)	1,532	NM
Other before net realized capital gains (losses)	(1,888)	(2,195)	NM	(738)	NM	(3,152)	(8,478)	NM
Other net realized capital gains (losses)	(618)	(869)	NM	241	NM	(287)	(547)	NM
Consolidation and elimination adjustments (5)	463	406	14.0	230	101.3	774	438	76.7
Income (loss) from continuing operations before income tax expense (benefit)	422	(517)	NM	1,619	(73.9)	3,798	(5,824)	NM
Income tax expense (benefit) (6)	469	(408)	NM	1,028	NM	1,044	(1,510)	NM
Income (loss) from continuing operations	(47)	(109)	NM	591	(108.0)	2,754	(4,314)	NM
Income (loss) from discontinued operations, net of tax	(1,844)	94	NM	(2,706)	NM	(4,329)	1,011	NM
Net loss	(1,891)	(15)	NM	(2,115)	NM	(1,575)	(3,303)	NM
Less:								
Net income (loss) from continuing operations attributable to noncontrolling interests:								
Noncontrolling nonvoting, callable, junior and senior preferred interests								
held by Federal Reserve Bank of New York	388	-	NM	508	(23.6)	1,415	-	NM
Other	104	(496)	NM	20	420.0	243	(1,271)	NM
Total net income (loss) from continuing operations attributable to noncontrolling interests	492	(496)	NM	528	(6.8)	1,658	(1,271)	NM
Income from discontinued operations attributable to noncontrolling interests	12	26	(53.8)	13	(7.7)	35	44	(20.5)
Total net income (loss) attributable to noncontrolling interests	504	(470)	NM	541	(6.8)	1,693	(1,227)	NM
Net income (loss) attributable to AIG	(2,395)	455	NM	(2,656)	NM	(3,268)	(2,076)	NM
Income (loss) from discontinued operations attributable to AIG, net of tax	(1,856)	68	NM	(2,719)	NM	(4,364)	967	NM
Net gain (loss) on sale of divested businesses, net of tax	4	(773)	NM	93	(95.7)	21	(928)	NM
Net realized capital losses, net of tax	(464)	(798)	NM	(487)	NM	(1,177)	(3,590)	NM
Non-qualifying derivative hedging activities, excluding net realized capital losses, net of tax	121	335	(63.9)	(100)	NM	(88)	923	NM
Bargain purchase gain	-	-	NM	-	NM	332	-	NM
Adjusted net income (loss) attributable to AIG	\$ (200)	\$ 1,623	NM %	\$ 557	NM %	\$ 2,008	\$ 552	263.8 %
Income (loss) per common share attributable to AIG - diluted :								
Income (loss) from continuing operations	\$ (3.97)	\$ 0.58	NM	\$ (0.02)	NM	\$ 1.63	\$ (32.06)	NM
Income (loss) from discontinued operations	(13.65)	0.10	NM	(4.05)	NM	(6.51)	7.14	NM
Adjusted net income (loss)	\$ (1.47)	\$ 2.42	NM	\$ 0.83	NM	\$ 2.99	\$ 0.82	264.6
Weighted average shares outstanding - diluted	135.9	135.5		135.9		135.9	135.3	
Effective tax rates (7):								
Income (loss) from continuing operations	111.1%	79.0%		63.5%		27.5%	25.9%	
Net income (loss) attributable to AIG	(740.0)%	(388.0)%		66.2%		44.8%	31.5%	
Adjusted net income (loss)	145.9%	33.9%		48.0%		36.1%	(22.0)%	
Return on equity attributable to AIG	NM	2.8%		NM		NM	NM	
(See Accompanying Notes on Page 4)								

American International Group, Inc.
Consolidated Statement of Segment Operations
Notes

- (1) Represents a bargain purchase gain related to the purchase of additional voting shares of Fuji for \$145 million. (See Note (1) on Page 18) for additional information.
- (2) Following the classification of ALICO, AIG Star, AIG Edison and Nan Shan as discontinued operations, AIG's remaining Foreign Life Insurance & Retirement Services operations are conducted through AIA and AIRCO.
- (3) Refer to page 49 for discussion of segment reporting changes.
- (4) Includes unrealized market valuation gains and losses on Capital Markets' super senior credit default swap portfolio and the pre-tax effect of changes in credit spreads on the valuation of Capital Markets' derivatives.
- (5) Includes income from certain AIG managed partnerships, private equity and real estate funds that are consolidated. Such income is offset in net income (loss) attributable to noncontrolling interests, which is not a component of operating income.
- (6) Includes the effect of foreign operations and other permanent items, partially offset by a net release in the valuation allowance and tax exempt interest.
- (7) The calculation of the effective tax rates is as follows:

	Three Months Ended Sept. 30, 2010				Nine Months Ended Sept. 30, 2010			
	Income (loss) before tax	Income Tax Expense (benefit)	Net Income (loss)	Effective Tax Rate *	Income (loss) before tax	Income Tax Expense (benefit)	Net Income (loss)	Effective Tax Rate *
(dollars in millions)								
Income (loss) from continuing operations	\$ 422	\$ 469	\$ (47)	111.1%	\$ 3,798	\$ 1,044	\$ 2,754	27.5%
Noncontrolling interests	486	(6)	492		1,811	153	1,658	
Income (loss) attributable to AIG	(64)	475	(539)	-740.0%	1,987	891	1,096	44.8%
Net realized capital losses	(690)	(226)	(464)		(1,478)	(301)	(1,177)	
Non-qualifying derivative hedging gains (losses)	186	65	121		(136)	(48)	(88)	
Gain on sale of divested businesses	4	-	4		126	105	21	
Bargain purchase gain	-	-	-		332	-	332	
Adjusted net income (loss)	\$ 436	\$ 636	\$ (200)	145.9%	\$ 3,143	\$ 1,135	\$ 2,008	36.1%

* Effective tax rates are calculated based on Income (loss) from continuing operations and excludes discontinued operations.

American International Group, Inc.
Summary of Non-qualifying Derivative Hedging Activities (1)
(in millions)

	Three Months Ended			Nine Months Ended	
	Sept. 30, 2010	Sept. 30, 2009	June 30, 2010	Sept. 30, 2010	Sept. 30, 2009
Effect on income (loss) from continuing operations before net realized capital gains (losses):					
Financial Services	\$ -	\$ (3)	\$ -	\$ -	\$ 3
Intercompany Eliminations: Continuing Operations (2)	92	393	49	(19)	1,269
Discontinued Operations (2)	218	114	(277)	(118)	201
Foreign Exchange Rates on Economically Hedged Debt Exposures for Financial Services (3):	(124)	12	75	1	(53)
Total pre-tax effect	<u>186</u>	<u>516</u>	<u>(153)</u>	<u>(136)</u>	<u>1,420</u>
Total after-tax effect	<u>121</u>	<u>335</u>	<u>(100)</u>	<u>(88)</u>	<u>923</u>
Effect on net realized capital gains (losses) (4):					
Financial Services	(4)	(74)	6	(6)	102
General Insurance	32	35	36	33	(31)
Domestic Life Insurance & Retirement Services (5)	(315)	(789)	361	(333)	(972)
Foreign Life Insurance & Retirement Services	249	125	140	315	153
Other	538	(341)	65	309	1,416
Eliminations and Reclassifications (6)	(57)	336	(14)	265	(1,121)
Total pre-tax effect	<u>443</u>	<u>(708)</u>	<u>594</u>	<u>583</u>	<u>(453)</u>
Total after-tax effect	<u>288</u>	<u>(460)</u>	<u>386</u>	<u>379</u>	<u>(294)</u>
Non-qualifying derivative hedging activities effect on total income:					
Total pre-tax effect	<u>629</u>	<u>(192)</u>	<u>441</u>	<u>447</u>	<u>967</u>
Total after tax-effect	<u>409</u>	<u>(125)</u>	<u>286</u>	<u>291</u>	<u>629</u>
Effect of non-qualifying derivative hedging activities included in discontinued operations (7):					
Foreign Life Insurance & Retirement Services	(39)	(102)	(211)	(223)	(108)
Other	(292)	15	2	(229)	(246)
Eliminations and Reclassifications - Discontinued Operations	(172)	126	102	(169)	160
Total pre-tax effect	<u>(503)</u>	<u>39</u>	<u>(107)</u>	<u>(621)</u>	<u>(194)</u>
Total after tax-effect	<u>\$ (327)</u>	<u>\$ 25</u>	<u>\$ (70)</u>	<u>\$ (404)</u>	<u>\$ (126)</u>

- (1) This schedule summarizes the effect of derivative gains and losses on operating income that are effective economic hedges of investments and borrowings that did not qualify for hedge accounting. Since hedge accounting has not been applied to the periods presented, an offsetting gain or loss on the hedged exposure has not been recognized in operating income. The mismatch in the earnings recognition on the derivatives and the hedged exposures has resulted in volatility in the operating results that does not reflect properly the effectiveness of these hedging activities.
- (2) Represents the elimination of revenues reported in the Financial Services segment from intercompany hedging activities.
- (3) Represents the reclassification of revenues reported in the Financial Services segment arising from foreign exchange rate movements on economically hedged exposures.
- (4) In general, AIG credit spreads narrowed for the three months ended September 30, 2010, generating losses on derivative liabilities.
- (5) The majority of the realized capital loss for the three months ended September 30, 2010 was driven by short positions on the equity market via exchange traded put options. Does not include the effect of GICs.
- (6) Represents the elimination of net realized capital gains (losses) from intercompany hedging activities and the reclassification of foreign exchange rates on economically hedged exposures.
- (7) Represents the impact on net realized capital gains (losses) for ALICO, AIG Star, AIG Edison, Nan Shan and AGF.

American International Group, Inc.
Consolidated Balance Sheet
(in millions)

	September 30, 2010	December 31, 2009
Assets:		
Investments:		
Fixed maturity securities *	\$ 325,047	\$ 396,794
Equity securities	16,752	17,840
Mortgage and other loans receivable, net of allowance	22,943	27,461
Finance receivables, net of allowance	1,262	20,327
Flight equipment primarily under operating leases, net of accumulated depreciation	39,875	44,091
Other invested assets	36,006	45,235
Securities purchased under agreements to resell, at fair value	905	2,154
Short-term investments	34,462	47,263
Total investments	477,252	601,165
Cash	1,668	4,400
Accrued investment income	4,161	5,152
Premiums and other receivables, net of allowance	17,035	16,549
Reinsurance assets, net of allowance	24,515	22,425
Current and deferred income taxes	53	4,108
Deferred policy acquisition costs	25,300	40,814
Real estate and other fixed assets, net of accumulated depreciation	3,237	4,142
Unrealized gain on swaps, options and forward transactions, at fair value	7,639	9,130
Goodwill	1,447	6,195
Other assets, including prepaid commitment asset	16,607	18,976
Separate account assets, at fair value	58,209	58,150
Assets held for sale	234,842	56,379
Total assets	\$ 871,965	\$ 847,585
Liabilities:		
Liability for unpaid claims and claims adjustment expense	\$ 86,297	\$ 85,386
Unearned premiums	24,633	21,363
Future policy benefits for life and accident and health insurance contracts	78,655	116,001
Policyholder contract deposits	135,545	220,128
Other policyholder funds	13,375	13,252
Commissions, expenses and taxes payable	3,455	4,950
Insurance balances payable	3,380	4,393
Funds held by companies under reinsurance treaties	701	774
Securities sold under agreements to repurchase	3,901	3,505
Securities and spot commodities sold but not yet purchased, at fair value	163	1,030
Unrealized loss on swaps, options and forward transactions, at fair value	6,455	5,403
Trust deposits and deposits due to banks and other depositors	936	1,641
Other liabilities	22,308	22,503
Federal Reserve Bank of New York Commercial Paper Funding Facility	-	4,739
Federal Reserve Bank of New York credit facility	20,470	23,435
Other long-term debt	93,419	113,298
Separate account liabilities	58,209	58,150
Liabilities held for sale	209,323	48,599
Total liabilities	761,225	748,550
Commitments, contingencies and guarantees		
Redeemable noncontrolling interests in partially owned consolidated subsidiaries	2,027	959
AIG shareholders' equity:		
Preferred Stock, Series E	41,605	41,605
Preferred Stock, Series F	7,378	5,179
Preferred Stock, Series C	23,000	23,000
Common stock	354	354
Treasury stock, at cost	(873)	(874)
Additional paid-in capital	5,864	6,358
Accumulated deficit	(14,486)	(11,491)
Unrealized appreciation (depreciation) of fixed maturity securities on which other-than-temporary credit impairments were taken, net of tax	(891)	(1,810)
Unrealized appreciation (depreciation) of all other investments, net of tax	18,923	7,145
Net derivative gains (losses) arising from cash flow hedging activities, net of tax	(65)	(128)
Foreign currency translation adjustments, net of tax	1,487	1,630
Retirement plan liabilities adjustment, net of tax	(1,454)	(1,144)
Total AIG shareholders' equity	80,842	69,824
Noncontrolling interests:		
Noncontrolling nonvoting, callable, junior and senior preferred interests held by Federal Reserve Bank of New York	25,955	24,540
Other	1,916	3,712
Total noncontrolling interests	27,871	28,252
Total equity	108,713	98,076
Total liabilities and equity	\$ 871,965	\$ 847,585

* Includes interests in Maiden Lane II and Maiden Lane III of \$1.2 billion and \$5.9 billion, respectively, as of September 30, 2010.

American International Group, Inc.
Discontinued Operations

The table below reflects the results of operations for companies classified as discontinued operations. ALICO, Nan Shan, AIG Star and AIG Edison were previously a component of the Foreign Life Insurance & Retirement Services reportable segment and AGF was previously a component of Financial Services reportable segment. The sale of ALICO closed on November 1, 2010 and AIG expects that the AGF sale will close in the fourth quarter of 2010, and that the AIG Star and AIG Edison sales will close during the first quarter of 2011, in each case subject to regulatory approvals and customary closing conditions. Similarly, a sale of Nan Shan is expected to close within 12 months.

A summary of income (loss) from discontinued operations is as follows:

	Three Months Ended					Nine Months Ended		
	Sept. 30, 2010	Sept. 30, 2009	% Inc. (Dec.)	June 30, 2010	% Inc. (Dec.)	Sept. 30, 2010	Sept. 30, 2009	% Inc. (Dec.)
<i>(in millions)</i>								
Pre-Tax Income (loss):								
ALICO	\$ 537	\$ 370	45 %	\$ 488	10 %	\$ 1,568	\$ 941	67 %
Nan Shan	114	149	(23)	(31)	NM	208	790	(74)
AIG Star and AIG Edison	449	75	499	85	428	623	(129)	NM
AGF	(393)	(214)	NM	205	NM	(144)	(658)	NM
Interest allocation	(135)	(143)	NM	(137)	NM	(407)	(487)	NM
Consolidation Adjustments	154	75	105	(250)	NM	(209)	111	NM
Income before net realized capital gains	726	312	133	360	102	1,639	568	189
Star and Edison goodwill impairment	(1,254)	-	NM	-	NM	(1,254)	-	NM
ALICO goodwill impairment	-	-	NM	(3,310)	NM	(3,310)	-	NM
Loss on sale of Nan Shan	(104)	-	NM	(294)	NM	(505)	-	NM
Loss on sale of AGF	(1,866)	-	NM	-	NM	(1,866)	-	NM
Income (loss) from discontinued operations before income tax expense (benefit)	(2,498)	312	NM	(3,244)	NM	(5,296)	568	NM
Income tax expense (benefit)	(654)	218	NM	(538)	NM	(967)	(443)	NM
Income (loss) from discontinued operations, net of tax	(1,844)	94	NM	(2,706)	NM	(4,329)	1,011	NM
Income (loss) from discontinued operations attributable to noncontrolling interests	(12)	(26)	NM	(13)	NM	(35)	44	NM
Income (loss) from discontinued operations attributable to AIG	\$ (1,856)	\$ 68	NM %	\$ (2,719)	NM %	\$ (4,364)	\$ 967	NM %

American International Group, Inc.
Assets Held for Sale

Assets and liabilities held for sale at September 30, 2010 and December 31, 2009 presented below include the following businesses held for sale.

- AGF, AIG Star and AIG Edison at September 30, 2010;
- ALICO and Nan Shan at September 30, 2010 and December 31, 2009;
- AIG Bank Polska and AIG's investment advisory and third party asset management businesses at December 31, 2009. These sales were completed during 2010.

<i>(in millions)</i>	September 30, 2010	December 31, 2009
Assets:		
Fixed maturity securities	\$ 157,807	\$ 34,495
Deferred policy acquisition costs	17,533	3,322
Equity securities	8,163	2,947
Other invested assets	11,224	4,256
Short-term investments	10,442	3,501
Separate account assets	3,733	3,467
Mortgage and other loans receivable, net	8,329	3,997
Finance receivables, net	15,964	-
Goodwill	9	25
Other assets	664	369
Total assets of businesses held for sale	233,868	56,379
Flight equipment*	974	-
Assets held for sale	234,842	56,379
Liabilities:		
Future policy benefits for life and accident and health insurance contracts	\$ 85,865	\$ 38,023
Policyholder contract deposits	91,571	3,133
Separate account liabilities	3,733	3,467
Other long-term debt	17,464	-
Other liabilities	10,690	3,976
Total Liabilities of businesses held for sale	\$ 209,323	\$ 48,599

* Represents 28 aircraft that remain to be sold under agreements for sale by ILFC as of September 30, 2010.

American International Group, Inc.
Debt and Capital
(dollars in millions)

	Debt and Hybrid Capital			Interest Expense (a)			
	Sept. 30, 2010	Dec. 31, 2009	Inc. (Dec.)	Three Months Ended		Nine Months Ended	
				Sept. 30, 2010	Sept. 30, 2009	Sept. 30, 2010	Sept. 30, 2009
Financial debt:							
FRBNY Credit Facility	\$ 20,470	\$ 23,435	(12.7) %	\$ 1,319 (b)	\$ 1,252 (b)	\$ 2,907 (b)	\$ 4,156 (b)
AIG notes and bonds payable	9,554	10,419	(8.3)	121	132	369	389
AIG loans and mortgage payable	213	438	(51.4)	-	-	-	-
AIGLH notes and bonds payable	298	798	(62.7)	9	14	39	44
Liabilities connected to trust preferred stock	1,339	1,339	-	26	27	80	81
AIG loans to financial services subsidiaries	198	(1,213)	NM	- (c)	- (c)	- (c)	- (c)
AIG Funding loans to financial services subsidiaries- net	(610)	(3,505)	NM	- (c)	- (c)	- (c)	- (c)
Total	31,462	31,711	(0.8)	1,475	1,425	3,395	4,670
Operating debt:							
AIG Funding commercial paper	-	1,997	NM	-	22	3	89
MIP matched notes and bonds payable	12,052	13,371	(9.9)	98	103	292	322
Series AIGFP matched notes and bonds payable	4,037	3,913	3.2	75	76	227	227
Other AIG borrowings supported by assets (d)	13,300	15,937	(16.5)	-	-	-	-
ILFC borrowings	30,126	26,173	15.1	338	270	873	875
AGF borrowings	-	20,119	NM	-	-	-	-
AIGCFG borrowings	33	216	(84.7)	1	32	20	85
Other Subsidiaries	340	295	15.3	2	(3)	10	6
Borrowings of consolidated investments	4,439	5,141	(13.7)	39	3	114	73
AIG loans to financial services subsidiaries	(198)	1,213	NM	- (c)	- (c)	- (c)	- (c)
AIG Funding loans to financial services subsidiaries- net	610	3,505	(82.6)	- (c)	- (c)	- (c)	- (c)
Total	64,739	91,880	(29.5)	553	503	1,539	1,677
Hybrid - debt securities:							
Junior subordinated debt	11,808	12,001 (f)	(1.6)	216	222	657	650
Hybrid - mandatorily convertible units:							
Junior subordinated debt attributable to equity units	5,880	5,880 (e) (f)	-	86	85	261	256
Total	\$ 113,889	\$ 141,472	(19.5) %	\$ 2,330	\$ 2,235	\$ 5,852	\$ 7,253
AIG capitalization:							
Total equity	\$ 108,713	\$ 98,076	10.8 %				
Hybrid - debt securities	11,808	12,001 (f)	(1.6)				
Hybrid - mandatorily convertible units	5,880	5,880 (e) (f)	-				
Total consolidated equity and hybrid capital	126,401	115,957	9.0				
Financial debt	31,462	31,711	(0.8)				
Total capital	\$ 157,863	\$ 147,668	6.9 %				
Ratios:							
Total equity / Total capital	68.9%	66.4%					
Hybrid - debt securities / Total capital	7.5%	8.1%					
Hybrid - mandatorily convertible units / Total capital	3.7%	4.0%					
Financial debt / Total capital	19.9%	21.5%					

- (a) Includes \$172 million, \$142 million, \$518 million, and \$573 million of interest expense in the three-month periods ended September 30, 2010 and 2009 and nine-month periods ended September 30, 2010 and 2009, respectively, reported in Other Income (loss) and Policy acquisition and other insurance expenses on the Consolidated Statement of Income (Loss).
- (b) Includes \$135 million, \$143 million, \$407 million, and \$487 million of interest expense in the three-month periods ended September 30, 2010 and 2009 and nine-month periods ended September 30, 2010 and 2009, respectively allocated to discontinued operations.
- (c) Amounts are eliminated in consolidation.
- (d) Borrowings are carried at fair value with fair value adjustments reported in Other income (loss) on the Consolidated Statement of Income (Loss).
Contractual interest payments amounted to \$286 million and \$584 million for the nine months ended September 30, 2010 and twelve months ended December 31, 2009, respectively.
- (e) The equity units consist of an ownership interest in AIG junior subordinated debentures and a stock purchase contract obligating the holder of an equity unit to purchase, and obligating AIG to sell, a variable number of shares of AIG common stock on three dates in 2011. On October 8, 2010, AIG commenced an offer to exchange up to 95% of the equity units for common stock and cash.
- (f) The equity units and junior subordinated debentures receive hybrid equity treatment from the major rating agencies under their current policies but are recorded as long-term borrowings on the consolidated balance sheet.

