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Press Release
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AIG、2019年第1四半期の決算を公表

- 損害保険事業部門のコンバインド・レシオは97.4%、保険事故年度の調整済みコンバインド・レシオは 96.1%を達成。アンダーライティング基盤の改善、再保険の施策および費用規律継続が主因。
- 生命保険および退職給付事業部門は2桁の調整後普通株主資本利益率（ROCE）を記録。広範なプラットフォームを反映するとともに、良好な市場パフォーマンスが支援。
- 2019年第1四半期の連結正味投資利益合計は良好な市場パフォーマンスを反映して39億ドル。これに対して、前年同期は33億ドル。
- 2019年第1四半期は6億5,400万ドル、希薄化後普通株式1株当たりでは0.75ドルの純利益を計上。これに対して、前年同期は9億3,800万ドル、希薄化後普通株式1株当たり1.01ドルの純利益。
- 2019年第1四半期の調整後税引後利益は14億ドル、希薄化後普通株式1株当たりでは1.58ドル。これに対して、前年同期は調整後税引後利益9億6,300 万ドル、希薄化後普通株式1株当たり1.04ドル。

2019年5月6日（ニューヨーク発）：アメリカン・インターナショナル・グループ・インク（ニューヨーク証券取引所銘柄：AIG）は本日、2019年第1四半期の純利益が6億5,400万ドル、希薄化後普通株式1株当たりでは0.75ドルになったことを公表しました。これに対して、前年同期は純利益が9億3,800万ドル、希薄化後普通株式1株当たりでは1.01ドルでした。2019年第1四半期の調整後税引後利益は14億ドル、希薄化後普通株式1株当たりでは1.58ドルでした。これに対して、前年同期は調整後税引後利益が9億6,300 万ドル、希薄化後普通株式1株当たりでは1.04ドルでした。

AIG社長兼CEOのブライアン・デュパロウは次のように述べました。「2019年第1四半期の決算は、AIGを収益性を伴う長期的な成長に位置付けるために2018年を通して実行した大幅な基盤整備の施策を反映して、損害保険事業部門を中心に力強いパフォーマンスを示しました。損害保険事業部門は、アンダーライティングと費用面における規律、事業構成の改善および再保険における施策を主因に、保険引受利益を計上しました。2019年第1四半期には、暦年、事故年度の両ベースで保険引受利益を達成しましたが、通年でもこれが持続することを期待しています。生命保険および退職給付事業部門は、商品および販売ルートの多様化の恩恵を受けて、堅調なパフォーマンスを実現しました。生命保険および退職給付事業部門が引き続き10%台前半の調整後ROCEを実現することを予想し、今後3年以内にAIGが連結ベースで2桁の調整後ROCEに達することを期待しています。」

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2019年第1四半期の業績概要*

（単位：百万米ドル、1株当たりの額を除く）	3月31日までの3ヶ月間 2019	3月31日までの3ヶ月間 2018
純利益	$ 654	$ 938
希薄化後1株当たり純利益	$ 0.75	$ 1.01
調整後税引後利益	$ 1,388	$ 963
調整後希薄化後1株当たり利益	$ 1.58	$ 1.04
普通株主資本利益率	4.5 %	5.9 %
調整後普通株主資本利益率	11.6 %	7.7 %
調整後帰属株主資本利益率 – コア	13.4 %	8.6 %
普通株式1株当たりブック・バリュー	$ 69.33	$ 69.95
その他の包括利益累計額を除く普通株式1株当たりブック・バリュー	66.89	67.48
調整後普通株式１株当たりブック・バリュー	55.47	56.10