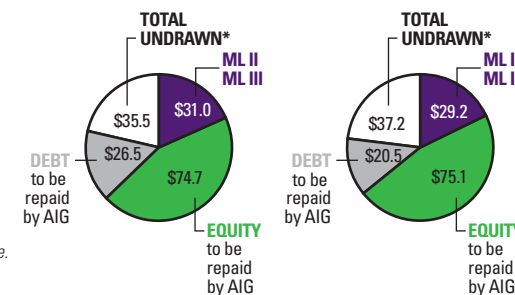


Understanding AIG's Obligations to the U.S. Government

Support provided to AIG includes a Federal Reserve Bank of New York (FRBNY) Revolving Credit Facility, a U.S. Treasury Department direct equity investment in AIG through TARP, which includes a commitment to provide cash funding, and an FRBNY preferred equity interest in Alico and AIA special purpose vehicles (SPVs). At September 30, 2010, AIG owed the U.S. government an outstanding debt and equity balance of \$95.6 billion. The balance outstanding on the FRBNY loans to the Maiden Lane II and Maiden Lane III SPVs, \$14.1 billion and \$15.1 billion, respectively, are not obligations of AIG and are not reflected on AIG's balance sheet.

as of 6/30/2010

as of 9/30/2010



* AIG has not drawn the full amount of the government assistance available. The Total Undrawn is the remaining balance available to AIG on the Treasury Series F commitment and the FRBNY Revolving Credit Facility.

Total Outstanding Assistance <i>Does not include AIG's participation in the FRBNY Commercial Paper Funding Facility</i>	\$132.1 billion	\$124.8 billion
Outstanding debt and equity balance requiring repayment by AIG <i>The difference between the government assistance outstanding and the balance requiring repayment is attributable to the outstanding on the Maiden Lane II and III loans.</i>	\$101.2 billion	\$95.6 billion

DEBT FRBNY Revolving Credit Facility (\$29.18 billion available capacity at 9/30/10)

The Federal Reserve Bank of New York (FRBNY) initially provided AIG with a revolving credit facility of \$85 billion. That facility was reduced to \$60 billion in November 2008 with proceeds from the Treasury's TARP share purchase, and to \$35 billion in December 2009, when AIG closed two transactions with the FRBNY that reduced the debt AIG owed the FRBNY by \$25 billion in exchange for the FRBNY's acquisition of preferred equity interests in the AIA and Alico SPVs(see below). As of September 30, 2010, the facility availability was reduced to \$29.18 billion as a result of mandatory prepayments relating to asset sales. The outstanding balance includes accumulated interest and fees. Accumulated interest does not reduce the available balance of the revolving credit facility. (Refer to page 11 for discussion of capital structure and ranking of obligations.)

\$6.0 billion	\$6.2 billion
\$20.5 billion	\$14.3 billion

EQUITY U.S. Dept. of Treasury TARP Series D/E Shares (\$40 billion authorized)

Treasury purchased Series D cumulative preferred stock from AIG in November 2008. AIG used the proceeds to pay down the FRBNY Revolving Credit Facility. These shares were later exchanged for Series E noncumulative preferred shares. Unpaid dividends on the Series D shares were added to the liquidation preference of the Series E shares.

\$41.6 billion	\$41.6 billion
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EQUITY U.S. Dept. of Treasury TARP Series F Shares (\$29.835 billion authorized)

Through the purchase of AIG's Series F noncumulative preferred shares, the Treasury has committed to provide to AIG up to \$29.835 billion to meet liquidity and capital needs in exchange for an increase in the aggregate liquidation preference of the Series F shares

\$7.5 billion	\$7.5 billion
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EQUITY Preferred Interests in the AIA and Alico SPVs held by FRBNY (\$25 billion authorized)

In December 2009, AIG transferred to the FRBNY preferred equity interests in newly-formed special purpose vehicles (SPVs) in exchange for a \$25 billion reduction of the balance outstanding and the maximum credit available under the FRBNY Credit Facility. The FRBNY holds a preferred interest in the AIA SPV for \$16 billion and a preferred interest in the Alico SPV for \$9 billion.

\$25.6 billion	\$26.0 billion
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FRBNY Investment in AIG-related RMBS Maiden Lane II SPV (\$22.5 billion authorized)

In November 2008, FRBNY created this SPV to provide AIG liquidity by purchasing residential mortgage backed securities from AIG life insurance and retirement services companies. FRBNY provided a loan to Maiden Lane II for the purchases. It also terminated a previously established securities lending arrangement with AIG. The actual amount funded was \$19.5 billion. Loans to ML II are expected to be repaid with the proceeds from the interest and principal payments or from the liquidation of the assets in the facility.

\$14.7 billion	\$14.1 billion
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FRBNY Investment in AIG-related CDOs Maiden Lane III SPV (\$30 billion authorized)

In November 2008, FRBNY created this SPV to provide AIG liquidity by purchasing collateralized debt obligations (CDOs) from AIG Financial Products Corp. counterparties in connection with the termination of credit default swaps (CDSs) and surrender of the collateral by AIGFP. FRBNY provided a loan to the SPV for the purchases. The actual amount funded was \$24.3 billion. Loans to ML III are expected to be repaid with the proceeds from the interest and principal payments or from the liquidation of the assets in the facility

\$16.3 billion	\$15.1 billion
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AMERICAN INTERNATIONAL GROUP, INC.
CAPITAL STRUCTURE

Note that all obligations within the same level rank *pari passu* (equally and without preference) unless otherwise noted.

LEVEL RANK	LEVEL NAME	DESCRIPTION OF OBLIGATION
ONE	SECURED	FRBNY Credit Facility
TWO	SENIOR UNSECURED	<ul style="list-style-type: none"> o AIG Senior Debt Securities (including MIP and “Series AIGFP”) o Guarantees by AIG of subsidiary indebtedness and payment obligations⁽¹⁾
THREE	JUNIOR SUBORDINATED	<ul style="list-style-type: none"> o Series A-1 through A-8 junior subordinated debentures (aka “hybrid securities”) o Series B-1, B-2 and B-3 junior subordinated debentures (aka debt issued as part of “Equity Units”)
FOUR	SENIOR PREFERRED STOCK <ul style="list-style-type: none"> o Series E Preferred Stock⁽²⁾ o Series F Preferred Stock⁽³⁾ 	Senior “TARP” Fixed Rate Non-Cumulative Perpetual Preferred Stock
FIVE	JUNIOR PREFERRED STOCK <ul style="list-style-type: none"> o Series C Preferred Stock 	Perpetual, Convertible, Participating Preferred Stock
SIX	COMMON STOCK	Common Stock, par value \$2.50 per share

⁽¹⁾ Note that the guarantees by AIG of the American General (*i.e.*, AIG Life Holdings (US), Inc.) trust preferred securities (American General Capital II, American General Institutional Capital A and American General Institutional Capital B) only apply to payments actually made to the trust in respect of the underlying American General junior subordinated debentures, and AIG’s guarantee of the debentures is subordinate to the guarantees by AIG of the American General (*i.e.*, AIG Life Holdings (US), Inc.) senior debt; no payments may be made on this guarantee if American General is prohibited from making payments on the debentures.

⁽²⁾ On April 17, 2009, AIG entered into an exchange agreement with the Department of the Treasury pursuant to which, among other things, the Department of the Treasury exchanged 4,000,000 shares of the Series D Fixed Rate Cumulative Perpetual Preferred Stock, par value \$5.00 per share (the Series D Preferred Stock), for 400,000 shares of AIG’s Series E Fixed Rate Non-Cumulative Perpetual Preferred Stock, par value \$5.00 per share (the “Series E Preferred Stock”).

⁽³⁾ On April 17, 2009, AIG entered into a purchase agreement with the Department of the Treasury pursuant to which, among other things, AIG issued and sold to the Department of the Treasury 300,000 shares of Series F Fixed Rate Non-Cumulative Perpetual Preferred Stock, par value \$5.00 per share (the “Series F Preferred Stock”), each share with a zero initial liquidation preference, and a warrant to purchase up to 150 shares of AIG’s common stock, par value \$2.50 per share. Pursuant to the purchase agreement, the Department of the Treasury has committed for five years to provide immediately available funds in an amount up to \$29.835 billion so long as on the applicable drawdown date (i) AIG is not a debtor in a pending case under Title 11 of the United States Code and (ii) the AIG Credit Facility Trust, a trust established for the sole benefit of the United States Treasury, and the Department of the Treasury in the aggregate beneficially own more than 50 percent of the aggregate voting power of AIG’s voting securities. The liquidation preference of each share of the AIG Series F Preferred Stock increases by the pro rata amount of any drawdown on the commitment.

On September 30, 2010 AIG entered into a Recapitalization Agreement in Principle. See Note 1 to the September 30, 2010 Form 10-Q for discussion.

American International Group, Inc.
Book Value per Common Share
(dollars in millions, except per share amounts)

		(1÷3) Book Value Per Share	(2÷3) Book Value Per Share, Excluding Unrealized Appreciation (Depreciation) on Investments	Pro Forma Book Value Per Share (a)(c)	(1) Total AIG Shareholders' Equity	(2) Total AIG Shareholders' Equity, excluding Unrealized Appreciation (Depreciation) on Investments	(3) Total Common Shares Outstanding
December 31, 2006	\$	781.77	\$ 704.24	\$ -	\$ 101,677	\$ 91,594	130,059,810
December 31, 2007		757.45	722.86	-	95,801	91,426	126,479,203
December 31, 2008		391.94	425.05	-	52,710	57,162	134,483,454
December 31, 2009		516.94	477.44	42.11	69,824	64,489	135,070,907
March 31, 2010	(b)	558.26	506.06	45.18	75,332	68,288	134,944,484
June 30, 2010		558.56	483.32	45.25	75,470	65,304	135,116,300
September 30, 2010		598.22	464.78	48.24	80,842	62,810	135,138,427

(a) At September 30, 2010, pro forma book value per share is computed as follows:

		\$80,842	+	\$5,880	
		Total AIG Shareholders' equity + Conversion of equity units			
					= \$48.24
Total common shares outstanding + common shares issuable on conversion of equity units + common shares issuable for conversion of Series C,E,F preferred stock					
	135,138,427	+	7,736,904	+	1,655,000,000

(b) Amounts at March 31, 2010 have been revised to reflect the Fuji bargain purchase gain. See Note (1) on Page 18 for further information.

(c) Prior period amounts have been revised to reflect the exchange of Series C, E and F preferred stock for AIG common stock in accordance with Recapitalization Agreement in Principle.

American International Group, Inc.
General Insurance Operating Statistics

(dollars in millions)

	Three Months Ended					Nine Months Ended		
	Sept. 30, 2010	Sept. 30, 2009	% Inc. (Dec.)	June 30, 2010	% Inc. (Dec.)	Sept. 30, 2010	Sept. 30, 2009	% Chg
Gross premiums written	\$ 10,698	\$ 10,824	(1.2) %	\$ 9,553	12.0 %	\$ 31,759	\$ 32,190	(1.3) %
Ceded premiums written	2,100	2,752	(23.7)	1,761	19.3	7,725	8,466	(8.8)
Net premiums written (1)	8,598	8,072	6.5	7,792	10.3	24,034	23,724	1.3
Net premiums earned	8,597	7,936	8.3	7,733	11.2	23,971	24,231	(1.1)
Paid losses	6,318	5,840	8.2	5,634	12.1	15,693	17,675	(11.2)
Change in net loss reserves	311	402	(22.6)	(604)	NM	914	730	25.2
Less foreign exchange effect	520	247	110.5	(545)	NM	(536)	983	NM
Claims and claims adjustment expenses incurred (2) (3)	6,109	5,995	1.9	5,575	9.6	17,143	17,422	(1.6)
Change in deferred acquisition costs	(257)	(74)	NM	(104)	NM	(379)	(54)	NM
Other underwriting expenses	2,680	2,429	10.3	2,420	10.7	7,492	6,855	9.3
Underwriting profit (loss)	65	(414)	NM	(158)	NM	(285)	8	NM
Net investment income								
Interest and dividends	873	863	1.2	850	2.7	2,568	2,655	(3.3)
Partnership income (loss)	16	171	(90.6)	220	(92.7)	383	(327)	NM
Mutual funds	(13)	63	NM	(25)	NM	(39)	147	NM
Other investment income (4)	117	61	91.8	142	(17.6)	367	155	136.8
Investment expense	14	(25)	NM	(74)	NM	(88)	(193)	(54.4)
Total	1,007	1,133	(11.1)	1,113	(9.5)	3,191	2,437	30.9
Operating income before net realized capital gains (losses)								
and bargain purchase gain	1,072	719	49.1	955	12.3	2,906	2,445	18.9
Net realized capital gains (losses)	(207)	(37)	NM	58	NM	(12)	(682)	NM
Bargain purchase gain (1)	-	-	NM	-	NM	332	-	NM
Pre-tax income	<u>\$ 865</u>	<u>\$ 682</u>	26.8 %	<u>\$ 1,013</u>	(14.6) %	<u>\$ 3,226</u>	<u>\$ 1,763</u>	83.0 %
Net loss and loss expense reserve (at period end)				<u>\$ 63,622</u>	0.6 %	<u>\$ 63,993</u>	<u>\$ 60,709</u>	5.4 %
Underwriting ratios:								
Loss ratio (3)	71.1	75.5		72.1		71.5	71.9	
Expense ratio	28.2	29.7		29.9		29.7	28.1	
Combined ratio	99.3	105.2		102.0		101.2	100.0	
Combined ratio excluding significant current year catastrophe-related losses	98.4	104.5		98.1		97.6	99.8	
Foreign exchange effect on worldwide growth:								
Net premiums written								
Growth in original currency (5)	5.8 %					(0.3) %		
Foreign exchange effect	0.7					1.6		
Growth as reported in U.S. \$	6.5 %					1.3 %		

* Historical results have been revised for changes in segment presentation. See page 49 for additional information.

(See Accompanying Notes on Page 18)

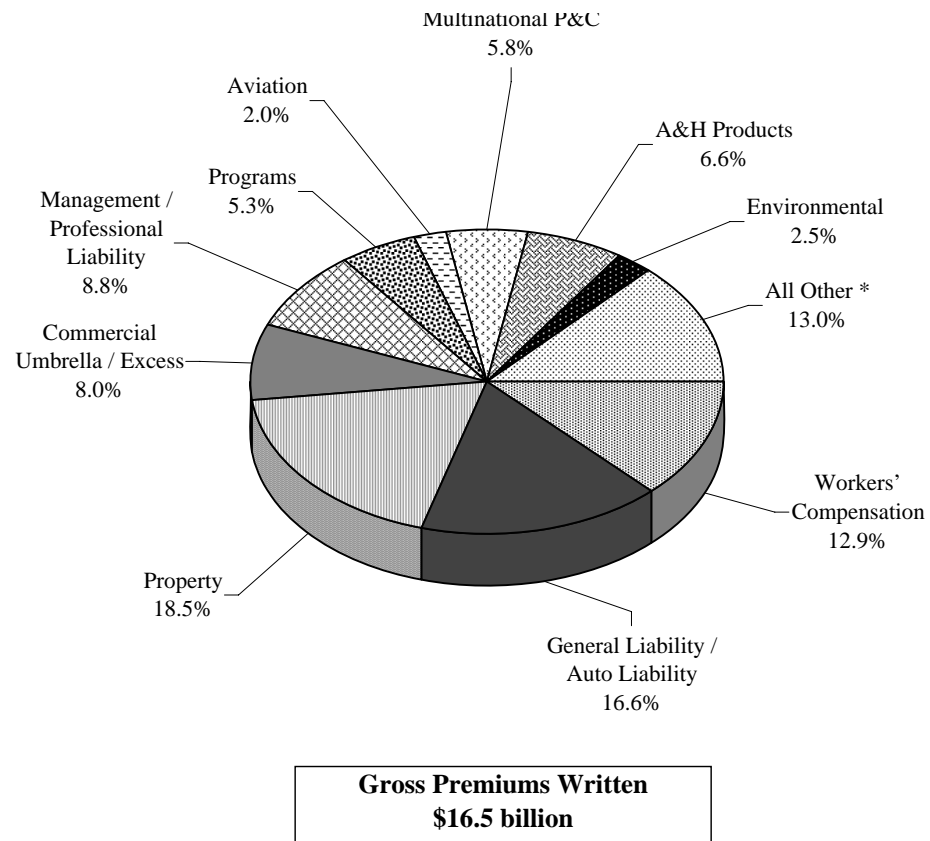
American International Group, Inc.
AIG Commercial Insurance Operating Statistics
(dollars in millions)

	Three Months Ended					Nine Months Ended		
	Sept. 30, 2010	Sept. 30, 2009	% Inc. (Dec.)	June 30, 2010	% Inc. (Dec.)	Sept. 30, 2010	Sept. 30, 2009	% Chg
Net premiums written	\$ 4,740	\$ 5,002	(5.2) %	\$ 4,738	- %	\$ 13,265	\$ 14,154	(6.3) %
Net premiums earned	4,637	4,807	(3.5)	4,580	1.2	13,779	14,982	(8.0)
Claims and claims adjustment expenses incurred (2)	3,698	4,077	(9.3)	3,763	(1.7)	10,935	12,121	(9.8)
Change in deferred acquisition costs	(35)	(68)	NM	(64)	NM	30	59	(49.2)
Other underwriting expenses	1,057	1,104	(4.3)	1,179	(10.3)	3,306	3,120	6.0
Underwriting loss	(83)	(306)	NM	(298)	NM	(492)	(318)	NM
Net investment income								
Interest and dividends	626	651	(3.8)	656	(4.6)	1,936	1,994	(2.9)
Partnership income (loss)	16	163	(90.2)	199	(92.0)	357	(214)	NM
Mutual funds	19	19	-	(31)	NM	(11)	34	NM
Other investment income (4)	96	62	54.8	123	(22.0)	281	143	96.5
Investment expense	28	(6)	NM	(57)	NM	(44)	(123)	(64.2)
Total	785	889	(11.7)	890	(11.8)	2,519	1,834	37.4
Operating income before net realized capital gains (losses)	702	583	20.4	592	18.6	2,027	1,516	33.7
Net realized capital gains (losses)	(185)	10	NM	(61)	NM	(249)	(575)	NM
Pre-tax income	<u>\$ 517</u>	<u>\$ 593</u>	(12.8) %	<u>\$ 531</u>	(2.6) %	<u>\$ 1,778</u>	<u>\$ 941</u>	88.9 %
Underwriting ratios:								
Loss ratio	79.7	84.8		82.2		79.4	80.9	
Expense ratio	22.0	21.6		24.3		24.2	21.2	
Combined ratio	101.7	106.4		106.5		103.6	102.1	
Combined ratio excluding significant current year catastrophe-related losses	100.7	105.3		101.3		100.1	101.7	