*非GAAP財務指標ならびに非GAAP財務指標のGAAP指標への調整についてはレギュレーションGに関する注釈およびそれに続く表をご参照ください。

2019年第1四半期の業績概要

別段の記載がない限り、比較はすべて、2018年第1四半期に対するものです。

損害保険事業部門 – 2019年第1四半期の調整後税引前利益13億ドルには保険引受利益1億7,900万ドルおよび正味投資利益11億ドルが含まれています。コンバインド・レシオは97.4ポイントとなり、再投資プレミアム控除後の大規模自然災害による損失関連の2.7ポイントおよび正味当年度発生保険金戻入金の-1.0ポイントの影響を受けました。保険事故年度の調整済みコンバインド・レシオは96.1ポイントとなり、前年同期比130ベーシスポイント低下した調整済み損害率61.8ポイントおよび前年同期比230ベーシスポイント低下した事業費率34.3ポイントから成っています。保険事故年度の調整済み損害率の低下は、事業構成の変更、ヴァリダスおよびグラットフェルターの買収および再保険戦略の結果としての変動低下を反映しています。2019年第1四半期の事業費率34.3ポイントは、主として2018年下半期に実施した費用削減施策の結果としての事業費（GOE）率の改善を反映したものです。

生命保険および退職給付事業部門 – 2019年第1四半期の調整後税引前利益は9億2,400万ドルとなり、株式市場の良好なパフォーマンスおよび正味投資利益リターンと繰延保険獲得費用（DAC）償却に好影響をもたらしたクレジット・スプレッド縮小の好影響、魅力的な新規契約マージン、前年同期の住宅貸付銀行（FHLB） 資金提供協定を除く個人向け退職給付と団体向け退職給付および生命保険の収入保険料および預かり資産の堅調な増加ならびに機関投資家市場の年金リスク移転取引を反映しています。全般的に資金純流出が持続しましたが、個人向け退職給付では2016年第3四半期以来初めて純流入に転換しました。2019年第1四半期の調整後ROCEは15.0%でした。

正味投資利益 – 2019年第1四半期のレガシー保険ポートフォリオを含むAIGの保険会社からの正味投資利益は、前年同期を11.1%上回る37億ドルとなりました。第1四半期は株式市場の好調なパフォーマンスおよびクレジット市場での

スプレッド縮小を反映しており、不安定だった2018年第4四半期から回復しました。2019年第1四半期から、将来の期間について、レガシーおよびその他事業では、これまでその他の収益に含まれていた非保険子会社からの投資利益が正味投資利益に含まれることになりました。この計上方法は損害保険事業と生命保険および退職給付事業の正味投資利益とも一致しており、調整後税引後利益への影響はありません。この再分類の結果として正味投資利益に含まれた金額は1億1,600万ドルでした。さらに、将来の期間について、当社は持ち分証券の公正価値の変動を正味投資利益（および調整後税引前利益）から除外しました。当該金額は7,900万ドルです。

レガシーの業績 – 2019年第1四半期の調整後税引前利益は1億1,200万ドルとなり、前年同期の1億4,500万ドルから減少しました。レガシー損害保険事業の正味投資利益と保険料の減少、およびレガシー・インベストメント・ポートフォリオ運用資産の減少持続を反映したレガシー・インベストメントの利益の減少が主因です。前年同期の業績は、レガシー生命保険および退職給付事業における給付型年金に関連した準備金の微調整の悪影響を受けました。

流動性および資本 – 2019年3月31日時点のAIGの親会社流動資産は約52億ドルでした。2019年第1四半期に親会社AIGは現金、満期固定証券および融資返済金の形で保険子会社から租税分与支払いを含む約12億ドルの配当を受け取りました。親会社AIGは2019年2月に、複数の損害保険会社に対して3億ドルの資本拠出を行いました。

2019年3月に、AIGは利率5.85%のシリーズA非累積優先株式2万株を額面1株当たり5.00ドル、優先的分配権1株当たり2万5,000ドルで発行、手取純額は4億8,500万ドルとなりました。また、同じ2019年3月に、AIGは元本総額6億ドルの2029年満期、利率4.250%の債券を発行しました。

普通株式１株当たりブック・バリュー – 2019年3月31日時点の普通株式１株当たりブック・バリューは69.33ドルでした。 2018年12月31日時点では65.04ドルでした。その他の包括利益累計額および繰り延べ税金資産を除く普通株式1株当たりブック・バリュー（調整後普通株式１株当たりブック・バリュー）は前期末比微増の55.47ドルとなりました。