(See Accompanying Notes on Page 18)

American International Group, Inc.
AIG Commercial Insurance
Nine Months Ended September 30, 2010

Gross Premiums Written by Line of Business



* All Other includes \$901 million (5.5%) from the Private Client Group

American International Group, Inc.
Foreign General Insurance Operating Statistics
(dollars in millions)

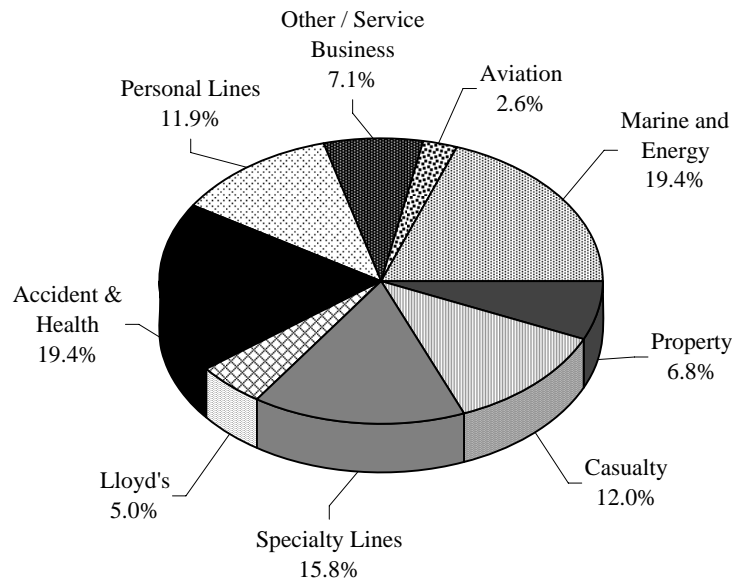
	Three Months Ended					Nine Months Ended		
	Sept. 30, 2010	Sept. 30, 2009	% Inc. (Dec.)	June 30, 2010	% Inc. (Dec.)	Sept. 30, 2010	Sept. 30, 2009	% Chg
Net premiums written (1)	\$ 3,858	\$ 3,070	25.7 %	\$ 3,054	26.3 %	\$ 10,769	\$ 9,570	12.5 %
Net premiums earned	3,960	3,129	26.6	3,153	25.6	10,192	9,249	10.2
Claims and claims adjustment expenses incurred (2) (3)	2,411	1,918	25.7	1,812	33.1	6,208	5,301	17.1
Change in deferred acquisition costs	(222)	(6)	NM	(40)	NM	(409)	(113)	NM
Other underwriting expenses	1,623	1,325	22.5	1,241	30.8	4,186	3,735	12.1
Underwriting profit (loss)	148	(108)	NM	140	5.7	207	326	(36.5)
Net investment income								
Interest and dividends	247	212	16.5	194	27.3	632	661	(4.4)
Partnership income (loss)	-	8	NM	21	NM	26	(113)	NM
Mutual funds	(32)	44	NM	6	NM	(28)	113	NM
Other investment income (4)	21	(1)	NM	19	10.5	86	12	NM
Investment expense	(14)	(19)	(26.3)	(17)	(17.6)	(44)	(70)	(37.1)
Total	222	244	(9.0)	223	(0.4)	672	603	11.4
Operating income before net realized capital gains (losses) and bargain purchase gain	370	136	172.1	363	1.9	879	929	(5.4)
Net realized capital gains (losses)	(22)	(47)	NM	119	NM	237	(107)	NM
Bargain purchase gain (1)	-	-	NM	-	NM	332	-	NM
Pre-tax income (6)	<u>\$ 348</u>	<u>\$ 89</u>	291.0 %	<u>\$ 482</u>	(27.8) %	<u>\$ 1,448</u>	<u>\$ 822</u>	76.2 %
Underwriting ratios:								
Loss ratio (3)	60.9	61.3		57.5		60.9	57.3	
Expense ratio	35.4	42.2		38.1		37.1	39.2	
Combined ratio	96.3	103.5		95.6		98.0	96.5	
Combined ratio excluding significant current year catastrophe-related losses	95.7	103.5		93.5		94.2	96.5	
Foreign exchange effect on Foreign General's growth:								
Net premiums written								
Growth in original currency (5)	23.8 %					8.5 %		
Foreign exchange effect	1.9					4.0		
Growth as reported in U.S. \$	25.7 %					12.5 %		

* Historical results have been revised for changes in segment presentation. See page 49 for additional information.

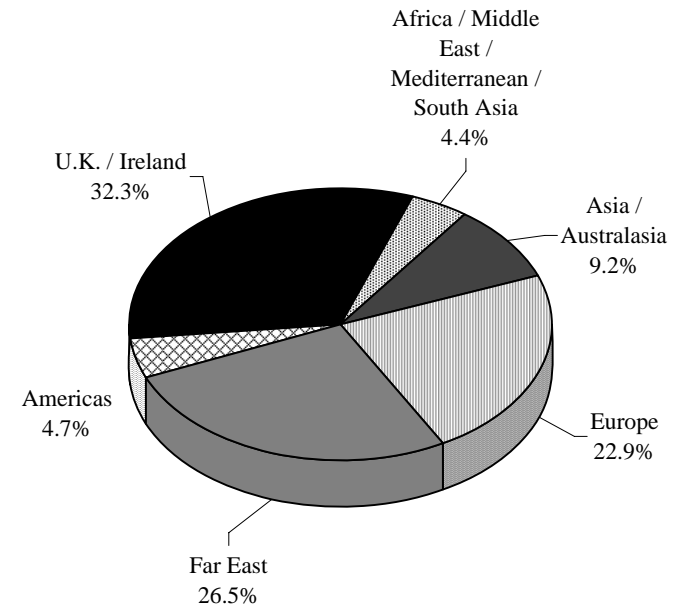
(See Accompanying Notes on Page 18)

American International Group, Inc.
Foreign General Insurance Gross Premiums Written
Nine Months Ended September 30, 2010

Gross Premiums Written by Line of Business



Gross Premiums Written by Region



Gross Premiums Written
\$15.5 billion

American International Group, Inc.
General Insurance
Notes

- (1) Foreign General Insurance began consolidating Fuji's results beginning in the third quarter of 2010. Accordingly, the growth in net premiums written reflect the consolidation of Fuji.

For the nine months ended September 30, 2010 includes a bargain purchase gain of \$332 million related to the acquisition of Fuji, which reflected an adjustment of \$74 million in the third quarter of 2010. AIG will retrospectively revise its results of operations for the three months ended March 31, 2010 when presenting comparative financial information containing that period.

- (2) Includes significant current year catastrophe-related losses and net reinstatement premiums as follows:

	Three Months Ended			Nine Months Ended	
	Sept. 30, 2010	Sept. 30, 2009	June 30, 2010	Sept. 30, 2010	Sept. 30, 2009
(in millions)					
AIG Commercial Insurance	\$ 47	\$ 55	\$ 223	\$ 480	\$ 55
Foreign General Insurance	25	-	64	383	-
Total	\$ 72	\$ 55	\$ 287	\$ 863	\$ 55

- (3) Total General Insurance and Foreign General Insurance include changes in future policy benefits for certain accident and health insurance contracts and Fuji life insurance.
- (4) Other investment income is comprised principally of real estate income, changes in market value associated with trading portfolios and income (loss) from equity method investments.
- (5) Computed using a constant exchange rate for each period.
- (6) Income statement accounts expressed in non-functional currencies are translated into U.S. dollars using average exchange rates.

American International Group, Inc.
Domestic Life Insurance & Retirement Services Operating Statistics
(dollars in millions)

	Three Months Ended						Nine Months Ended					
	Sept. 30, 2010	Sept. 30, 2009	% Inc. (Dec.)		June 30, 2010	% Inc. (Dec.)		Sept. 30, 2010	Sept. 30, 2009	% Inc. (Dec.)		
Premiums, deposits and other considerations (1)	\$ 4,438	\$ 4,358	1.8	%	\$ 4,968	(10.7)	%	\$ 14,143	\$ 13,440	5.2	%	
Revenues:												
Premiums and other considerations	\$ 595	\$ 630	(5.6)	%	\$ 658	(9.6)	%	\$ 1,920	\$ 2,065	(7.0)	%	
Fee Income	673	647	4.0		657	2.4		1,978	1,983	(0.3)		
Net investment income:												
Interest and dividends	2,517	2,487	1.2		2,408	4.5		7,401	6,948	6.5		
Partnership income (loss)	137	243	(43.6)		213	(35.7)		585	(74)	NM		
Other	45	39	15.4		44	2.3		127	108	17.6		
Investment expenses	(43)	(30)	NM		(37)	NM		(122)	(92)	NM		
Total net investment income	2,656	2,739	(3.0)		2,628	1.1		7,991	6,890	16.0		
Total revenues excluding net realized capital gains (losses)	3,924	4,016	(2.3)		3,943	(0.5)		11,889	10,938	8.7		
Benefits and expenses:												
Policyholder benefits and claims incurred	2,132	2,098	1.6		2,297	(7.2)		6,632	6,938	(4.4)		
Policy acquisition and other insurance expenses	764	663	15.2		788	(3.0)		2,252	2,778	(18.9)		
Total benefits and expenses	2,896	2,761	4.9		3,085	(6.1)		8,884	9,716	(8.6)		
Operating income excluding net realized capital gains (losses), goodwill impairment and related amortization of acquisition costs, VOBA and sales inducements	1,028	1,255	(18.1)		858	19.8		3,005	1,222	145.9		
Amortization (benefit) of deferred acquisition costs, VOBA and sales inducements related to net realized capital gains (losses)	50	(24)	NM		(196)	NM		(150)	(160)	NM		
Operating income before net realized capital gains (losses) and goodwill impairment	978	1,279	(23.5)		1,054	(7.2)		3,155	1,382	128.3		
Net realized capital gains (losses)	20	(1,429)	NM		(966)	NM		(1,742)	(3,150)	NM		
Goodwill impairment	-	(72)	NM		-	NM		-	(81)	NM		
Pre-tax income (loss)	\$ 998	\$ (222)	NM	%	\$ 88	NM	%	\$ 1,413	\$ (1,849)	NM	%	
Assets under management:												
Cash and investments					\$ 173,879	3.2	%	\$ 179,488	\$ 164,359	9.2	%	
Separate account reserves					46,904	8.5		50,905	49,677	2.5		
Group retirement mutual funds					7,511	11.7		8,388	8,260	1.5		
Retail mutual funds					5,521	5.6		5,832	5,886	(0.9)		
Total assets under management					\$ 233,815	4.6	%	\$ 244,613	\$ 228,182	7.2	%	

(1) Divested operations included in all lines except Premiums, deposits and other considerations.

American International Group, Inc.
Domestic Life Insurance Operating Statistics
(dollars in millions)

	Three Months Ended					Nine Months Ended		
	Sept. 30, 2010	Sept. 30, 2009	% Inc. (Dec.)	June 30, 2010	% Inc. (Dec.)	Sept. 30, 2010	Sept. 30, 2009	% Inc. (Dec.)
Premiums, deposits and other considerations (1) (2)	<u>\$ 1,148</u>	<u>\$ 1,310</u>	(12.4) %	<u>\$ 1,316</u>	(12.8) %	<u>\$ 3,787</u>	<u>\$ 4,162</u>	(9.0) %
Revenues:								
Premiums and other considerations	\$ 595	\$ 630	(5.6) %	\$ 658	(9.6) %	\$ 1,920	\$ 1,974	(2.7) %
Fee income (3)	397	382	3.9	370	7.3	1,140	1,188	(4.0)
Net investment income								NM
Interest and dividends (4)	1,089	1,028	5.9	1,012	7.6	3,106	2,881	7.8
Partnership income (loss)	11	(25)	NM	29	(62.1)	60	(164)	NM
Other	26	31	(16.1)	29	(10.3)	83	91	(8.8)
Investment expenses	(21)	(19)	NM	(20)	NM	(60)	(53)	NM
Total net investment income	1,105	1,015	8.9	1,050	5.2	3,189	2,755	15.8
Total revenues excluding net realized capital losses	<u>2,097</u>	<u>2,027</u>	3.5	<u>2,078</u>	0.9	<u>6,249</u>	<u>5,917</u>	5.6
Benefits and expenses:								
Policyholder benefits and claims incurred	1,253	1,209	3.6	1,305	(4.0)	3,878	3,707	4.6
Policy acquisition and other insurance expenses	466	425	9.6	393	18.6	1,248	1,321	(5.5)
Total benefits and expenses	<u>1,719</u>	<u>1,634</u>	5.2	<u>1,698</u>	1.2	<u>5,126</u>	<u>5,028</u>	1.9
Operating income excluding net realized capital losses and related amortization of acquisition costs, VOBA and sales inducements and divested operations	378	393	(3.8)	380	(0.5)	1,123	889	26.3
Amortization (benefit) of deferred acquisition costs, VOBA and sales inducements related to net realized capital losses	15	(10)	NM	(4)	NM	9	(33)	NM
Operating income before net realized capital losses and divested operations	<u>363</u>	<u>403</u>	(9.9)	<u>384</u>	(5.5)	<u>1,114</u>	<u>922</u>	20.8
Net realized capital losses	(20)	(173)	NM	(100)	NM	(260)	(711)	NM
Divested operations	-	-	NM	-	NM	-	(9)	NM
Pre-tax income	<u>\$ 343</u>	<u>\$ 230</u>	49.1 %	<u>\$ 284</u>	20.8 %	<u>\$ 854</u>	<u>\$ 202</u>	322.8 %
<hr/>								
Assets under management (2):								
Cash and investments				\$ 63,553	3.4 %	\$ 65,704	\$ 60,071	9.4 %
Separate account reserves				5,125	3.4	5,300	5,452	(2.8)
Total assets under management				<u>\$ 68,678</u>	3.4 %	<u>\$ 71,004</u>	<u>\$ 65,523</u>	8.4 %

(See Accompanying Notes on Page 24)

American International Group, Inc.
Domestic Life Insurance Sales and Deposits (2)
(dollars in millions)

	Three Months Ended					Nine Months Ended		
	Sept. 30, 2010	Sept. 30, 2009	% Inc. (Dec.)	June 30, 2010	% Inc. (Dec.)	Sept. 30, 2010	Sept. 30, 2009	% Inc. (Dec.)
Independent Distribution								
Life Insurance:								
Periodic Premiums	\$ 34	\$ 27	25.9 %	\$ 49	(30.6) %	\$ 109	\$ 107	1.9 %
Single Premiums and Unscheduled Deposits	38	5	NM	52	(26.9)	105	55	90.9
Total Life Insurance	72	32	125.0	101	(28.7)	214	162	32.1
Group Life and Health Premiums	13	10	30.0	15	(13.3)	50	55	(9.1)
Payout Annuity Deposits (5) (6)	123	136	(9.6)	186	(33.9)	526	403	30.5
Individual Fixed Annuity Deposits	81	191	(57.6)	143	(43.4)	385	585	(34.2)
Total Independent Distribution	289	369	(21.7)	445	(35.1)	1,175	1,205	(2.5)
Career distribution (AGLA)								
Life Insurance:								
Periodic Premiums	22	21	4.8	24	(8.3)	65	56	16.1
Single Premiums and Unscheduled Deposits	5	4	25.0	7	(28.6)	17	13	30.8
Total Life Insurance	27	25	8.0	31	(12.9)	82	69	18.8
Accident and Health Premiums	1	2	(50.0)	1	-	4	5	(20.0)
Individual Fixed Annuity Deposits	16	27	(40.7)	18	(11.1)	51	124	(58.9)
Total Career Distribution (AGLA)	44	54	(18.5)	50	(12.0)	137	198	(30.8)
Total Sales and Deposits (6)	\$ 333	\$ 423	(21.3) %	\$ 495	(32.7) %	\$ 1,312	\$ 1,403	(6.5) %

(See Accompanying Notes on Page 24)

American International Group, Inc.
Domestic Life Insurance Other Data (2)
(dollars in millions)

	Three Months Ended					Nine Months Ended		
	Sept. 30, 2010	Sept. 30, 2009	% Inc. (Dec.)	June 30, 2010	% Inc. (Dec.)	Sept. 30, 2010	Sept. 30, 2009	% Inc. (Dec.)
Premiums, deposits and other considerations (1) (2):								
Life insurance	\$ 736	\$ 761	(3.3) %	\$ 776	(5.2) %	\$ 2,244	\$ 2,432	(7.7) %
Career distribution (AGLA)	208	222	(6.3)	211	(1.4)	632	742	(14.8)
Payout annuities	123	136	(9.6)	186	(33.9)	526	403	30.5
Individual fixed and runoff Annuities	81	191	(57.6)	143	(43.4)	385	585	(34.2)
Total premiums, deposits and other considerations	1,148	1,310	(12.4)	1,316	(12.8)	3,787	4,162	(9.0)
Insurance reserves:								
Life insurance				24,560	0.8	24,766	24,412	1.5
Career distribution (AGLA)				7,563	(0.1)	7,559	7,543	0.2
Payout annuities				17,510	-	17,515	17,211	1.8
Individual fixed and runoff annuities				7,355	(1.8)	7,220	7,294	(1.0)
Total insurance reserves				56,988	0.1	57,060	56,460	1.1
Insurance reserves:								
General account				51,863	(0.2)	51,760	51,008	1.5
Separate accounts				5,125	3.4	5,300	5,452	(2.8)
Total insurance reserves				56,988	0.1	57,060	56,460	1.1
Gross life insurance in force (at period end):								
Life insurance				844,817	(0.4)	841,235	879,358	(4.3)
Career distribution (AGLA)				68,250	1.0	68,910	66,396	3.8
Gross life insurance in force (at period end)				913,067	(0.3)	910,145	945,754	(3.8)
Components of Net Investment Income:								
Base investment income	932	889	4.8	916	1.7	2,760	2,739	0.8
Partnership income (loss)	11	(25)	NM	29	(62.1)	60	(164)	NM
Other enhancements	162	151	7.3	105	54.3	369	180	105.0
Total net investment income	\$ 1,105	\$ 1,015	8.9 %	\$ 1,050	5.2 %	\$ 3,189	\$ 2,755	15.8 %

(See Accompanying Notes on Page 24)

American International Group, Inc.
Domestic Life Insurance
Deferred Policy Acquisition Costs, Sales Inducements and Value of Business Acquired
(dollars in millions)