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損害保険事業部門

（単位：百万米ドル）	3月31日までの3ヶ月間 2019	2018	増減
損害保険事業部門合計			
総収入保険料	$ 10,195	$ 9,205	11 %
正味収入保険料	$ 6,033	$ 6,171	(2)
保険引受利益（損失）	$ 179	$ (251)	NM
調整後税引前利益	$ 1,268	$ 510	149
引受に関する比率:			
損害率	63.1	67.2	(4.1) pts
控除: 損害率に対する影響：			
大規模自然災害による損失および復活保険料	(2.7)	(5.7)	3.0
前年以前事故発生年度の当年度発生保険金	1.0	1.6	(0.6)
再保険契約およびその他の出再保険料の調整	0.4	-	0.4
保険事故年度の調整済み損害率	61.8	63.1	(1.3)
事業費率	34.3	36.6	(2.3)
コンバインド・レシオ	97.4	103.8	(6.4)
保険事故年度の調整済みコンバインド・レシオ	96.1	99.7	(3.6)

損害保険事業部門 – 北米

（単位：百万米ドル）	3月31日までの3ヶ月間 2019	2018	増減	
北米				
正味収入保険料	$ 2,578	$ 2,039	26	%
コマーシャル・ライン	1,998	1,314	52	
個人向け損害保険	580	725	(20)	
保険引受利益（損失）	$ (11)	$ (328)	97	
コマーシャル・ライン	54	(89)	NM	
個人向け損害保険	(65)	(239)	73	
調整後税引前利益	$ 934	$ 320	192	
引受に関する比率：				
北米				
損害率	69.4	80.0	(10.6)	pts
控除: 損害率に対する影響：				
大規模自然災害による損失および復活保険料	(5.1)	(11.1)	6.0	
前年以前事故発生年度の当年度発生保険金	1.8	2.8	(1.0)	
再保険契約およびその他の出再保険料の調整	1.0	-	1.0	
保険事故年度の調整済み損害率	67.1	71.7	(4.6)	
事業費率	30.9	32.2	(1.3)	
コンバインド・レシオ	100.3	112.2	(11.9)	
保険事故年度の調整済みコンバインド・レシオ	98.0	103.9	(5.9)	
北米コマーシャル・ライン				
損害率	70.7	75.9	(5.2)	pts
控除*:* 損害率に対する影響：				
大規模自然災害による損失および復活保険料	(5.1)	(4.5)	(0.6)	
前年以前事故発生年度の当年度発生保険金	2.8	6.9	(4.1)	
再保険契約およびその他の出再保険料の調整	1.0	-	1.0	
保険事故年度の調整済み損害率	69.4	78.3	(8.9)	
事業費率	27.0	28.8	(1.8)	
コンバインド・レシオ	97.7	104.7	(7.0)	
保険事故年度の調整済みコンバインド・レシオ	96.4	107.1	(10.7)	

（単位：百万米ドル）	3月31日までの3ヶ月間			
	2019	**2018**	**増減**	
北米個人向け損害保険				
損害率	65.4	90.1	(24.7)	pts
控除:損害率に対する影響：				
大規模自然災害による損失および復活保険料	(5.0)	(27.4)	22.4	
前年以前事故発生年度の当年度発生保険金	(1.2)	(7.5)	6.3	
再保険契約およびその他の出再保険料の調整	0.9	-	0.9	
保険事故年度の調整済み損害率	60.1	55.2	4.9	
事業費率	42.9	40.9	2.0	
コンバインド・レシオ	108.3	131.0	(22.7)	
保険事故年度の調整済みコンバインド・レシオ	103.0	96.1	6.9	

別段の記載がない限り、比較はすべて、2018年第1四半期に対するものです。詳細については、AIG ウェブサイトの投資家向けセクションに掲載されている2019年第1四半期追加財務情報をご参照ください。

損害保険事業部門 北米 – コメント

- 調整後税引前利益は9億3,400万ドルとなりました。これに対して、前年同期は3億2,000万ドルの調整後税引き前利益でした。

- 正味収入保険料は26.4%増の26億ドルとなりました。ヴァリダス（11億ドル）およびグラットフェルター（7,600万ドル）の買収による増加を含めたことがその主因です。これは2019年の再保険プログラムの変更による出再保険料増加とより規律を強めたリスク選好により部分的に相殺されました。

- 北米コンバインド・レシオは100.3ポイントとなり、復活保険料控除後の大規模自然災害による損失5.1ポイントおよび正味前年以前事故年度の当年度発生戻入金-1.8ポイントが含まれています。2019年第1四半期の保険事故年度の調整済みコンバインド・レシオは98.0ポイントとなり、保険事故年度の調整済み損害率67.1ポイントおよび事業比率30.9ポイントが含まれています。保険事故年度の調整済み損害率の低下は、ヴァリダスおよびグラットフェルターの買収を含む事業構成の変更が主因です。税引前引受損失は1,100万ドルとなりました。これには再保険調整後の税引前大規模自然災害による損失1億5,800万ドルが含まれていますが、このうち1億2,000万ドルは北米コマーシャル・ライン、3,800万ドルは個人向け損害保険にそれぞれ関連しています。正味前年以前事故年度の当年度発生戻入金6,000万ドルは主としてアドバース・デベロップメント・カバー繰延利益の償却に関連したものでした。

- 2019年第1四半期の事業比率の減少は、経費抑制のために2018年下半期に実施した行動の結果としてのGOEの減少を反映したものです。

- 2019年第1四半期の正味投資利益は9億4,500万ドルとなりました。これに対して、前年同期の正味投資利益は6億4,800万ドルでした。正味投資利益の増加は 主としてオルタナティブ投資のリターン上昇およびヴァリダス買

収に伴う平均運用資産の増加によるものです。

損害保険事業部門 – 北米外

（単位：百万米ドル）	3月31日までの3ヶ月間 2019	2018	増減
北米外			
正味収入保険料	$ 3,455	$ 4,132	(16) %
コマーシャル・ライン	1,780	1,955	(9)
個人向け損害保険	1,675	2,177	(23)
保険引受損失	$ 190	$ 77	147
コマーシャル・ライン	68	(14)	NM
個人向け損害保険	122	91	34
調整後税引前損失	$ 334	$ 190	76
引受に関する比率：			
北米外			
損害率	57.4	58.5	(1.1) pts
控除:損害率に対する影響：			
大規模自然災害による損失および復活保険料	(0.5)	(1.9)	1.4
前年以前事故発生年度の当年度発生保険金	0.4	0.7	(0.3)
事故発生年度の調整済み損害率	57.3	57.3	-
事業費率	37.2	39.5	(2.3)
コンバインド・レシオ	94.6	98.0	(3.4)
保険事故年度の調整済みコンバインド・レシオ	94.5	96.8	(2.3)
北米外・コマーシャル・ライン			
損害率	63.0	64.5	(1.5) pts
控除:損害率に対する影響：			
大規模自然災害による損失および復活保険料	(1.0)	(4.5)	3.5
前年以前事故発生年度の当年度発生保険金	(2.4)	-	(2.4)
事故発生年度の調整済み損害率	59.6	60.0	(0.4)
事業費率	33.0	36.4	(3.4)
コンバインド・レシオ	96.0	100.9	(4.9)
保険事故年度の調整済みコンバインド・レシオ	92.6	96.4	(3.8)

（単位：百万米ドル）	3月31日までの3ヶ月間		
	2019	**2018**	**増減**
北米外個人向け損害保険			
損害率	52.4	54.0	(1.6) pts
控除:損害率に対する影響：			
前年以前事故発生年度の当年度発生保険金	2.8	1.3	1.5
事故発生年度の調整済み損害率	55.2	55.3	(0.1)
事業費率	41.1	42.0	(0.9)
コンバインド・レシオ	93.5	96.0	(2.5)
保険事故年度の調整済みコンバインド・レシオ	96.3	97.3	(1.0)