	Three Months Ended					Nine Months Ended		
	Sept. 30, 2010	Sept. 30, 2009	% Inc. (Dec.)	June 30, 2010	% Inc. (Dec.)	Sept. 30, 2010	Sept. 30, 2009	% Inc. (Dec.)
Life insurance								
Balance at beginning of period	\$ 3,943	\$ 4,396	(10.3) %	\$ 4,049	(2.6) %	\$ 4,145	\$ 5,047	(17.9) %
Acquisition costs deferred	72	67	7.5	63	14.3	197	247	(20.2)
Amortization (charged) or credited to operating income:								
Related to net realized capital gains (losses)	(4)	2	NM	1	NM	(4)	20	NM
Related to unlocking future assumptions	-	1	NM	-	NM	-	4	NM
All other amortization	(125)	(117)	NM	(110)	NM	(337)	(368)	NM
Change in unrealized gains (losses) on securities (7)	(108)	(165)	NM	(59)	NM	(222)	(156)	NM
Other (8)	-	-	NM	(1)	NM	(1)	(129)	NM
Divested operations	-	-	NM	-	NM	-	(481)	NM
Balance at end of period	3,778	4,184	(9.7)	3,943	(4.2)	3,778	4,184	(9.7)
Career distribution (AGLA)								
Balance at beginning of period	1,267	1,602	(20.9)	1,376	(7.9)	1,420	1,694	(16.2)
Acquisition costs deferred	40	39	2.6	38	5.3	113	113	-
Amortization (charged) or credited to operating income:								
Related to net realized capital gains (losses)	(2)	1	NM	-	NM	(2)	9	NM
All other amortization	(78)	(49)	NM	(38)	NM	(161)	(143)	NM
Change in unrealized gains (losses) on securities (7)	(88)	(174)	NM	(109)	NM	(231)	(187)	NM
Other (8)	-	-	NM	-	NM	-	(67)	NM
Balance at end of period	1,139	1,419	(19.7)	1,267	(10.1)	1,139	1,419	(19.7)
Payout annuities								
Balance at beginning of period	84	86	(2.3)	84	-	84	86	(2.3)
Acquisition costs deferred	1	1	-	1	-	4	4	-
Amortization (charged) to operating income:								
All other amortization	(1)	(2)	NM	(1)	NM	(4)	(5)	NM
Balance at end of period	84	85	(1.2)	84	-	84	85	(1.2)
Individual fixed and runoff annuities								
Balance at beginning of period	318	444	(28.4)	384	(17.2)	429	475	(9.7)
Acquisition costs deferred	9	16	(43.8)	11	(18.2)	34	43	(20.9)
Amortization (charged) or credited to operating income:								
Related to net realized capital gains (losses)	(9)	7	NM	3	NM	(3)	4	NM
Related to unlocking future assumptions	-	(1)	NM	-	NM	-	(3)	NM
All other amortization	(12)	(10)	NM	(13)	NM	(36)	(39)	NM
Change in unrealized gains (losses) on securities (7)	(71)	(21)	NM	(66)	NM	(188)	58	NM
Other (8)	-	-	NM	(1)	NM	(1)	(93)	NM
Divested operations	-	-	NM	-	NM	-	(10)	NM
Balance at end of period	235	435	(46.0)	318	(26.1)	235	435	(46.0)
Total								
Balance at beginning of period	5,612	6,528	(14.0)	5,893	(4.8)	6,078	7,302	(16.8)
Acquisition costs deferred	122	123	(0.8)	113	8.0	348	407	(14.5)
Amortization (charged) or credited to operating income:								
Related to net realized capital gains (losses)	(15)	10	NM	4	NM	(9)	33	NM
Related to unlocking future assumptions	-	-	NM	-	NM	-	1	NM
All other amortization	(216)	(178)	NM	(162)	NM	(538)	(555)	NM
Change in unrealized gains (losses) on securities (7)	(267)	(360)	NM	(234)	NM	(641)	(285)	NM
Other (8)	-	-	NM	(2)	NM	(2)	(289)	NM
Divested operations	-	-	NM	-	NM	-	(491)	NM
Balance at end of period	\$ 5,236	\$ 6,123	(14.5) %	\$ 5,612	(6.7) %	\$ 5,236	\$ 6,123	(14.5) %

(See Accompanying Notes on Page 24)

American International Group, Inc.
Domestic Life Insurance
Notes

- (1) Premiums, deposits and other considerations represent aggregate business activity presented on a non-GAAP basis.
- (2) Data presented excludes divested operations.
- (3) The three months and nine months ended September 30, 2010 include a one-time increase of approximately \$24 million which resulted from the completion of a conversion of certain blocks of business to a new valuation system. This increase is almost entirely offset within policy acquisition and other insurance expenses.
- (4) Interest and dividends include gains (losses) related to AIG's economic retained interest in Maiden Lane II as follows:

	Three Months Ended			Nine Months Ended	
	Sept. 30, 2010	Sept. 30, 2009	June 30, 2010	Sept. 30, 2010	Sept. 30, 2009
(in millions)					
Maiden Lane II:					
Fair value gain (loss)	\$ 46	\$ 78	\$ 36	\$ 130	\$ (40)
Capitalized interest	3	2	2	8	9
Total ML II income (loss) included in interest and dividends	\$ 49	\$ 80	\$ 38	\$ 138	\$ (31)

- (5) Includes structured settlements, single premium immediate annuities and terminal funding annuities.
- (6) Life insurance sales include periodic premiums from new business expected to be collected over a one-year period and unscheduled and single premiums from new and existing policyholders. Sales of group accident and health insurance represent annualized first-year premium from new policies. Annuity sales represent deposits from new and existing customers.
- (7) The three months and nine months ended September 30, 2009 include \$127 million, \$62 million and \$92 million increases in life insurance, career distribution (AGLA), individual fixed and runoff annuities, respectively, related to the recognition of other-than-temporary impairments.
- (8) The three months and nine months ended September 30, 2009 consist of the recognition of other-than-temporary impairments. The other-than-temporary impairments decreased life insurance, career distribution (AGLA) and individual fixed and runoff annuities by \$(127) million, \$(62) million and \$(92) million, respectively.

American International Group, Inc.
Domestic Retirement Services Operating Statistics
(dollars in millions)

	Three Months Ended					Nine Months Ended		
	Sept. 30, 2010	Sept. 30, 2009	% Inc. (Dec.)	June 30, 2010	% Inc. (Dec.)	Sept. 30, 2010	Sept. 30, 2009	% Inc. (Dec.)
Premiums, deposits and other considerations	\$ <u>3,290</u>	\$ <u>3,048</u>	7.9 %	\$ <u>3,652</u>	(9.9) %	\$ <u>10,356</u>	\$ <u>9,278</u>	11.6 %
Fee and other income	\$ <u>276</u>	\$ <u>265</u>	4.2 %	\$ <u>287</u>	(3.8) %	\$ <u>838</u>	\$ <u>795</u>	5.4 %
Investment spread								
Net investment income								
Interest and dividends (1)	1,428	1,458	(2.1)	1,396	2.3	4,295	4,032	6.5
Partnership income	126	269	(53.2)	184	(31.5)	525	91	476.9
Other	19	8	137.5	15	26.7	44	30	46.7
Investment expenses	(22)	(11)	NM	(17)	NM	(62)	(38)	NM
Total net investment income	1,551	1,724	(10.0)	1,578	(1.7)	4,802	4,115	16.7
Interest credited	913	920	(0.8)	918	(0.5)	2,730	2,923	(6.6)
Net investment spread	638	804	(20.6)	660	(3.3)	2,072	1,192	73.8
Benefits and Expenses								
Policyholder benefits and claims incurred (2) (3)	(34)	(31)	NM	74	NM	24	229	(89.5)
Policy acquisition and other insurance expenses (2)	298	238	25.2	395	(24.6)	1,004	1,437	(30.1)
Total benefits and expenses	264	207	27.5	469	(43.7)	1,028	1,666	(38.3)
Operating income excluding net realized capital gains (losses) and goodwill impairment, related amortization of acquisition costs, VOBA and sales inducements	650	862	(24.6)	478	36.0	1,882	321	486.3
Amortization (benefit) of deferred acquisition costs, VOBA and sales inducements related to net realized capital gains (losses)	35	(14)	NM	(192)	NM	(159)	(127)	NM
Operating income before net realized capital gains (losses) and goodwill impairment	615	876	(29.8)	670	(8.2)	2,041	448	355.6
Net realized capital gains (losses)	40	(1,256)	NM	(866)	NM	(1,482)	(2,418)	NM
Goodwill impairment	-	(72)	NM	-	NM	-	(81)	NM
Pre-tax income (loss)	\$ 655	\$ (452)	NM %	\$ (196)	NM %	\$ 559	\$ (2,051)	NM %
Assets under management:								
Cash and investments				\$ 110,326	3.1 %	\$ 113,784	\$ 104,288	9.1 %
Separate account reserves				41,779	9.2	45,605	44,225	3.1
Group retirement mutual funds				7,511	11.7	8,388	8,260	1.5
Retail mutual funds				5,521	5.6	5,832	5,886	(0.9)
Total assets under management				\$ 165,137	5.1 %	\$ 173,609	\$ 162,659	6.7 %

(See Accompanying Notes on Page 34)

American International Group, Inc.
Domestic Retirement Services Product Statistics
(dollars in millions)

	Three Months Ended					Nine Months Ended		
	Sept. 30, 2010	Sept. 30, 2009	% Inc. (Dec.)	June 30, 2010	% Inc. (Dec.)	Sept. 30, 2010	Sept. 30, 2009	% Inc. (Dec.)
Premiums, deposits and other considerations								
Group retirement products (VALIC)	\$ 1,580	\$ 1,525	3.6 %	\$ 1,602	(1.4) %	\$ 4,790	\$ 4,577	4.7 %
Individual fixed annuities	896	1,148	(22.0)	1,277	(29.8)	3,326	3,434	(3.1)
Individual variable annuities	556	176	215.9	496	12.1	1,409	640	120.2
Individual annuities - runoff	22	14	57.1	22	-	64	36	77.8
Brokerage services and retail mutual funds	236	185	27.6	255	(7.5)	767	591	29.8
Total premiums, deposits and other considerations	3,290	3,048	7.9	3,652	(9.9)	10,356	9,278	11.6
Fee and other income:								
Group retirement products (VALIC)	96	83	15.7	96	-	287	237	21.1
Individual fixed annuities	6	10	(40.0)	8	(25.0)	22	69	(68.1)
Individual variable annuities	123	119	3.4	124	(0.8)	371	335	10.7
Individual annuities - runoff	3	6	(50.0)	5	(40.0)	10	13	(23.1)
Brokerage services and retail mutual funds	48	47	2.1	54	(11.1)	148	141	5.0
Total fee and other income	276	265	4.2	287	(3.8)	838	795	5.4
Net investment income:								
Group retirement products (VALIC)	524	550	(4.7)	531	(1.3)	1,621	1,381	17.4
Individual fixed annuities	719	790	(9.0)	699	2.9	2,199	1,995	10.2
Individual variable annuities	26	37	(29.7)	27	(3.7)	86	98	(12.2)
Individual annuities - runoff	55	60	(8.3)	67	(17.9)	185	180	2.8
GICs and other asset management	226	287	(21.3)	254	(11.0)	709	460	54.1
Brokerage services and retail mutual funds	1	-	NM	-	NM	2	1	100.0
Total net investment income	\$ 1,551	\$ 1,724	(10.0) %	\$ 1,578	(1.7) %	\$ 4,802	\$ 4,115	16.7 %

American International Group, Inc.
Domestic Retirement Services
Account Value Rollforward

	Three Months Ended					Nine Months Ended		
	Sept. 30, 2010	Sept. 30, 2009	% Inc. (Dec.)	June 30, 2010	% Inc. (Dec.)	Sept. 30, 2010	Sept. 30, 2009	% Inc. (Dec.)
Group retirement products (VALIC) (4)								
Balance at beginning of period	\$ 62,216	\$ 58,381	6.6 %	\$ 64,869	(4.1) %	\$ 63,419	\$ 56,861	11.5 %
Deposits - annuities (5)	1,232	1,211	1.7	1,273	(3.2)	3,759	3,550	5.9
Deposits - mutual funds (5)	348	314	10.8	329	5.8	1,031	1,027	0.4
Deposits - subtotal	1,580	1,525	3.6	1,602	(1.4)	4,790	4,577	4.7
Surrenders and other withdrawals	(1,411)	(1,382)	NM	(1,740)	NM	(4,827)	(4,730)	NM
Death benefits	(74)	(65)	NM	(78)	NM	(225)	(194)	NM
Net flows	95	78	21.8	(216)	NM	(262)	(347)	NM
Change in fair value of underlying investments, interest credited, net of fees	3,471	4,309	(19.4)	(2,437)	NM	2,625	6,254	(58.0)
Balance at end of period	65,782	62,768	4.8	62,216	5.7	65,782	62,768	4.8
Individual fixed annuities								
Balance at beginning of period	47,998	46,124	4.1	47,547	0.9	47,202	48,394	(2.5)
Deposits (5)	896	1,148	(22.0)	1,277	(29.8)	3,326	3,434	(3.1)
Surrenders and other withdrawals	(854)	(1,158)	NM	(892)	NM	(2,651)	(5,716)	NM
Death benefits	(371)	(392)	NM	(392)	NM	(1,133)	(1,325)	NM
Net flows	(329)	(402)	NM	(7)	NM	(458)	(3,607)	NM
Change in fair value of underlying investments, interest credited, net of fees	478	469	1.9	458	4.4	1,403	1,404	(0.1)
Balance at end of period	48,147	46,191	4.2	47,998	0.3	48,147	46,191	4.2
Individual variable annuities								
Balance at beginning of period	23,318	22,601	3.2	24,866	(6.2)	24,637	23,593	4.4
Deposits	556	176	215.9	496	12.1	1,409	640	120.2
Surrenders and other withdrawals	(610)	(619)	NM	(687)	NM	(1,971)	(1,972)	NM
Death benefits	(101)	(88)	NM	(106)	NM	(327)	(301)	NM
Net flows	(155)	(531)	NM	(297)	NM	(889)	(1,633)	NM
Change in fair value of underlying investments, interest credited, net of fees	1,881	2,676	(29.7)	(1,251)	NM	1,296	2,786	(53.5)
Balance at end of period	25,044	24,746	1.2	23,318	7.4	25,044	24,746	1.2
Total								
Balance at beginning of period, excluding runoff and GICs	133,532	127,106	5.1	137,282	(2.7)	135,258	128,848	5.0
Deposits	3,032	2,849	6.4	3,375	(10.2)	9,525	8,651	10.1
Surrenders and other withdrawals	(2,875)	(3,159)	NM	(3,319)	NM	(9,449)	(12,418)	NM
Benefit and death payments	(546)	(545)	NM	(576)	NM	(1,685)	(1,820)	NM
Net flows	(389)	(855)	NM	(520)	NM	(1,609)	(5,587)	NM
Change in fair value of underlying investments, interest credited, net of fees	5,830	7,454	(21.8)	(3,230)	NM	5,324	10,444	(49.0)
Balance at end of period, excluding runoff and GICs	138,973	133,705	3.9	133,532	4.1	138,973	133,705	3.9
Individual annuities runoff	4,486	4,695	(4.5)	4,526	(0.9)	4,486	4,695	(4.5)
GICs	8,478	9,902		8,361		8,478	9,902	
Balance at end of period	\$ 151,937	\$ 148,302	2.5 %	\$ 146,419	3.8 %	\$ 151,937	148,302	2.5
General and separate account reserves								
General account reserves				\$ 97,129	0.8 %	\$ 97,944	\$ 95,817	2.2 %
Separate account reserves				41,779	9.2	45,605	44,225	3.1
Total general and separate account reserves				138,908	3.3	143,549	140,042	2.5
Group retirement mutual funds				7,511	11.7	8,388	8,260	1.5
Total reserves and mutual funds				146,419	3.8	151,937	148,302	2.5
Surrender rates								
Group retirement products (VALIC)	8.8 %	9.1 %		10.8 %		10.1 %	11.0 %	
Individual fixed annuities	7.1 %	10.1 %		7.5 %		7.4 %	16.3 %	
Individual variable annuities	10.6 %	10.8 %		11.6 %		11.1 %	12.3 %	

(See Accompanying Notes on Page 34)

American International Group, Inc.
Domestic Retirement Services Spread Information
(dollars in millions)

	Three Months Ended					Nine Months Ended		
	Sept. 30, 2010	Sept. 30, 2009	% Inc. (Dec.)	June 30, 2010	% Inc. (Dec.)	Sept. 30, 2010	Sept. 30, 2009	% Inc. (Dec.)
Spread information								
Group retirement products (VALIC)								
Base investment income (a)	\$ 472	\$ 453	4.2 %	\$ 456	3.5 %	\$ 1,405	\$ 1,386	1.4 %
Partnerships (b)	(2)	33	NM	31	NM	77	(36)	NM
Other enhancements (c)	54	64	(15.6)	44	22.7	139	31	348.4
Total net investment income	\$ 524	\$ 550	(4.7) %	\$ 531	(1.3) %	\$ 1,621	\$ 1,381	17.4 %
Base yield (a)	5.27 %	5.26 %		5.18 %		5.30 %	5.71 %	
Partnerships (b)	(0.24) %	0.14 %		0.13 %		0.06 %	(0.41) %	
Other enhancements (c)	0.61 %	0.75 %		0.50 %		0.54 %	0.13 %	
Total	5.64 %	6.15 %		5.81 %		5.90 %	5.43 %	
Cost of funds (d)	3.86 %	4.02 %		3.83 %		3.84 %	3.97 %	
Net spread rate, as reported (d)	1.78 %	2.13 %		1.98 %		2.06 %	1.46 %	
Net spread rate excluding partnerships and other enhancements	1.41 %	1.24 %	13.7 %	1.35 %	4.4 %	1.46 %	1.74 %	(16.1) %
Individual fixed annuities								
Base investment income (a)	\$ 622	\$ 593	4.9 %	\$ 584	6.5 %	\$ 1,825	\$ 1,915	(4.7) %
Partnerships (b)	8	78	(89.7)	35	(77.1)	114	68	67.6
Other enhancements (c)	89	119	(25.2)	80	11.3	260	12	NM
Total net investment income	\$ 719	\$ 790	(9.0) %	\$ 699	2.9 %	\$ 2,199	\$ 1,995	10.2 %
Base yield (a)	5.03 %	5.06 %		4.79 %		4.98 %	5.57 %	
Partnerships (b)	(0.18) %	0.35 %		0.04 %		0.06 %	(0.10) %	
Other enhancements (c)	0.72 %	1.02 %		0.66 %		0.70 %	0.04 %	
Total	5.57 %	6.43 %		5.49 %		5.74 %	5.51 %	
Cost of funds (d)	3.63 %	3.81 %		3.64 %		3.64 %	3.76 %	
Net spread rate, as reported (d)	1.94 %	2.62 %		1.85 %		2.10 %	1.75 %	
Net spread rate excluding partnerships and other enhancements	1.40 %	1.25 %	12.0 %	1.15 %	21.7 %	1.34 %	1.81 %	(26.0) %

(See Accompanying Notes on Pages 29)

American International Group, Inc.
Domestic Retirement Services Spread Information (continued)
(dollars in millions)

	Three Months Ended					Nine Months Ended		
	Sept. 30, 2010	Sept. 30, 2009	% Inc. (Dec.)	June 30, 2010	% Inc. (Dec.)	Sept. 30, 2010	Sept. 30, 2009	% Inc. (Dec.)
Spread information								
Individual variable annuities								
Base investment income (a)	\$ 24	\$ 22	9.1 %	\$ 22	9.1 %	\$ 68	\$ 74	(8.1)%
Partnerships (b)	2	13	(84.6)	4	(50.0)	15	25	(40.0)
Other enhancements (c)	-	2	NM	1	NM	3	(1)	NM
Total net investment income	\$ 26	\$ 37	(29.7)%	\$ 27	(3.7)%	\$ 86	\$ 98	(12.2)%
Base yield (a)	4.73 %	4.58 %		4.99 %		4.91 %	4.61 %	
Partnerships (b)	0.01 %	2.14 %		0.34 %		0.52 %	1.19 %	
Other enhancements (c)	(0.28)%	0.49 %		0.33 %		0.14 %	(0.04)%	
Total	4.46 %	7.21 %		5.66 %		5.57 %	5.76 %	
Cost of funds (d)	3.05 %	3.17 %		3.03 %		3.04 %	3.14 %	
Net spread rate, as reported (d)	1.41 %	4.04 %		2.63 %		2.53 %	2.62 %	
Net spread rate excluding partnerships and other enhancements	1.68 %	1.41 %	19.1 %	1.96 %	(14.3)%	1.87 %	1.47 %	27.2 %

- (a) Includes the investment return on surplus other than partnership or yield enhancements activities.
(b) Includes incremental effect to base yield of investments in hedge funds and private equity funds.
(c) Includes incremental effect to base yield of gains on calls, prepayment fees and trading gains (losses).
(d) Excludes the amortization of sales inducement assets.

American International Group, Inc.
Domestic Retirement Services
Deferred Policy Acquisition Costs, Sales Inducements and Value of Business Acquired
(dollars in millions)

	Three Months Ended					Nine Months Ended				
	Sept. 30, 2010	Sept. 30, 2009	% Inc. (Dec.)	June 30, 2010	% Inc. (Dec.)	Sept. 30, 2010	Sept. 30, 2009	% Inc. (Dec.)		
Group retirement products (VALIC)										
Balance at beginning of period	\$ 2,137	\$ 2,492	(14.2) %	\$ 2,237	(4.5) %	\$ 2,325	\$ 2,536	(8.3) %		
Acquisition costs deferred	47	45	4.4	51	(7.8)	142	129	10.1		
Related to net realized capital gains (losses)	(6)	22	NM	36	NM	48	171	(71.9)		
Related to unlocking future assumptions	-	-	NM	-	NM	-	(58)	NM		
All other amortization	(25)	(9)	NM	(51)	NM	(99)	(71)	NM		
Change in unrealized gains (losses) on securities (6)	(139)	(246)	NM	(135)	NM	(401)	(61)	NM		
Increase (decrease) due to foreign exchange	3	-	NM	(1)	NM	1	-	NM		
Other (7)	-	1	NM	-	NM	1	(341)	NM		
Balance at end of period	2,017	2,305	(12.5)	2,137	(5.6)	2,017	2,305	(12.5)		
Individual fixed annuities										
Balance at beginning of period	2,408	3,448	(30.2)	2,650	(9.1)	2,882	4,671	(38.3)		
Acquisition costs deferred	80	83	(3.6)	92	(13.0)	260	264	(1.5)		
Amorization (charged) or credited to operating income:										
Related to net realized capital gains (losses)	(10)	17	NM	36	NM	39	167	(76.6)		
Related to unlocking future assumptions	-	-	NM	-	NM	-	(43)	NM		
All other amortization	(93)	(116)	NM	(101)	NM	(297)	(495)	NM		
Change in unrealized gains (losses) on securities (6)	(373)	(435)	NM	(269)	NM	(872)	(613)	NM		
Other (7)	-	(1)	NM	-	NM	-	(955)	NM		
Balance at end of period	2,012	2,996	(32.8)	2,408	(16.4)	2,012	2,996	(32.8)		
Individual variable annuities										
Balance at beginning of period	835	741	12.7	753	10.9	760	1,343	(43.4)		
Acquisition costs deferred	47	18	161.1	44	6.8	124	67	85.1		
Amorization (charged) or credited to operating income:										
Related to net realized capital gains (losses)	(19)	(25)	NM	120	NM	72	(211)	NM		
Related to unlocking future assumptions	-	-	NM	-	NM	-	(354)	NM		
All other amortization	17	73	(76.7)	(82)	NM	(76)	6	NM		
Other (7)	-	-	NM	-	NM	-	(44)	NM		
Balance at end of period	880	807	9.0	835	5.4	880	807	9.0		
Individual annuities - runoff										
Balance at beginning of period	40	63	(36.5)	45	(11.1)	50	76	(34.2)		
Amorization (charged) to operating income:										
All other amortization	(5)	(6)	NM	(5)	NM	(15)	(19)	NM		
Balance at end of period	35	57	(38.6)	40	(12.5)	35	57	(38.6)		
Total										
Balance at beginning of period	5,420	6,744	(19.6)	5,685	(4.7)	6,017	8,626	(30.2)		
Acquisition costs deferred	174	146	19.2	187	(7.0)	526	460	14.3		
Amorization (charged) or credited to operating income:										
Related to net realized capital gains (losses)	(35)	14	NM	192	NM	159	127	25.2		
Related to unlocking future assumptions	-	-	NM	-	NM	-	(455)	NM		
All other amortization	(106)	(58)	NM	(239)	NM	(487)	(579)	NM		
Change in unrealized gains (losses) on securities (6)	(512)	(681)	NM	(404)	NM	(1,273)	(674)	NM		
Increase (decrease) due to foreign exchange	3	-	NM	(1)	NM	1	-	NM		
Other (7)	-	-	NM	-	NM	1	(1,340)	NM		
Balance at end of period	\$ 4,944	\$ 6,165	(19.8) %	\$ 5,420	(8.8) %	\$ 4,944	\$ 6,165	(19.8) %		

(See Accompanying Notes on Page 34)

American International Group, Inc.
Domestic Retirement Services - Group Retirement Products (VALIC)
Guaranteed Benefits
(dollars in millions)

	September 30, 2010		
	Account Value	Net Amount at Risk	Retained NAR
Guaranteed Minimum Death Benefit ("GMDB") Type (including Earnings Enhancement Benefit) (a):			
Return of premium (b)	\$ 3,718	\$ -	\$ -
Roll-up (c)	40,126	2,163	2,163
Return of premium (b) (Coinsurance - Japan)	-	252	252
	<u>43,844</u>	<u>2,415</u>	<u>2,415</u>
 Guaranteed Minimum Income Benefit Type:			
No Roll-up (Coinsurance - Japan)	-	22	22
 Guaranteed Minimum Withdrawal Benefit ("GMWB") Type (d):			
Lifetime guarantees (e)	1,456	102	102
Return of premium (b) (Coinsurance - Japan)	-	229	229
	<u>1,456</u>	<u>331</u>	<u>331</u>

- (a) A guaranteed minimum death benefit is an amount paid from a variable annuity at death of the owner. This benefit protects beneficiaries from market volatility and may be different than the account value. Each of these benefits may be subject to a maximum amount based on age of owner or dollar amount.
- (b) Premium deposited into the contract.
- (c) An amount equal to premiums deposited accumulated at a set interest rate.
- (d) A guaranteed minimum withdrawal benefit establishes an amount that can be taken as withdrawals which can be taken over a fixed period or for life, regardless of market performance, even if the account value drops to zero.
- (e) Amount is available over the life of the owner (and spouse, if elected).

American International Group, Inc.
Domestic Retirement Services - Individual Variable Annuities
Guaranteed Benefits
(dollars in millions)

	September 30, 2010		
	Account Value	Net Amount at Risk	Retained NAR
Guaranteed Minimum Death Benefit ("GMDB") Type (including Earnings Enhancement Benefit) (a):			
Return of premium (b)	\$ 4,146	\$ 213	\$ 212
Reset (c)	591	3	3
Ratchet (d)	12,031	1,872	1,574
Roll-up (e)	4,727	1,014	952
Combination (f)	173	48	47
Return of premium, with earnings enhancement (g)	463	-	-
Ratchet, with earnings enhancement (h)	1,113	222	88
Roll-up, with earnings enhancement (i)	454	87	26
Combination with earnings enhancement (j)	37	14	14
	<u>23,735</u>	<u>3,473</u>	<u>2,916</u>
Guaranteed Minimum Income Benefit ("GMIB") Type (k):			
Roll-up (e)	364	145	54
No roll-up (l)	3,411	85	42
	<u>3,775</u>	<u>230</u>	<u>96</u>
Guaranteed Minimum Account Value ("GMAV") Type (m):			
Ten year waiting period	1,299	31	31
Guaranteed Minimum Withdrawal Benefit ("GMWB") Type (n):			
Minimum amount guarantees (o)	654	28	28
Lifetime guarantees (p)	7,944	1,057	1,057
	<u>8,598</u>	<u>1,085</u>	<u>1,085</u>

- (a) A guaranteed minimum death benefit is an amount paid from a variable annuity at death of the owner. This benefit protects beneficiaries from market volatility and may be different than the account value. Each of these benefits may be subject to a maximum amount based on age of owner or dollar amount.
- (b) Premium deposited into the contract.
- (c) An amount that is reset to the account value, if greater, at a specified contract anniversary.
- (d) An amount equal to the highest account value achieved on any contract anniversary.
- (e) An amount equal to premiums deposited accumulated at a set interest rate.
- (f) An amount equal to the greater of a ratchet or a roll-up.
- (g) A return of premium benefit which also pays a percent of the earnings in the contract, if any.
- (h) A ratchet benefit that also pays a percent of earnings in the contract, if any.
- (i) A roll-up benefit that also pays a percent of earnings in the contract, if any.
- (j) A combination benefit which also pays a percent of earnings in the contract, if any.
- (k) A guaranteed minimum income benefit establishes a minimum amount available to be annuitized regardless of actual performance in the product. The benefit is not available until a set number of years after contract issue.
- (l) An amount based on premiums deposited or other set amount.
- (m) A guaranteed minimum account value ensures a return of premium invested at the end of 10 years. The amount is based on premium in a defined period.
- (n) A guaranteed minimum withdrawal benefit establishes an amount that can be taken as withdrawals which can be taken over a fixed period or for life, regardless of market performance, even if the account value drops to zero.
- (o) Amount is available over a fixed period.
- (p) Amount is available over the life of the owner (and spouse, if elected).

American International Group, Inc.
Domestic Retirement Services - Individual Variable Annuities
Guaranteed Benefits (continued)
(dollars in millions)

	Sept. 30, 2009	Dec. 31, 2009	March 31, 2010	June 30, 2010	Sept. 30, 2010
Other Data					
S&P 500 Index value	1,057	1,115	1,169	1,031	1,095
Total Account Value	\$ 24,746	\$ 24,637	\$ 24,866	\$ 23,318	\$ 25,044
Account value by benefit type:					
Guaranteed Minimum Death Benefits	23,634	23,912	24,264	21,962	23,735
Guaranteed Minimum Income Benefits	4,163	4,156	4,125	3,598	3,775
Guaranteed Minimum Account Value	1,434	1,434	1,426	1,239	1,299
Guaranteed Minimum Withdrawal Benefits	7,300	7,602	7,983	7,554	8,598
Net amount at risk:					
Guaranteed Minimum Death Benefits	4,789	4,084	3,467	5,053	3,473
Guaranteed Minimum Income Benefits	170	172	122	198	230
Guaranteed Minimum Account Value	55	41	31	65	31
Guaranteed Minimum Withdrawal Benefits	1,315	1,145	981	1,598	1,085
Retained net amount at risk:					
Guaranteed Minimum Death Benefits	3,974	3,396	2,892	4,237	2,916
Guaranteed Minimum Income Benefits	71	73	53	77	96
Guaranteed Minimum Account Value	55	41	31	65	31
Guaranteed Minimum Withdrawal Benefits	1,315	1,145	981	1,598	1,085
Liability for guaranteed benefits (GMDB & GMIB)	\$ 459	431	\$ 393	451	\$ 395

American International Group, Inc.
Domestic Retirement Services
Notes

- (1) Interest and dividends include gains (losses) related to AIG's economic retained interest in Maiden Lane II as follows:

(in millions)	Three Months Ended			Nine Months Ended	
	Sept. 30, 2010	Sept. 30, 2009	June 30, 2010	Sept. 30, 2010	Sept. 30, 2009
Maiden Lane II					
Fair value gain (loss)	\$ 102	\$ 166	\$ 76	\$ 281	\$ (85)
Capitalized interest	6	5	6	17	18
Total ML II income (loss) included in interest and dividends	\$ 108	\$ 171	\$ 82	\$ 298	\$ (67)

- (2) The nine months ended September 30, 2009 includes DAC/SIA and guaranteed benefits unlockings of \$601 million.
- (3) Policyholder benefits and claims incurred is negative in the three months ended September 30, 2010 and September 30, 2009 due to reductions in SOP 03-01 reserves resulting from positive equity markets.
- (4) Includes group retirement annuities and group mutual funds. The balance at the beginning and end of the period for Group Mutual Funds are as follows:

(in millions)	Three Months Ended			Nine Months Ended	
	Sept. 30, 2010	Sept. 30, 2009	June 30, 2010	Sept. 30, 2010	Sept. 30, 2009
Beginning Balance	\$ 7,511	\$ 7,090	\$ 8,249	\$ 8,075	\$ 6,288
Ending Balance	\$ 8,388	\$ 8,260	\$ 7,511	\$ 8,388	\$ 8,260

- (5) Excludes internal replacements from one contract into a new contract. If included, deposits and surrenders for group retirement products and individual fixed annuities would increase.
- (6) The nine months ended September 30, 2009 includes an increase of \$342 million and \$954 million for group retirement products and individual fixed annuities, respectively, related to the adoption of a new accounting standard for other-than-temporary impairments.
- (7) The nine months ended September 30, 2009 consists of \$(342) million, \$(954) million and \$(44) million decrease in the group retirement products, individual fixed annuities and individual variable annuities, respectively, related to the adoption of a new accounting standard for other-than-temporary impairments.

American International Group, Inc.
Foreign Life Insurance & Retirement Services Operating Statistics (1)
(dollars in millions)

	Three Months Ended					Nine Months Ended		
	Sept. 30, 2010	Sept. 30, 2009	% Inc. (Dec.)	June 30, 2010	% Inc. (Dec.)	Sept. 30, 2010	Sept. 30, 2009	% Inc. (Dec.)
Premiums, deposits and other considerations (2)	\$ 3,547	\$ 3,428	3.5 %	\$ 3,300	7.5 %	\$ 10,008	\$ 9,116	9.8 %
Revenues:								
Premiums and other considerations	\$ 2,559	\$ 2,232	14.7 %	\$ 2,458	4.1 %	\$ 7,387	\$ 6,693	10.4 %
Net investment income:								
Interest and dividends	836	771	8.4	880	(5.0)	2,502	2,238	11.8
Partnership income (loss)	-	2	NM	1	NM	(1)	(23)	NM
Mutual funds	(3)	35	NM	(9)	NM	(18)	45	NM
Trading account gains	69	1	NM	22	213.6	102	2	NM
Other	41	45	(8.9)	22	86.4	92	44	109.1
Investment expenses	(24)	(31)	NM	(24)	NM	(70)	(103)	NM
Net investment income before policyholder investment income and trading gains (losses)	919	823	11.7	892	3.0	2,607	2,203	18.3
Net investment income related to policyholder investment income and trading gains (losses) (3)	386	474	(18.6)	-	NM	311	1,705	(81.8)
Total net investment income	1,305	1,297	0.6	892	46.3	2,918	3,908	(25.3)
Total revenues excluding net realized capital gains and policyholder investment income and trading gains (losses)	3,478	3,055	13.8	3,350	3.8	9,994	8,896	12.3
Total revenues excluding net realized capital gains	3,864	3,529	9.5	3,350	15.3	10,305	10,601	(2.8)
Benefits and expenses:								
Policyholder benefits and claims incurred before the effect of policyholder benefits and claims incurred related to policyholder investment income and trading gains (losses)	2,243	2,057	9.0	2,071	8.3	6,310	5,929	6.4
Policyholder benefits and claims incurred related to policyholder investment income and trading gains (losses) (3)	386	474	(18.6)	-	NM	311	1,705	(81.8)
Policyholder benefits and claims incurred	2,629	2,531	3.9	2,071	26.9	6,621	7,634	(13.3)
Policy acquisition and other insurance expense	701	589	19.0	672	4.3	1,979	1,852	6.9
Total benefits and expenses	3,330	3,120	6.7	2,743	21.4	8,600	9,486	(9.3)
Operating income excluding net realized capital gains (4)	534	409	30.6	607	(12.0)	1,705	1,115	52.9
Net realized capital gains	157	122	28.7	154	1.9	386	202	91.1
Pre-tax income (4)	\$ 691	\$ 531	30.1 %	\$ 761	(9.2) %	\$ 2,091	\$ 1,317	58.8 %
Foreign exchange effect on foreign growth:								
Premiums, deposits and other considerations (1)								
Growth in original currency	(0.7) %					3.0 %		
Foreign exchange impact	4.2					6.8		
Growth as reported in U.S. \$	3.5 %					9.8 %		
Gross life insurance in force (at period end)						\$ 796,578	\$ 781,033	2.0 %

* Historical results have been revised for changes in segment presentation. See page 49 for additional information.

(See Accompanying Notes on Page 36)

American International Group, Inc.
Foreign Life Insurance & Retirement Services Operating Statistics
Notes

- (1) Following the classification of ALICO, AIG Star, AIG Edison and Nan Shan as discontinued operations, remaining Foreign Life Insurance & Retirement Services operations are conducted through AIA and AIRCO.
- (2) Premiums, deposits and other considerations represent aggregate business activity presented on a non-GAAP basis.
- (3) Relates primarily to assets held in various trading securities accounts that did not qualify for separate account treatment. These amounts are offset by an equal charge included in incurred policy losses and benefits.
- (4) Amortization expense (benefit) of deferred acquisition costs, VoBA and sales inducements related to net realized capital gains (losses) are as follows:

	Three Months Ended			Nine Months Ended	
	Sept. 30,	Sept. 30,	June 30,	Sept. 30,	Sept. 30,
(in millions)	2010	2009	2010	2010	2009
Total	\$ 315	\$ 276	\$ 100	\$ 10,614	\$ 9,790

American International Group, Inc.
Financial Services Operating Results (1)
(dollars in millions)

	Three Months Ended					Nine Months Ended		
	Sept. 30, 2010	Sept. 30, 2009	% Inc. (Dec.)	June 30, 2010	% Inc. (Dec.)	Sept. 30, 2010	Sept. 30, 2009	% Inc. (Dec.)
Revenues:								
Aircraft Leasing	\$ 857	\$ 1,342	(36.1) %	\$ 1,241	(30.9) %	\$ 3,005	\$ 3,932	(23.6) %
Capital Markets (2) :								
Excluding unrealized market valuation gains, credit valuation								
adjustment and non-qualifying derivative hedging activities	145	304	(52.3)	(86)	NM	96	(1,023)	NM
Unrealized market valuation gains (3)	152	959	(84.2)	161	(5.6)	432	1,143	(62.2)
Credit valuation adjustment on derivatives	(63)	(233)	NM	(138)	NM	(379)	818	NM
Subtotal	234	1,030	(77.3)	(63)	NM	149	938	(84.1)
Other, including intercompany adjustments	99	122	(18.9)	86	15.1	285	394	(27.7)
Total revenues, excluding non-qualifying derivative hedging								
activities and net realized capital gains (losses)	1,190	2,494	(52.3)	1,264	(5.9)	3,439	5,264	(34.7)
Non-qualifying derivative hedging activities - Capital Markets (4)	-	(3)	NM	-	NM	-	3	NM
Net realized capital gains (losses) (5)	(8)	(85)	NM	(1)	NM	(40)	90	NM
Total revenues	<u>\$ 1,182</u>	<u>\$ 2,406</u>	(50.9) %	<u>\$ 1,263</u>	(6.4) %	<u>\$ 3,399</u>	<u>\$ 5,357</u>	(36.6) %
Pre-tax income (loss):								
Aircraft Leasing	\$ (218)	\$ 365	NM %	\$ 182	NM %	\$ (92)	\$ 1,016	NM %
Capital Markets (2) :								
Excluding unrealized market valuation gains, credit valuation								
adjustment and non-qualifying derivative hedging activities	59	165	(64.2)	(168)	NM	(136)	(1,434)	NM
Unrealized market valuation gains (3)	152	959	(84.2)	161	(5.6)	432	1,143	(62.2)
Credit valuation adjustment on derivatives	(63)	(233)	NM	(138)	NM	(379)	818	NM
Subtotal	148	891	(83.4)	(145)	NM	(83)	527	NM
Other, including intercompany adjustments	(11)	(18)	NM	(12)	NM	(52)	(104)	NM
Total pre-tax income (loss), excluding non-qualifying derivative								
hedging activities and net realized capital gains (losses)	(81)	1,238	NM	25	NM	(227)	1,439	NM
Non-qualifying derivative hedging activities - Capital Markets (4)	-	(3)	NM	-	NM	-	3	NM
Net realized capital gains (losses) (5)	(8)	(85)	NM	(1)	NM	(40)	90	NM
Total pre-tax income (loss)	<u>\$ (89)</u>	<u>\$ 1,150</u>	NM %	<u>\$ 24</u>	NM %	<u>\$ (267)</u>	<u>\$ 1,532</u>	NM %

* Historical results have been revised for changes in segment presentation. See page 49 for additional information.

(See Accompanying Notes on Page 38)

American International Group, Inc.
Financial Services
Notes

- (1) AGF is presented in discontinued operations and no longer reported as part of the Financial Services segment. The remaining Consumer Finance businesses are reported in AIG's Other Operations. AIG's remaining Financial Services operations are conducted through ILFC and Capital Markets. (Refer to page 49)
- (2) During the third quarter of 2010, AIG's Asset Management group undertook the management responsibilities for non-derivative assets and liabilities of the Capital Markets businesses of the Financial Services segment. These assets and liabilities are being managed on a spread basis, similar to the Matched Investment Program. Accordingly, gains and losses related to these assets and liabilities, primarily consisting of credit valuation adjustment gains and losses are reported in AIG's Other operations category as part of Asset Management – Direct Investment Business. The remaining Capital Markets derivatives business continues to be reported in the Financial Services segment as part of Capital Markets results. Intercompany interest related to loans from AIG Funding to Capital Markets is no longer being recognized by Capital Markets or Parent & Other.
- (3) Represents unrealized market valuation gains (losses) on Capital Markets' super senior credit default swap portfolio.
- (4) Includes the gains (losses) from hedging activities that did not qualify for hedge accounting, including the related foreign exchange gains and losses. These amounts result primarily from interest rate and foreign currency derivatives that are effective economic hedges of borrowings.
- (5) Net realized capital gains (losses) are as follows:

	Three Months Ended			Nine Months Ended	
	Sept. 30, 2010	Sept. 30, 2009	June 30, 2010	Sept. 30, 2010	Sept. 30, 2009
(in millions)					
Aircraft Leasing	\$ 4	\$ (58)	\$ (9)	\$ (30)	\$ 17
Other	(12)	(27)	8	(10)	73
Total	\$ (8)	\$ (85)	\$ (1)	\$ (40)	\$ 90

These amounts result primarily from the effect of hedging activities that did not qualify for hedge accounting, including the related foreign exchange gains and losses.