別段の記載がない限り、比較はすべて、2018年第1四半期に対するものです。詳細については、AIG ウェブサイトの投資家向けセクションに掲載されている2019年第1四半期追加財務情報をご参照ください。

損害保険事業部門 北米外 – コメント

- 調整後税引前利益は3億3,400万ドルとなりました。これに対して、前年同期の調整後税引前利益は1億9,000万ドルでした。

- 正味収入保険料は報告ベースで16.4%、実質ベースで13.2%、それぞれ減少しました。正味収入保険料の減少は、前年同期の日本における合併の影響3億ドル、2019年の再保険プログラムの変更による出再保険料増加、アジア太平洋地域の医療・傷害保険事業の減少が原因ですが、これはヴァリダス買収効果（1億7,100万ドル）により部分的に相殺されました。

- 北米外コンバインド・レシオは94.6ポイントとなりました。保険事故年度の調整済みコンバインド・レシオは94.5ポイントとなり、保険事故年度の調整済み損害率57.3ポイントおよび事業比率37.2ポイントが含まれています。税引前保険引受利益は1億9,000万ドルとなり、これには再保険控除後の大規模自然災害による損失1,700万ドルおよび正味前年以前事故年度の当年度発生戻入金1,200万ドルが含まれています。

- 事業費率の低下は、前年同期の日本における合併の影響によるGOE率の低下と2018年下半期に実施した施策の結果が主因でした。

- 2019年第1四半期の正味投資利益は1億4,400万ドルとなりました。これに対して、前年同期の正味投資利益は1億1,300万ドルでした。正味投資利益の増加は主として平均運用資産の増加と好調なリターンによるものでした。

FOR IMMEDIATE RELEASE

生命保険および退職給付事業部門

（単位：百万米ドル）	3月31日までの3ヶ月間		
	2019	**2018**	**増減**
生命保険および退職給付			
収入保険料および手数料	$ 1,936	$ 1,180	64 %
正味投資利益	2,042	2,046	-
調整後収益	4,204	3,460	22
給付、損失および費用	3,280	2,568	28
調整後税引前利益	924	892	4
収入保険料および預かり資産*	8,356	8,862	(6)
個人向け退職給付			
収入保険料および手数料	$ 204	$ 216	(6) %
正味投資利益	999	984	2
調整後収益	1,351	1,361	(1)
給付、損失および費用	843	862	(2)
調整後税引前利益	508	499	2
収入保険料および預かり資産*	4,186	4,358	(4)
正味フロー*	133	(820)	NM
団体向け退職給付			
収入保険料および手数料	$ 104	$ 118	(12) %
正味投資利益	541	582	(7)
調整後収益	709	761	(7)
給付、損失および費用	477	479	-
調整後税引前利益	232	282	(18)
収入保険料および預かり資産*	2,063	2,072	-
正味フロー*	(875)	(755)	(16)
生命保険			
収入保険料および手数料	$ 768	$ 756	2 %
正味投資利益	291	293	(1)
調整後収益	1,073	1,061	1
給付、損失および費用	957	1,009	(5)
調整後税引前利益	116	52	123
収入保険料および預かり資産	995	969	3

（単位：百万米ドル）	3月31日までの3ヶ月間 2019	2018	増減
機関投資家市場			
収入保険料および手数料	$ 860	$ 90	NM %
正味投資利益	211	187	13
調整後収益	1,071	277	287
給付、損失および費用	1,003	218	360
調整後税引前利益	68	59	15
収入保険料および預かり資産	1,112	1,463	(24)

* 2018年第1四半期の収入保険料および預かり資産には個人向け退職給付および団体向け退職給付（それぞれ11億ドル、2億ドル）のFHLB債券13億ドルが含まれていますが、これらの資金供与協定は中核的な経常的パフォーマンスを評価する基準の一部とはみなされないため、正味フローの計上からは除外されています。

別段の記載がない限り、比較はすべて、2018年第1四半期に対するものです。詳細については、AIG ウェブサイトの投資家向けセクションに掲載されている2019年第1四半期追加財務情報をご参照ください。