American International Group, Inc.
Other Operations
(in millions)

	Three Months Ended			Nine Months Ended	
	Sept. 30, 2010	Sept. 30, 2009	June 30, 2010	Sept. 30, 2010	Sept. 30, 2009
Parent and Other before net realized capital gains (losses)					
Intercompany interest income, net	\$ 92	\$ 168	\$ 144	\$ 390	\$ 481
Interest expense on FRBNY Credit Facility:					
Accrued and compounding interest	(120)	(430)	(212)	(526)	(1,690)
Amortization of prepaid commitment asset (1)	(1,199)	(822)	(543)	(2,381)	(2,466)
Total interest expense on FRBNY Credit Facility (2)	(1,319)	(1,252)	(755)	(2,907)	(4,156)
Other interest expense	(461)	(510)	(484)	(1,420)	(1,536)
Unallocated corporate expenses	(239)	(128)	(721)	(1,043)	(547)
Restructuring expenses	(113)	(95)	(40)	(250)	(343)
Change in fair value of ML III (3)	-	-	-	-	(1,401)
Net gain (loss) on sale of divested businesses	4	(885)	198	126	(1,192)
Other miscellaneous, net	3	24	10	40	133
Total Parent & Other	(2,033)	(2,678)	(1,648)	(5,064)	(8,561)
Other businesses before net realized capital gains (losses)					
Mortgage Guaranty	(124)	(461)	226	175	(1,432)
Asset Management:					
Direct Investment Business	(1)	419	307	321	493
Institutional Asset Management	(26)	(652)	1	(46)	(851)
Noncore businesses	(5)	15	18	52	249
Change in fair value of ML III (3)	301	1,162	358	1,410	1,624
Total Other businesses	145	483	910	1,912	83
Subtotal Other operations - net (4)	(1,888)	(2,195)	(738)	(3,152)	(8,478)
Other net realized capital gains (losses)	(618)	(869)	241	(287)	(547)
Total Other operations - net	\$ (2,506)	\$ (3,064)	\$ (497)	\$ (3,439)	\$ (9,025)
Consolidation and elimination adjustments:					
Before net realized capital gains (losses)					
Non-qualifying derivative hedging activities (5)	\$ 186	\$ 519	\$ (153)	\$ (136)	\$ 1,417
Income from consolidated managed partnerships & funds (4) (6)	(18)	(168)	(45)	(47)	(919)
All other (4)	300	(388)	401	744	826
Subtotal	468	(37)	203	561	1,324
Net realized capital gains (losses)					
Reclassification of non-qualifying derivative hedging activities to other (7)	(57)	336	(14)	265	(1,121)
All other eliminations	52	107	41	(52)	235
Subtotal	(5)	443	27	213	(886)
Total consolidation and elimination adjustments	\$ 463	\$ 406	\$ 230	\$ 774	\$ 438

* Historical results have been revised for changes in segment presentation. See page 49 for additional information.

(See Accompanying Notes on Page 40)

American International Group, Inc.
Other Operations
Notes

- (1) The prepaid commitment fee asset related to the FRBNY Credit Facility is being amortized as interest expense ratably over the five-year term of the agreement, accelerated for actual pay-downs that reduce the total credit available. At the time of repayment and termination of the FRBNY Credit Facility, any remaining unamortized prepaid commitment fee asset will be written off by AIG through a charge to earnings.

A rollforward of the prepaid commitment asset is as follows:

	Three Months Ended			Nine Months Ended	
	Sept. 30, 2010	Sept. 30, 2009	June 30, 2010	Sept. 30, 2010	Sept. 30, 2009
(in millions)					
Balance, beginning of period	\$ 5,917	\$ 13,814	\$ 6,460	\$ 7,099	\$ 15,458
Normal amortization	(437)	(822)	(467)	(1,381)	(2,466)
Accelerated amortization	(762)	-	(76)	(1,000)	-
Balance, end of period	\$ 4,718	\$ 12,992	\$ 5,917	\$ 4,718	\$ 12,992

- (2) Includes interest expense of \$135 million, \$143 million and \$137 million for the three months ended September 30, 2010 and 2009 and June 30, 2010, respectively and \$407 million and \$487 million for the nine months ended September 30, 2010 and 2009, respectively, allocated to discontinued operations in consolidation.
- (3) In May 2009, AIG contributed its equity interest in ML III, to an AIG subsidiary, which is reported as part of other businesses.
- (4) Components of adjusted net loss.
- (5) Represents the elimination of revenues reported in the Financial Services segment from intercompany hedging activities and the reclassification of the related foreign exchange rates on economically hedged exposures.
- (6) Includes the income from certain consolidated partnerships, private equity and real estate funds and is offset in noncontrolling interest expense, which is not a component of operating income. Many of these funds have been deconsolidated as of March 26, 2010 resulting from the sale of AIG's third party asset management business.
- (7) Represents the elimination of intercompany net realized capital gains (losses) resulting from intercompany hedging activities and the reclassification of the related foreign exchange rates on economically hedged exposures.

American International Group, Inc.
Condensed Balance Sheet — Parent Company Only

<i>(in millions)(unaudited)</i>	Sept. 30, 2010	December 31, 2009
Assets:		
Investments (1)	\$ 9,799	\$ 10,702
Cash	73	57
Loans to subsidiaries* (2)	64,648	72,926
Due from affiliates - net*	557	382
Current and deferred income taxes (3)	7,968	7,470
Debt issuance costs, including prepaid commitment asset of \$4,718 in 2010 and \$7,099 in 2009 (4)	4,973	7,383
Investments in consolidated subsidiaries* (5)	85,127	71,419
Other assets (6)	3,509	3,134
Total assets	\$ 176,654	\$ 173,473
Liabilities:		
Intercompany tax payable* (3)	\$ 27,910	\$ 28,729
Federal Reserve Bank of New York credit facility	20,470	23,435
Parent Company Long Term Debt	27,242	28,300
AIG MIP matched notes and bonds payable	12,057	13,376
Series AIGFP matched notes and bonds payable	3,702	3,760
Intercompany loans payable* (7)	1,106	1,778
Other liabilities (includes intercompany derivative liabilities of of \$199 in 2010 and \$1,278 in 2009) (8)	3,319	4,271
Liabilities held for sale	6	-
Total liabilities	95,812	103,649
Shareholders' equity:		
Preferred stock (9)	71,983	69,784
Common stock	354	354
Treasury stock	(873)	(874)
Additional paid-in capital	5,864	6,358
Accumulated deficit (10)	(14,486)	(11,491)
Accumulated other comprehensive income	18,000	5,693
Total AIG shareholders' equity	80,842	69,824
Total liabilities and equity	\$ 176,654	\$ 173,473

* Eliminated in consolidation.

(See accompanying Notes on Page 42)

American International Group, Inc.
Consolidated Balance Sheet – Parent Company Only
Notes

- (1) Primarily represents MIP's investments in bond, mortgage loan, and bank loan portfolios. Also includes intercompany derivative assets and a third party note receivable.
- (2) Represents AIG parent's loan to Capital Markets (mostly through AIG Funding) and other subsidiaries, primarily Financial Services subsidiaries. During the third quarter of 2010, intercompany loans to AIG Funding was largely reduced by \$2.1 billion which was related to as a result of capital contributions and \$3.9 billion was paid down using proceeds from an ILFC debt issuance.
- (3) The consolidated U.S. members deferred tax asset for net operating loss and tax credit carryforwards and valuation allowance are maintained at AIG parent and are not allocated to the subsidiaries. As the consolidated net operating losses and other tax attribute carryforwards are utilized, the intercompany tax balance will be settled with the subsidiaries.

	September 30, 2010				December 31, 2009			
	AIG	Intercompany	Valuation	Total	AIG	Intercompany	Valuation	Total
(dollars in millions)	Parent		Allowance		Parent		Allowance	
Current and deferred income taxes								
Current - U.S. Consolidated Receivable from the IRS	\$ 592	\$ (594)	\$ -	\$ (2)	\$ 334	\$ (216)	\$ -	\$ 118
Deferred Tax Asset / Liability	13,879	14,700	(20,609)	7,970	5,730	23,383	(21,761)	7,352
Total	14,471	14,106	(20,609)	7,968	6,064	23,167	(21,761)	7,470
Intercompany tax payable								
Current - Intercompany Tax Payable	\$ -	\$ (27,910)	\$ -	\$ (27,910)	\$ -	\$ (28,729)	\$ -	\$ (28,729)

- (4) Represents capitalized debt issuance costs related to third party debt issuances and a prepaid commitment asset related to the FRBNY Credit Facility. The prepaid commitment fee asset related to the FRBNY Credit Facility is being amortized as interest expense ratably over the five year term of the agreement, accelerated for actual pay-downs that reduce total credit available.
- (5) Represents AIG parent's investment in directly owned consolidated subsidiaries. During the third quarter of 2010, investments in consolidated subsidiaries was increased by \$2.7 billion as a result of loan forgiveness.
- (6) Primarily represents restricted cash of \$2.2 billion, escrow funds of \$338 million related to workers' compensation and a \$271 million tax escrow related to insurance subsidiaries operating in New York.
- (7) Current balance represents intercompany borrowings primarily from American General Finance Corp. The balance at December 31, 2009 primarily included \$1.55 billion demand note borrowing from American General Finance Corp. The outstanding demand note balance was reduced to \$750 million as of September 30, 2010.
- (8) Primarily consists of intercompany derivative liabilities and accrued liabilities.
- (9) Includes the Series C, E, and F Preferred Stocks. Increase from December 31, 2009 resulted from draw down of approximately \$2.2 billion from the Department of the Treasury Commitment.
- (10) Includes loss of \$238 million related to the cumulative effect of change in accounting principles of subsidiaries recorded by AIG parent.

American International Group, Inc.
Condensed Statement of Income — Parent Company Only

(in millions)(unaudited)	Three Months Ended Sept. 30,		Nine Months Ended	
	2010	2009	2010	2009
Income				
Equity in undistributed net income (loss) of consolidated subsidiaries *	\$ (1,688)	\$ 695	\$ (2,616)	\$ 64
Interest income	840	915	2,531	3,240
Change in fair value of ML III	-	-	-	(1,401)
Dividend income from consolidated subsidiaries*	523	811	1,206	1,331
Net realized capital losses	(629)	(610)	(402)	(310)
Other revenues	-	5	1	91
Expenses				
Accrued and compounding interest	(120)	(430)	(526)	(1,690)
Amortization of prepaid commitment asset	(1,199)	(822)	(2,381)	(2,466)
Total interest expense on FRBNY Credit Facility	(1,319)	(1,252)	(2,907)	(4,156)
Other interest expense	(513)	(631)	(1,735)	(1,904)
Restructuring expenses and related asset impairment and other expenses	(109)	(82)	(244)	(330)
Other expenses, net	(308)	(151)	(1,036)	(635)
Loss from continuing operations before income tax benefit	(3,203)	(300)	(5,202)	(4,010)
Income tax benefit	(825)	(755)	(1,951)	(1,934)
Loss from discontinued operations	(17)	-	(17)	-
Net income (loss)	\$ (2,395)	\$ 455	\$ (3,268)	\$ (2,076)

* Eliminated in consolidation.

Certain prior period amounts have been reclassified to conform to the current period presentation.

American International Group, Inc.
Condensed Statement of Cash Flows — Parent Company Only

(in millions)(unaudited)	Nine Months Ended Sept. 30,	
	2010	2009
Net cash (used in) provided by operating activities	\$ (345)	\$ 286
Cash flows from investing activities:		
Sale of investments	1,017	987
Maturities of investments	10	-
Sale of divested businesses	278	857
Purchase of investments	(27)	(113)
Change in short-term investments	(732)	672
Contributions to subsidiaries	(2,590)	(2,608)
Mortgage and other loan receivables — originations and purchases	(25)	(122)
Payments received on mortgages and other loan receivables	496	358
Loans to subsidiaries - net	2,381	(2,200)
Other, net	(40)	(67)
Net cash used in investing activities	768	(2,236)
Cash flows from financing activities:		
Federal Reserve Bank of New York Credit Facility borrowings	14,900	20,000
Federal Reserve Bank of New York Credit Facility repayments	(14,444)	(21,000)
Repayment on other long-term debt	(2,389)	(1,880)
Drawdown on the Department of the Treasury Commitment	2,199	3,206
Loans from subsidiaries - net	(670)	1,655
Other, net	(3)	(22)
Net cash provided by financing activities	(407)	1,959
Change in cash	16	9
Cash at beginning of year	57	103
Cash at end of period	\$ 73	\$ 112

American International Group, Inc.
Net Realized Capital Gains (Losses)
(dollars in millions)

	Three Months Ended			Nine Months Ended	
	Sept. 30, 2010	Sept. 30, 2009	June 30, 2010	Sept. 30, 2010	Sept. 30, 2009
General Insurance					
Bonds available for sale	\$ 86	\$ 92	\$ 32	\$ 287	\$ 168
Stocks available for sale	54	70	16	157	93
Other transactions	(19)	(56)	(17)	-	(31)
Other than temporary impairment charges:					
Severity	(1)	(1)	(2)	(22)	(111)
Change in intent	(312)	-	-	(313)	(122)
Foreign currency declines	(12)	-	-	(15)	-
Issuer-specific credit events	(12)	(273)	(39)	(129)	(573)
Adverse projected cash flows on structured securities	-	-	-	-	(1)
Total other than temporary impairment charges	(337)	(274)	(41)	(479)	(807)
Foreign exchange transactions	(23)	95	32	(10)	(69)
Derivative instruments	32	36	36	33	(36)
Total pre-tax realized gains (losses)	\$ (207)	\$ (37)	\$ 58	\$ (12)	\$ (682)
Domestic Life Insurance & Retirement Services					
Bonds available for sale	\$ 690	\$ 121	\$ 49	\$ 875	\$ 405
Stocks available for sale	25	3	17	53	(5)
Other transactions	(52)	(76)	(102)	(200)	(509)
Other than temporary impairment charges:					
Severity	(4)	-	-	(13)	(816)
Change in intent	(15)	(9)	(9)	(30)	(658)
Foreign currency declines	-	-	-	-	-
Issuer-specific credit events	(337)	(728)	(404)	(1,389)	(1,702)
Adverse projected cash flows on structured securities	(1)	-	-	(1)	(116)
Total other than temporary impairment charges	(357)	(737)	(413)	(1,433)	(3,292)
Foreign exchange transactions	(129)	(63)	72	57	(155)
Derivative instruments	(157)	(677)	(589)	(1,094)	406
Total pre-tax realized losses	\$ 20	\$ (1,429)	\$ (966)	\$ (1,742)	\$ (3,150)
Foreign Life Insurance & Retirement Services					
Bonds available for sale	\$ 29	\$ 42	\$ 53	\$ 122	\$ 75
Stocks available for sale	61	87	34	188	134
Other transactions	(62)	(55)	(11)	(76)	(87)
Other than temporary impairment charges:					
Severity	-	-	(16)	(19)	(53)
Change in intent	(7)	(1)	(4)	(12)	(62)
Foreign currency declines	(5)	-	-	(6)	(88)
Issuer-specific credit events	(25)	(81)	(4)	(31)	(82)
Adverse projected cash flows on structured securities	-	-	-	-	-
Total other than temporary impairment charges	(37)	(82)	(24)	(68)	(285)
Foreign exchange transactions	15	4	6	(20)	94
Derivative instruments	151	126	96	240	271
Total pre-tax realized gains	\$ 157	\$ 122	\$ 154	\$ 386	\$ 202
Financial Services					
Bonds available for sale	\$ (1)	\$ -	\$ -	\$ (1)	\$ -
Stocks available for sale	-	-	-	-	-
Other transactions	1	22	1	3	15
Other than temporary impairment charges:					
Severity	-	-	-	-	-
Change in intent	-	-	-	-	-
Foreign currency declines	-	-	-	-	-
Issuer-specific credit events	(9)	-	-	(10)	-
Adverse projected cash flows on structured securities	-	-	-	-	-
Total other than temporary impairment charges	(9)	-	-	(10)	-
Foreign exchange transactions	6	(17)	(7)	-	(77)
Derivative instruments	(5)	(90)	5	(32)	152
Total pre-tax realized gains (losses)	\$ (8)	\$ (85)	\$ (1)	\$ (40)	\$ 90
Other Operations *					
Bonds available for sale	\$ 29	\$ (1)	\$ -	\$ 23	\$ (3)
Stocks available for sale	1	-	(2)	6	(41)
Other transactions	2	(65)	63	(75)	(205)
Other than temporary impairment charges:					
Severity	-	-	-	-	(492)
Change in intent	(6)	(1)	-	(6)	(41)
Foreign currency declines	-	-	-	-	-
Issuer-specific credit events	(78)	(403)	(107)	(274)	(801)
Adverse projected cash flows on structured securities	-	-	-	(1)	(27)
Total other than temporary impairment charges	(84)	(404)	(107)	(281)	(1,361)
Foreign exchange transactions	(1,112)	(57)	743	235	(350)
Derivative instruments	541	101	(429)	18	527
Total pre-tax realized gains (losses)	\$ (623)	\$ (426)	\$ 268	\$ (74)	\$ (1,433)
Total realized gains (losses)					
Bonds available for sale	\$ 833	\$ 254	\$ 134	\$ 1,306	\$ 645
Stocks available for sale	141	160	65	404	181
Other transactions	(130)	(230)	(66)	(348)	(817)
Other than temporary impairment charges:					
Severity	(5)	(1)	(18)	(54)	(1,472)
Change in intent	(340)	(11)	(13)	(361)	(883)
Foreign currency declines	(17)	-	-	(21)	(88)
Issuer-specific credit events	(461)	(1,485)	(554)	(1,833)	(3,158)
Adverse projected cash flows on structured securities	(1)	-	-	(2)	(144)
Total other than temporary impairment charges	(824)	(1,497)	(585)	(2,271)	(5,745)
Foreign exchange transactions	(1,243)	(38)	846	262	(557)
Derivative instruments	562	(504)	(881)	(835)	1,320
Total pre-tax realized losses	\$ (661)	\$ (1,855)	\$ (487)	\$ (1,482)	\$ (4,973)
Total realized losses, net of tax	\$ (464)	\$ (798)	\$ (487)	\$ (1,177)	\$ (3,590)

* Includes reclassification and eliminations.

American International Group, Inc.
Cash and Investments
September 30, 2010
(dollars in millions)

	<u>General Insurance</u>		<u>Total</u>	<u>Domestic Life</u>	<u>Foreign Life</u>	<u>Financial</u>		<u>Total</u>
	<u>Domestic</u>	<u>Foreign</u>	<u>General</u>	<u>Insurance &</u>	<u>Insurance &</u>	<u>Services</u>	<u>Other</u>	<u>Company</u>
			<u>Insurance</u>	<u>Retirement</u>	<u>Retirement</u>			
				<u>Services</u>	<u>Services</u>			
Fixed maturity securities:								
Bonds available for sale, at fair value	\$ 64,330	\$ 26,987	\$ 91,317	\$ 136,364	\$ 58,667	\$ 451	\$ 9,399	\$ 296,198
Bond trading securities, at fair value	-	55	55	1,232	2,498	93	24,971	28,849
Equity securities:								
Common and preferred stock available for sale, at fair value	2,400	1,669	4,069	220	6,366	1	610	11,266
Common and preferred stock trading, at fair value	51	-	51	1	5,267	162	5	5,486
Mortgage and other loans receivable, net of allowance	74	584	658	16,858	2,746	89	2,592	22,943
Finance receivables, net of allowance	-	-	-	-	-	1,015	247	1,262
Flight equipment primarily under operating leases, net of accumulated depreciation	-	-	-	-	-	39,875	-	39,875
Other invested assets	11,402	1,853	13,255	13,084	3,863	264	5,540	36,006
Securities purchased under agreements to resell, at fair value	-	-	-	-	-	-	905	905
Short-term investments	5,932	5,045	10,977	11,380	2,989	6,060	3,056	34,462
Total investments	<u>84,189</u>	<u>36,193</u>	<u>120,382</u>	<u>179,139</u>	<u>82,396</u>	<u>48,010</u>	<u>47,325</u>	<u>477,252</u>
Cash	233	444	677	349	179	312	151	1,668
Total cash and investments	<u>\$ 84,422</u>	<u>\$ 36,637</u>	<u>\$ 121,059</u>	<u>\$ 179,488</u>	<u>\$ 82,575</u>	<u>\$ 48,322</u>	<u>\$ 47,476</u>	<u>\$ 478,920</u>
 Percent of total company	 17.6%	 7.7%	 25.3%	 37.5%	 17.2%	 10.1%	 9.9%	 100.0%

American International Group, Inc
Other Invested Assets
(dollars in millions)

	Sept. 30, 2010	Dec. 31, 2009	% Inc. (Dec.)
Domestic General Insurance			
Alternative funds (1)	\$ 6,653	\$ 6,054	9.9 %
Mutual funds	276	184	50.0
Life settlement contracts	3,729	3,399	9.7
Direct private equity investments	108	20	440.0
All other investments	636	695	(8.5)
Total Domestic General Insurance	11,402	10,352	10.1
Foreign General Insurance			
Alternative funds (1)	129	298	(56.7)
Mutual funds	1,067	336	217.6
Investment real estate	235	127	85.0
Direct private equity investments	92	350	(73.7)
All other investments	330	205	61.0
Total Foreign General Insurance	1,853	1,316	40.8
Domestic Life Insurance and Retirement Services			
Alternative funds (1)	11,002	11,001	-
Mutual funds	35	47	(25.5)
Investment real estate	457	389	17.5
Aircraft asset investments	1,404	1,498	(6.3)
All other investments	186	206	(9.7)
Total Domestic Life Insurance	13,084	13,141	(0.4)
Foreign Life Insurance & Retirement Services			
Alternative funds (1)	192	1,262	(84.8)
Mutual funds (2)	1,187	8,585	(86.2)
Investment real estate	1,017	2,265	(55.1)
Direct private equity investments	36	65	(44.6)
All other investments	1,431	1,572	(9.0)
Total Foreign Life Insurance & Retirement Services (2)	3,863	13,749	(71.9)
Financial Services and Other			
Alternative funds (1)	476	658	(27.7)
Mutual funds	618	471	31.2
Investment real estate	3,625	4,481	(19.1)
Direct private equity investments	162	8	NM
All other investments	(43)	243	NM
Total Financial Services and Other	4,838	5,861	(17.5)
Consolidated Managed Partnerships & Funds (3)	966	816	18.4
Total AIG Other Invested Assets			
Alternative funds (1)	18,452	19,273	(4.3)
Mutual funds	3,183	9,623	(66.9)
Investment real estate	5,334	7,262	(26.5)
Aircraft asset investments	1,404	1,498	(6.3)
Life settlement contracts	3,729	3,399	9.7
Direct private equity investments	398	443	(10.2)
All other investments	2,540	2,921	(13.0)
Consolidated Managed Partnerships & Funds (3)	966	816	18.4
Total AIG Other Invested Assets	\$ 36,006	\$ 45,235	(20.4) %

- Note:
- (1) Includes hedge funds, private equity funds and other investment partnerships.
 - (2) Reflects classification of ALICO, AIG Star and AIG Edison investments to held for sale at September 30, 2010.
 - (3) Represents AIG managed partnerships and funds that are consolidated.

American International Group, Inc.
Return on Average Partnerships and Mutual Funds Assets (1)
(dollars in millions)

	Three Months Ended							Nine Months Ended					
	September 30, 2010		September 30, 2009		June 30, 2010			September 30, 2010			September 30, 2009		
	Income	Return on Average Assets	Income	Return on Average Assets	Income	Assets	Return on Average Assets	Income	Assets	Return on Average Assets	Income	Assets	Return on Average Assets
	(Loss)		(Loss)		(Loss)			(Loss)			(Loss) (6)	Assets (6)	
Partnerships (2) (3):													
General Insurance													
Domestic General Insurance	\$ 16	1.0 %	\$ 163	11.8 %	\$ 199	\$ 6,479	12.6 %	\$ 357	\$ 6,653	7.5 %	\$ (214)	\$ 5,630	(5.0) %
Foreign General Insurance	-	-	8	8.4	21	154	36.1	26	129	15.5	(113)	389	(32.0)
Total General Insurance	16	1.0	171	11.6	220	6,633	13.4	383	6,782	7.8	(327)	6,019	(7.1)
Domestic Life Insurance & Retirement Services													
Domestic Life Insurance	11	3.5	(26)	(8.7)	29	1,225	9.8	60	1,257	6.6	(165)	1,194	(17.6)
Domestic Retirement Services	126	5.2	269	11.1	184	9,679	7.6	525	9,745	7.2	91	9,637	1.2
Total Domestic Life Insurance & Retirement Services	137	5.0	243	8.9	213	10,904	7.8	585	11,002	7.1	(74)	10,831	(0.8)
Foreign Life Insurance & Retirement Services (4)	-	-	2	3.7	1	190	2.1	(1)	192	(0.7)	(23)	218	(11.5)
Financial Services and Other (4)	18	17.7	(134)	(66.0)	72	336	87.5	87	476	26.0	(479)	713	(46.2)
Total excluding Consolidated Managed Partnerships and Funds	171	3.7 %	282	6.3 %	506	18,063	11.2 %	1,054	18,452	7.7 %	(903)	17,781	(6.2) %
Consolidated Managed Partnerships and Funds (5)	(29)		(217)		(88)	937		(133)	966		(1,136)	3,421	
Total	\$ 142		\$ 65		\$ 418	\$ 19,000		\$ 921	\$ 19,418		\$ (2,039)	\$ 21,202	
Partnership Type:													
Private Equity	\$ 151	4.8 %	\$ 36	1.2 %	\$ 439	\$ 12,530	14.1 %	\$ 780	\$ 12,783	8.3 %	\$ (1,173)	\$ 11,986	(12.3) %
Hedge Funds	20	1.4	246	16.6	67	5,533	4.8	274	5,669	6.4	270	5,795	5.4
Total excluding Consolidated Managed Partnerships and Funds	\$ 171	3.7 %	\$ 282	6.3 %	\$ 506	\$ 18,063	11.2 %	\$ 1,054	\$ 18,452	7.7 %	\$ (903)	\$ 17,781	(6.2) %
Mutual Funds (6):													
General Insurance													
Domestic General Insurance	\$ 19	24.7 %	\$ 19	46.3 %	\$ (31)	\$ 339	(48.2) %	\$ (11)	276	(6.0) %	\$ 34	\$ 175	30.7 %
Foreign General Insurance	(32)	(12.2)	44	45.6	6	1,036	2.9	(28)	1,067	(4.9)	113	409	43.9
Total General Insurance	(13)	(3.8)	63	45.8	(25)	1,375	(9.3)	(39)	1,343	(5.2)	147	584	39.9
Domestic Life Insurance & Retirement Services													
Domestic Life Insurance	2	28.6	3	24.2	-	24	-	3	32	13.8	6	28	14.5
Domestic Retirement Services	-	-	-	-	-	9	-	-	3	-	-	17	-
Total Domestic Life Insurance & Retirement Services	2	23.5	3	17.9	-	33	-	3	35	10.2	6	45	11.2
Foreign Life Insurance & Retirement Services (4)	(3)	(3.7)	35	43.8	(9)	322	(10.9)	(18)	320	(7.3)	45	316	16.2
Total	\$ (14)	(3.3) %	\$ 101	43.1 %	\$ (34)	\$ 1,730	(9.4) %	\$ (54)	\$ 1,698	(5.2) %	\$ 198	\$ 945	28.3 %
Total Partnerships and Mutual Funds	\$ 157		\$ 383		\$ 472			\$ 1,000			\$ (705)		

- Notes: (1) Annualized income (loss) expressed as a percentage of average assets.
(2) Represents private equity partnerships and hedge funds.
(3) Partnership income (loss) is on a lag basis. Hedge Funds are generally on a one month lag, while Private Equity is generally on a one quarter lag.
(4) Historical results have been revised to exclude Nan Shan, ALICO, AIG Star and AIG Edison and AGF which now are presented as discontinued operations.
(5) Represents AIG managed partnerships and funds that are consolidated.
(6) Comprised of equity-method mutual fund investments. Excludes mutual funds accounted for as equity securities and mutual funds.

American International Group, Inc. Segment Reporting Revisions

In order to align financial reporting with the manner in which AIG's chief operating decision makers review the businesses to make decisions about resources to be allocated and to assess performance, during 2010, the following changes to AIG segment reporting presentation was made:

General Insurance

As a result of AIG entering into an agreement to sell ALICO, ALICO's General insurance operations which were previously included in Foreign General Insurance operation are now reported as discontinued operation and met the criteria for "held-for-sale" accounting.

Domestic Life Insurance & Retirement Services

No changes were made to the Domestic Life Insurance & Retirement Services segment in nine months ended September 30, 2010.

Foreign Life Insurance & Retirement Services

As a result of sale of ALICO on November 1, 2010, ALICO, AIG Star and AIG Edison, which were previously included in Foreign Life Insurance & Retirement Services, results for these entities are now reported as discontinued operation. These entities met the criteria for "held-for-sale" accounting.

Financial Services

As a result of AIG's entering into an agreement to sell AGF, AGF is presented in discontinued operations and met the criteria for "held-for-sale" accounting and is no longer reported as part of the Financial Services segment. Following the classification of AGF as discontinued operations, AIG's remaining consumer finance businesses are now reported in AIG's Other operations category as part of Noncore businesses.

During the third quarter of 2010, AIG's Asset Management group undertook the management responsibilities for non-derivative assets and liabilities of the Capital Markets businesses of the Financial Services segment. These assets and liabilities are being managed on a spread basis, similar to the Matched Investment Program. Accordingly, gains and losses related to these assets and liabilities, primarily consisting of credit valuation adjustment gains and losses are reported in AIG's Other operations category as part of Asset Management - Direct Investment Business.

Intercompany interest related to loans from AIG Funding to AIGFP is no longer being allocated to AIGFP from Other operations.

The remaining Capital Markets derivatives business continues to be reported in the Financial Services segment as part of Capital Markets results.

Other Operations

Includes the consumer finance businesses reported as part of Non-core businesses and Asset Management – Direct Investment Business results discussed above.

Prior period amounts have been revised to conform to the current presentation for the above changes.

The pages that follow present revised consolidated historical results for the discontinued operations changes and revised segment results.

American International Group, Inc.
Consolidated Statement of Operations - Revised Historical 2010 Results
(in millions)

	First Quarter 2010	Second Quarter 2010	Third Quarter 2010	Nine Months 2010
Revenues:				
Premiums and other considerations	\$ 11,562	\$ 11,730	\$ 12,639	\$ 35,931
Net investment income	<u>5,199</u>	<u>5,039</u>	<u>5,231</u>	<u>15,469</u>
Total net realized capital losses	(334)	(487)	(661)	(1,482)
Unrealized market valuation gains on Capital Markets super senior credit default swap portfolio	119	161	152	432
Other income	<u>1,638</u>	<u>1,896</u>	<u>1,730</u>	<u>5,264</u>
Total revenues	<u>18,184</u>	<u>18,339</u>	<u>19,091</u>	<u>55,614</u>
Benefits, claims and expenses:				
Policyholder benefits and claims incurred	9,702	9,870	11,175	30,747
Policy acquisition and other insurance expenses	3,611	3,659	3,898	11,168
Interest expense	1,524	1,652	2,158	5,334
Restructuring expenses and related asset impairment and other expenses	112	68	159	339
Net gain (loss) on sale of divested businesses	76	(198)	(4)	(126)
Other expenses	<u>1,402</u>	<u>1,669</u>	<u>1,283</u>	<u>4,354</u>
Total benefits, claims and expenses	<u>16,427</u>	<u>16,720</u>	<u>18,669</u>	<u>51,816</u>
Income from continuing operations before income tax expense (benefit)	1,757	1,619	422	3,798
Income tax expense (benefit)	<u>(453)</u>	<u>1,028</u>	<u>469</u>	<u>1,044</u>
Income (loss) from continuing operations	2,210	591	(47)	2,754
Income (loss) from discontinued operations, net of income tax expense (benefit)	<u>221</u>	<u>(2,706)</u>	<u>(1,844)</u>	<u>(4,329)</u>
Net income (loss)	2,431	(2,115)	(1,891)	(1,575)
Less:				
Net income from continuing operations attributable to noncontrolling interests:				
Noncontrolling nonvoting, callable, junior and senior preferred interests held by Federal Reserve Bank of New York	519	508	388	1,415
Other	<u>119</u>	<u>20</u>	<u>104</u>	<u>243</u>
Total net income from continuing operations attributable to noncontrolling interests	638	528	492	1,658
Income discontinued operations attributable to noncontrolling interests	<u>10</u>	<u>13</u>	<u>12</u>	<u>35</u>
Total net income attributable to noncontrolling interests	648	541	504	1,693
Net income (loss) attributable to AIG	<u>\$ 1,783</u>	<u>\$ (2,656)</u>	<u>\$ (2,395)</u>	<u>\$ (3,268)</u>

American International Group, Inc.
Consolidated Statement of Operations - Revised Historical 2009 Results
(in millions)

	First Quarter 2009	Second Quarter 2009	Third Quarter 2009	Fourth Quarter 2009	Twelve Months 2009
Revenues:					
Premiums and other considerations	\$ 14,144	\$ 13,213	\$ 11,695	\$ 12,187	\$ 51,239
Net investment income	<u>1,163</u>	<u>6,472</u>	<u>6,409</u>	<u>4,943</u>	<u>18,987</u>
Total net realized capital losses	(2,386)	(732)	(1,855)	(237)	(5,210)
Unrealized market valuation gains (losses) on Capital Markets super senior credit default swap portfolio	(452)	636	959	275	1,418
Other income	<u>2,150</u>	<u>2,974</u>	<u>2,396</u>	<u>1,694</u>	<u>9,214</u>
Total revenues	<u>14,619</u>	<u>22,563</u>	<u>19,604</u>	<u>18,862</u>	<u>75,648</u>
Benefits, claims and expenses:					
Policyholder benefits and claims incurred	12,453	12,807	11,340	13,415	50,015
Policy acquisition and other insurance expenses	3,984	4,248	3,533	4,099	15,864
Interest expense	2,395	2,192	2,093	7,021	13,701
Restructuring expenses and related asset impairment and other expenses	345	309	254	241	1,149
Net gain (loss) on sale of divested businesses	(259)	566	885	79	1,271
Other expenses	<u>1,670</u>	<u>1,779</u>	<u>2,016</u>	<u>1,953</u>	<u>7,418</u>
Total benefits, claims and expenses	<u>20,588</u>	<u>21,901</u>	<u>20,121</u>	<u>26,808</u>	<u>89,418</u>
Income (loss) from continuing operations before income tax benefit	(5,969)	662	(517)	(7,946)	(13,770)
Income tax benefit	<u>(880)</u>	<u>(222)</u>	<u>(408)</u>	<u>21</u>	<u>(1,489)</u>
Income (loss) from continuing operations	(5,089)	884	(109)	(7,967)	(12,281)
Income (loss) from discontinued operations, net of income tax benefit	<u>(44)</u>	<u>961</u>	<u>94</u>	<u>(1,043)</u>	<u>(32)</u>
Net income (loss)	(5,133)	1,845	(15)	(9,010)	(12,313)
Less:					
Net income (loss) from continuing operations attributable to noncontrolling interests:					
Noncontrolling nonvoting, callable, junior and senior preferred interests held by Federal Reserve Bank of New York	-	-	-	140	140
Other	<u>(768)</u>	<u>(7)</u>	<u>(496)</u>	<u>(305)</u>	<u>(1,576)</u>
Total net loss from continuing operations attributable to noncontrolling interests	(768)	(7)	(496)	(165)	(1,436)
Income (loss) discontinued operations attributable to noncontrolling interests	<u>(12)</u>	<u>30</u>	<u>26</u>	<u>28</u>	<u>72</u>
Total net income (loss) attributable to noncontrolling interests	(780)	23	(470)	(137)	(1,364)
Net income (loss) attributable to AIG	<u>\$ (4,353)</u>	<u>\$ 1,822</u>	<u>\$ 455</u>	<u>\$ (8,873)</u>	<u>\$ (10,949)</u>

American International Group, Inc.
General Insurance Operating Statistics - Revised Historical 2010 Results
(dollars in millions)

	First Quarter 2010	Second Quarter 2010	Third Quarter 2010	Nine Months 2010
Gross premiums written	\$ 11,508	\$ 9,553	\$ 10,698	\$ 31,759
Ceded premiums written	<u>3,864</u>	<u>1,761</u>	<u>2,100</u>	<u>7,725</u>
Net premiums written	7,644	7,792	8,598	24,034
Net premiums earned	<u>7,641</u>	<u>7,733</u>	<u>8,597</u>	<u>23,971</u>
Claims and claims adjustment expenses incurred	5,459	5,575	6,109	17,143
Change in deferred acquisition costs	(18)	(104)	(257)	(379)
Other underwriting expenses	<u>2,392</u>	<u>2,420</u>	<u>2,680</u>	<u>7,492</u>
Underwriting profit (loss)	(192)	(158)	65	(285)
Net investment income				
Interest and dividends	845	850	873	2,568
Partnership income	147	220	16	383
Mutual funds	(1)	(25)	(13)	(39)
Other investment income	108	142	117	367
Investment expense	<u>(28)</u>	<u>(74)</u>	<u>14</u>	<u>(88)</u>
Total	1,071	1,113	1,007	3,191
Operating income (loss) before net realized capital gains (losses)	879	955	1,072	2,906
Net realized capital losses	137	58	(207)	(12)
Bargain purchase gain	<u>332</u>	<u>-</u>	<u>-</u>	<u>332</u>
Pre-tax income (loss)	<u>\$ 1,348</u>	<u>\$ 1,013</u>	<u>\$ 865</u>	<u>\$ 3,226</u>
<hr/>				
Underwriting ratios:				
Loss ratio	71.4	72.1	71.1	71.5
Expense ratio	<u>31.1</u>	<u>29.9</u>	<u>28.2</u>	<u>29.7</u>
Combined ratio	102.5	102.0	99.3	101.2

American International Group, Inc.
General Insurance Operating Statistics - Revised Historical 2009 Results

(dollars in millions)

	<u>First Quarter 2009</u>	<u>Second Quarter 2009</u>	<u>Third Quarter 2009</u>	<u>Fourth Quarter 2009</u>	<u>Twelve Months 2009</u>
Gross premiums written	\$ 11,325	\$ 10,041	\$ 10,824	\$ 8,332	\$ 40,522
Ceded premiums written	<u>3,592</u>	<u>2,122</u>	<u>2,752</u>	<u>1,403</u>	<u>9,869</u>
Net premiums written	7,733	7,919	8,072	6,929	30,653
Net premiums earned	<u>8,278</u>	<u>8,017</u>	<u>7,936</u>	<u>8,030</u>	<u>32,261</u>
Claims and claims adjustment expenses incurred	5,789	5,638	5,995	7,940	25,362
Change in deferred acquisition costs	5	15	(74)	295	241
Other underwriting expenses	<u>2,207</u>	<u>2,219</u>	<u>2,429</u>	<u>2,401</u>	<u>9,256</u>
Underwriting profit (loss)	277	145	(414)	(2,606)	(2,598)
Net investment income					
Interest and dividends	941	851	863	901	3,556
Partnership income	(398)	(100)	171	107	(220)
Mutual funds	(34)	118	63	51	198
Other investment income	38	56	61	101	256
Investment expense	<u>(112)</u>	<u>(56)</u>	<u>(25)</u>	<u>(305)</u>	<u>(498)</u>
Total	435	869	1,133	855	3,292
Operating income (loss) before net realized capital gains (losses)	712	1,014	719	(1,751)	694
Net realized capital losses	<u>(608)</u>	<u>(37)</u>	<u>(37)</u>	<u>152</u>	<u>(530)</u>
Pre-tax income (loss)	<u>\$ 104</u>	<u>\$ 977</u>	<u>\$ 682</u>	<u>\$ (1,599)</u>	<u>\$ 164</u>
<hr/>					
Underwriting ratios:					
Loss ratio	69.9	70.3	75.5	98.9	78.6
Expense ratio	<u>26.7</u>	<u>27.9</u>	<u>29.7</u>	<u>33.6</u>	<u>29.4</u>
Combined ratio	96.6	98.2	105.2	132.5	108.0

American International Group, Inc.
Foreign General Insurance Operating Statistics - Revised Historical 2010 Results
(dollars in millions)

	First Quarter 2010	Second Quarter 2010	Third Quarter 2010	Nine Months 2010
Net premiums written	\$ 3,857	\$ 3,054	\$ 3,858	\$ 10,769
Net premiums earned	3,079	3,153	3,960	10,192
Claims and claims adjustment expenses incurred	1,985	1,812	2,411	6,208
Change in deferred acquisition costs	(147)	(40)	(222)	(409)
Other underwriting expenses	1,322	1,241	1,623	4,186
Underwriting profit (loss)	(81)	140	148	207
Net investment income				
Interest and dividends	191	194	247	632
Partnership income	5	21	-	26
Mutual funds	(2)	6	(32)	(28)
Other investment income	46	19	21	86
Investment expense	(13)	(17)	(14)	(44)
Total	227	223	222	672
Operating income (loss) before net realized capital gains (losses)	146	363	370	879
Net realized capital gains (losses)	140	119	(22)	237
Bargain purchase gain	332	-	-	332
Pre-tax income (loss)	<u>\$ 618</u>	<u>\$ 482</u>	<u>\$ 348</u>	<u>\$ 1,448</u>
<hr/>				
Underwriting ratios:				
Loss ratio	64.5	57.5	60.9	60.9
Expense ratio	38.2	38.1	35.4	37.1
Combined ratio	102.7	95.6	96.3	98.0

American International Group, Inc.
Foreign General Insurance Operating Statistics - Revised Historical 2009 Results
(dollars in millions)

	First Quarter 2009	Second Quarter 2009	Third Quarter 2009	Fourth Quarter 2009	Twelve Months 2009
Net premiums written	\$ 3,549	\$ 2,951	\$ 3,070	\$ 2,710	\$ 12,280
Net premiums earned	3,051	3,069	3,129	3,234	12,483
Claims and claims adjustment expenses incurred	1,695	1,688	1,918	2,118	7,419
Change in deferred acquisition costs	(125)	18	(6)	124	11
Other underwriting expenses	<u>1,183</u>	<u>1,227</u>	<u>1,325</u>	<u>1,350</u>	<u>5,085</u>
Underwriting profit (loss)	298	136	(108)	(358)	(32)
Net investment income					
Interest and dividends	270	179	212	241	902
Partnership income	(77)	(44)	8	(84)	(197)
Mutual funds	(22)	91	44	41	154
Other investment income	(2)	15	(1)	(8)	4
Investment expense	<u>(34)</u>	<u>(17)</u>	<u>(19)</u>	<u>(291)</u>	<u>(361)</u>
Total	135	224	244	(101)	502
Operating income (loss) before net realized capital gains (losses)	433	360	136	(459)	470
Net realized capital gains (losses)	<u>(105)</u>	<u>45</u>	<u>(47)</u>	<u>256</u>	<u>149</u>
Pre-tax income (loss)	<u>\$ 328</u>	<u>\$ 405</u>	<u>\$ 89</u>	<u>\$ (203)</u>	<u>\$ 619</u>
<hr/>					
Underwriting ratios:					
Loss ratio	55.6	55.0	61.3	65.5	59.4
Expense ratio	<u>34.7</u>	<u>40.6</u>	<u>42.2</u>	<u>45.6</u>	<u>40.8</u>
Combined ratio	90.3	95.6	103.5	111.1	100.2

American International Group, Inc.
Foreign Life Insurance & Retirement Services Operating Statistics - Revised Historical 2010 Results
(dollars in millions)

	First Quarter 2010	Second Quarter 2010	Third Quarter 2010	Nine Months 2010
Premiums, deposits and other considerations	\$ <u>3,161</u>	\$ <u>3,300</u>	\$ <u>3,547</u>	\$ <u>10,008</u>
Revenues:				
Premiums and other considerations	\$ 2,370	\$ 2,458	\$ 2,559	\$ 7,387
Net investment income:				
Interest and dividends	786	880	836	2,502
Partnership income (loss)	(2)	1	-	(1)
Mutual funds	(6)	(9)	(3)	(18)
Trading account gains (losses)	11	22	69	102
Other	29	22	41	92
Investment expenses	<u>(22)</u>	<u>(24)</u>	<u>(24)</u>	<u>(70)</u>
Net investment income before policyholder investment income and trading gains (losses)	796	892	919	2,607
Net investment income related to policyholder investment income and trading gains (losses)	<u>(75)</u>	<u>-</u>	<u>386</u>	<u>311</u>
Total net investment income	721	892	1,305	2,918
Total revenues excluding net realized capital gains and policyholder investment income and trading gains (losses)	3,166	3,350	3,478	9,994
Total revenues excluding net realized capital gains	3,091	3,350	3,864	10,305
Benefits and expenses:				
Policyholder benefits and claims incurred before the effect of policyholder benefits and claims incurred related to policyholder investment income and trading gains (losses)	1,996	2,071	2,243	6,310
Policyholder benefits and claims incurred related to policyholder investment income and trading gains (losses)	<u>(75)</u>	<u>-</u>	<u>386</u>	<u>311</u>
Policyholder benefits and claims incurred	1,921	2,071	2,629	6,621
Policy acquisition and other insurance expense	<u>606</u>	<u>672</u>	<u>701</u>	<u>1,979</u>
Total benefits and expenses	2,527	2,743	3,330	8,600
Operating income excluding net realized capital gains	564	607	534	1,705
Net realized capital gains	<u>75</u>	<u>154</u>	<u>157</u>	<u>386</u>
Pre-tax income	<u>\$ 639</u>	<u>\$ 761</u>	<u>\$ 691</u>	<u>\$ 2,091</u>

American International Group, Inc.
Foreign Life Insurance & Retirement Services Operating Statistics - Revised Historical 2009 Results
(dollars in millions)

	First Quarter 2009	Second Quarter 2009	Third Quarter 2009	Fourth Quarter 2009	Twelve Months 2009
Premiums, deposits and other considerations	<u>\$ 2,768</u>	<u>\$ 2,920</u>	<u>\$ 3,428</u>	<u>\$ 3,530</u>	<u>\$ 12,646</u>
Revenues:					
Premiums and other considerations	\$ 2,222	\$ 2,239	\$ 2,232	\$ 2,631	\$ 9,324
Net investment income:					
Interest and dividends	710	757	771	757	2,995
Partnership income (loss)	(6)	(19)	2	(12)	(35)
Mutual funds	(61)	71	35	19	64
Trading account gains (losses)	4	(3)	1	-	2
Other	(4)	3	45	14	58
Investment expenses	<u>(37)</u>	<u>(35)</u>	<u>(31)</u>	<u>(39)</u>	<u>(142)</u>
Net investment income before policyholder investment income and trading gains (losses)	606	774	823	739	2,942
Net investment income related to policyholder investment income and trading gains (losses)	<u>(37)</u>	<u>1,268</u>	<u>474</u>	<u>611</u>	<u>2,316</u>
Total net investment income	569	2,042	1,297	1,350	5,258
Total revenues excluding net realized capital gains (losses) and policyholder investment income and trading gains (losses)	2,828	3,013	3,055	3,370	12,266
Total revenues excluding net realized capital gains (losses)	2,791	4,281	3,529	3,981	14,582
Benefits and expenses:					
Policyholder benefits and claims incurred before the effect of policyholder benefits and claims incurred related to policyholder investment income and trading gains (losses)	1,835	2,037	2,057	2,220	8,149
Policyholder benefits and claims incurred related to policyholder investment income and trading gains (losses)	<u>(37)</u>	<u>1,268</u>	<u>474</u>	<u>611</u>	<u>2,316</u>
Policyholder benefits and claims incurred	1,798	3,305	2,531	2,831	10,465
Policy acquisition and other insurance expense	<u>599</u>	<u>664</u>	<u>589</u>	<u>764</u>	<u>2,616</u>
Total benefits and expenses	2,397	3,969	3,120	3,595	13,081
Operating income excluding net realized capital gains (losses)	394	312	409	386	1,501
Net realized capital gains (losses)	<u>(26)</u>	<u>106</u>	<u>122</u>	<u>217</u>	<u>419</u>
Pre-tax income	<u>\$ 368</u>	<u>\$ 418</u>	<u>\$ 531</u>	<u>\$ 603</u>	<u>\$ 1,920</u>

American International Group, Inc.
Financial Services Operating Statistics - Revised Historical 2010 Results

	<u>First Quarter 2010</u>	<u>Second Quarter 2010</u>	<u>Third Quarter 2010</u>	<u>Nine Months 2010</u>
Revenues:				
Aircraft Leasing	\$ 907	\$ 1,241	\$ 857	\$ 3,005
Capital Markets:				
Excluding unrealized market valuation gains (losses), credit valuation adjustment and non-qualifying derivative hedging activities	37	(86)	145	96
Unrealized market valuation gains (losses)	119	161	152	432
Credit valuation adjustment	(178)	(138)	(63)	(379)
Subtotal	<u>(22)</u>	<u>(63)</u>	<u>234</u>	<u>149</u>
Other, including intercompany adjustments	100	86	99	285
Total revenues excluding non-qualifying derivative hedging activities and net realized capital gains (losses)	985	1,264	1,190	3,439
Net realized capital gains (losses)	<u>(31)</u>	<u>(1)</u>	<u>(8)</u>	<u>(40)</u>
Total revenues	<u><u>\$ 954</u></u>	<u><u>\$ 1,263</u></u>	<u><u>\$ 1,182</u></u>	<u><u>\$ 3,399</u></u>
Pre-tax income (loss):				
Aircraft Leasing	\$ (56)	\$ 182	\$ (218)	\$ (92)
Capital Markets:				
Excluding unrealized market valuation gains (losses), credit valuation adjustment and non-qualifying derivative hedging activities	(27)	(168)	59	(136)
Unrealized market valuation gains (losses)	119	161	152	432
Credit valuation adjustment	(178)	(138)	(63)	(379)
Subtotal	<u>(86)</u>	<u>(145)</u>	<u>148</u>	<u>(83)</u>
Other, including intercompany adjustments	(29)	(12)	(11)	(52)
Total pre-tax income (loss) excluding non-qualifying derivative hedging activities and net realized capital gains (losses)	(171)	25	(81)	(227)
Net realized capital gains (losses)	<u>(31)</u>	<u>(1)</u>	<u>(8)</u>	<u>(40)</u>
Total pre-tax income (loss)	<u><u>\$ (202)</u></u>	<u><u>\$ 24</u></u>	<u><u>\$ (89)</u></u>	<u><u>\$ (267)</u></u>

American International Group, Inc.
Financial Services Operating Statistics - Revised Historical 2009 Results

	First Quarter 2009	Second Quarter 2009	Third Quarter 2009	Fourth Quarter 2009	Twelve Months 2009
Revenues:					
Aircraft Leasing	\$ 1,281	\$ 1,309	\$ 1,342	\$ 1,331	\$ 5,263
Capital Markets:					
Excluding unrealized market valuation gains (losses), credit valuation adjustment and non-qualifying derivative hedging activities	(1,334)	7	304	(7)	(1,030)
Unrealized market valuation gains (losses)	(452)	636	959	275	1,418
Credit valuation adjustment	1,057	(6)	(233)	(43)	775
Subtotal	(729)	637	1,030	225	1,163
Other, including intercompany adjustments	117	155	122	107	501
Total revenues excluding non-qualifying derivative hedging activities and net realized capital gains (losses)	669	2,101	2,494	1,663	6,927
Non-qualifying derivative hedging activities - Capital Markets	2	4	(3)	-	3
Net realized capital gains (losses)	31	144	(85)	6	96
Total revenues	<u>\$ 702</u>	<u>\$ 2,249</u>	<u>\$ 2,406</u>	<u>\$ 1,669</u>	<u>\$ 7,026</u>
Pre-tax income (loss):					
Aircraft Leasing	\$ 316	\$ 335	\$ 365	\$ 344	\$ 1,360
Capital Markets:					
Excluding unrealized market valuation gains (losses), credit valuation adjustment and non-qualifying derivative hedging activities	(1,486)	(113)	165	(78)	(1,512)
Unrealized market valuation gains (losses)	(452)	636	959	275	1,418
Credit valuation adjustment	1,057	(6)	(233)	(43)	775
Subtotal	(881)	517	891	154	681
Other, including intercompany adjustments	(50)	(36)	(18)	(30)	(134)
Total pre-tax income (loss) excluding non-qualifying derivative hedging activities and net realized capital gains (losses)	(615)	816	1,238	468	1,907
Non-qualifying derivative hedging activities - Capital Markets	2	4	(3)	-	3
Net realized capital gains (losses)	31	144	(85)	6	96
Total pre-tax income (loss)	<u>\$ (582)</u>	<u>\$ 964</u>	<u>\$ 1,150</u>	<u>\$ 474</u>	<u>\$ 2,006</u>

American International Group, Inc.
Other Operations - Revised Historical 2010 Results
(in millions)

	First Quarter 2010	Second Quarter 2010	Third Quarter 2010	Nine Months 2010
Parent & Other before net realized capital gains (losses):				
Intercompany interest income, net	\$ 154	\$ 144	\$ 92	\$ 390
Interest expense on FRBNY Credit Facility:				
Accrued and compounding interest	(194)	(212)	(120)	(526)
Amortization of prepaid commitment asset	(639)	(543)	(1,199)	(2,381)
Total interest expense on FRBNY Credit Facility	(833)	(755)	(1,319)	(2,907)
Other interest expense	(475)	(484)	(461)	(1,420)
Unallocated corporate expenses	(83)	(721)	(239)	(1,043)
Restructuring expenses	(97)	(40)	(113)	(250)
Net Loss on sale of divested businesses	(76)	198	4	126
Other miscellaneous, net	27	10	3	40
Total Parent & Other	(1,383)	(1,648)	(2,033)	(5,064)
Noncore businesses before net realized capital gains (losses) :				
Mortgage Guaranty	73	226	(124)	175
Asset Management:				
Direct Investment Business	15	307	(1)	321
Institutional Asset Management	(21)	1	(26)	(46)
Noncore businesses	39	18	(5)	52
Change in fair value of ML III	751	358	301	1,410
Total Other businesses	857	910	145	1,912
Subtotal Other operations - net	(526)	(738)	(1,888)	(3,152)
Other net realized capital gains (losses)	90	241	(618)	(287)
Total Other operations - net	\$ (436)	\$ (497)	\$ (2,506)	\$ (3,439)
Consolidation and elimination adjustments:				
Before net realized capital gains (losses)				
Non-qualifying derivative hedging activities	\$ (169)	\$ (153)	\$ 186	\$ (136)
Income from consolidated managed partnerships & funds	16	(45)	(18)	(47)
All other	43	401	300	744
Subtotal	(110)	203	468	561
Net realized capital gains (losses)				
Reclassification of non-qualifying derivative hedging activities to other	336	(14)	(57)	265
All other eliminations	(145)	41	52	(52)
Subtotal	191	27	(5)	213
Total consolidation and elimination adjustments	\$ 81	\$ 230	\$ 463	\$ 774

American International Group, Inc.
Other Operations - Revised Historical 2009 Results
(in millions)

	First Quarter 2009	Second Quarter 2009	Third Quarter 2009	Fourth Quarter 2009	Twelve Months 2009
Parent & Other before net realized capital gains (losses):					
Intercompany interest income, net	\$ 140	\$ 173	\$ 168	\$ 166	\$ 647
Interest expense on FRBNY Credit Facility:					
Accrued and compounding interest	(708)	(552)	(430)	(332)	(2,022)
Amortization of prepaid commitment asset	(822)	(822)	(822)	(5,893)	(8,359)
Total interest expense on FRBNY Credit Facility	(1,530)	(1,374)	(1,252)	(6,225)	(10,381)
Other interest expense	(518)	(508)	(510)	(499)	(2,035)
Unallocated corporate expenses	(63)	(356)	(128)	(602)	(1,149)
Restructuring expenses	(118)	(130)	(95)	(79)	(422)
Change in fair value of ML III	(1,940)	539	-	-	(1,401)
Net Loss on sale of divested businesses	259	(566)	(885)	(79)	(1,271)
Other miscellaneous, net	110	(1)	24	(22)	111
Total Parent & Other	(3,660)	(2,223)	(2,678)	(7,340)	(15,901)
Noncore businesses before net realized capital gains (losses) :					
Mortgage Guaranty	(483)	(488)	(461)	(241)	(1,673)
Asset Management:					
Direct Investment Business	345	(271)	419	145	638
Institutional Asset Management	(170)	(29)	(652)	(163)	(1,014)
Noncore businesses	168	66	15	7	256
Change in fair value of ML III	-	462	1,162	196	1,820
Total Other businesses	(140)	(260)	483	(56)	27
Subtotal Other operations - net	(3,800)	(2,483)	(2,195)	(7,396)	(15,874)
Other net realized capital gains (losses)	65	257	(869)	47	(500)
Total Other operations - net	\$ (3,735)	\$ (2,226)	\$ (3,064)	\$ (7,349)	\$ (16,374)
Consolidation and elimination adjustments:					
Before net realized capital gains (losses)					
Non-qualifying derivative hedging activities	\$ 17	\$ 881	\$ 519	\$ 274	\$ 1,691
Income from consolidated managed partnerships & funds	(779)	28	(168)	(215)	(1,134)
All other	646	568	(388)	(509)	317
Subtotal	(116)	1,477	(37)	(450)	874
Net realized capital gains (losses)					
Reclassification of non-qualifying derivative hedging activities to other	(99)	(1,358)	336	(222)	(1,343)
All other eliminations	(82)	210	107	(73)	162
Subtotal	(181)	(1,148)	443	(295)	(1,181)
Total consolidation and elimination adjustments	\$ (297)	\$ 329	\$ 406	\$ (745)	\$ (307)

Comment on Regulation G

This financial supplement includes certain non-GAAP financial measures. The reconciliations of such measures to the most comparable GAAP figures in accordance with Regulation G are included within the relevant tables.

Throughout this financial supplement, AIG presents its operations in the way it believes will be most meaningful and useful, as well as most transparent, to the investing public and others who use AIG's financial information in evaluating the performance of AIG. That presentation includes the use of certain non-GAAP measures. In addition to the GAAP presentations, in some cases, revenues, net income, operating income and related rates of performance are shown exclusive of the effect of dispositions, interest and amortization related to the FRBNY Credit Facility, the recognition of other-than-temporary impairments, restructuring-related activities, conversion of the Series C Preferred Stock, realized capital gains (losses), the effect of non-qualifying derivative hedging activities, the effect of goodwill impairments, tax valuation allowances, credit valuation adjustments, unrealized market valuation gains (losses), the effect of catastrophe-related losses and foreign exchange rates and the bargain purchase gain on the Fuji acquisition.

In all such instances, AIG believes that excluding these items permits investors to better assess the performance of AIG's underlying businesses. AIG believes that providing information in a non-GAAP manner is more useful to investors and analysts and more meaningful than the GAAP presentation.

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

AIG believes that underwriting profit (loss) provides investors with financial information that is not only meaningful but critically important to understanding the results of property and casualty insurance operations. Operating income of a property and casualty insurance company includes three components: underwriting profit (loss), net investment income and realized capital gains (losses). Without disclosure of underwriting profit (loss), it is impossible to determine how successful an insurance company is in its core business activity of assessing and underwriting risk. Including investment income and net realized capital gains (losses) in operating income without disclosing underwriting profit (loss) can mask underwriting losses. The amount of net investment income may be driven by changes in interest rates and other factors that are totally unrelated to underwriting performance.

Underwriting profit (loss) is an important measurement used by AIG senior management to evaluate the performance of its property and casualty insurance operations and is a standard measure of performance used in the insurance industry. Further, the equity analysts who follow AIG exclude realized capital gains (losses) in their analyses for the same reason and consistently request that AIG provide the non-GAAP information.

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