生命保険および退縮給付事業部門 – コメント

- 個人向け退職給付では、調整後税引前利益が増加しましたが、株式市場のパフォーマンス向上および正味投資利益とDAC償却に好影響を及ぼしたクレジット・スプレッドの縮小を反映したものです。これはオルタナティブ投資のリターン低下および変額年金の平均運用資産の減少を主因とする手数料および顧問料の減少により部分的に相殺されました。正味フローは、定額年金およびインデックス連動型年金の販売増加を反映して純流入となりました。

- 団体向け退職給付では、調整後税引前利益が減少しましたが、主な原因は前年同期の1回限りの債券請求支払いの回収を主因とする正味投資利益の減少です。前年同期のFHLB資金供与協定を除く収入保険料および預かり資産は2019年第1四半期に11%増加しましたが、これは団体向け退職給付の獲得契約増加、保有年金契約の寄与および個人向け商品販売の増加によるものです。団体向け退職給付の正味フローは解約増加を主因にマイナスとなりました。

- 生命保険では、調整後税引き前利益は良好な死亡率、団体向け給付のGOEおよび手数料の減少持続、ポジティブな準備金動向ならびに出再保険料、手数料とGOEに影響を与えた再保険の微調整を反映しています。2019年第1四半期の収入保険料および預かり資産の合計は増加しましたが、その主因は英国における個人向け保障商品の堅調な販売増加ならびにエリプス買収に伴う団体向け保障商品の増加でした。

- 機関投資家市場では、調整後税引前利益が資産ベースの拡大に伴う正味投資利益の上昇を反映して増加しましたが、これはオルタナティブ投資リターンの低下で部分的に相殺されました。収入保険料および預かり資産は2019年第1四半期中に実行された大規模な年金リスク移転取引を反映しています。

ます。創業以来の100年の経験に基づき、現在では、損害保険、生命保険、退職給付およびその他の金融サービスを幅広く提供しています。AIGグループの商品・サービスを通じた多岐にわたるサポートは、法人および個人のお客さまの資産を守り、リスクマネジメントおよび確かなリタイヤメント・セキュリティをお届けします。
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AIGとは、AIG, Inc.傘下の全世界の損害保険、生命保険、リタイヤメント・サービス事業ならびに一般的な保険事業のマーケティング名です。より詳細な情報については当社のホームページ（ www.aig.com ）を参照ください。全ての商品およびサービスはAIG, Inc.傘下の子会社または関連会社により引き受けまたは提供されています。これらの商品およびサービスは一部の国では利用できない可能性があり、実際の契約に準拠します。保険以外の商品・サービスは、独立した第三者によって提供されることがあります。一部の損害保険の補償については、サープラス・ラインの保険会社によって提供される可能性があります。サープラス・ラインの保険会社は、一般的に米国州政府保証基金に加入しないため、当該基金による保証は行われません。

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AIG REPORTS FIRST QUARTER 2019 RESULTS

- General Insurance achieved a combined ratio of 97.4 and an accident year combined ratio, as adjusted, of 96.1, driven by improvements to underwriting fundamentals, reinsurance actions and continued expense discipline.
- Life and Retirement posted a double-digit adjusted return on common equity (ROCE), reflecting a broad platform and supported by favorable market performance.
- Total consolidated net investment income was $3.9 billion in the first quarter of 2019, compared to $3.3 billion in the prior-year quarter, reflecting favorable market performance.
- Net income was $654 million, or $0.75 per diluted share, for the first quarter of 2019, compared to net income of $938 million, or $1.01 per diluted share, in the prior-year quarter.
- Adjusted after-tax income was $1.4 billion, or $1.58 per diluted share, for the first quarter of 2019, compared to adjusted after-tax income of $963 million, or $1.04 per diluted share, in the prior-year quarter.

NEW YORK, May 6, 2019 - American International Group, Inc. (NYSE: AIG) today reported net income of $654 million, or $0.75 per diluted share, for the first quarter of 2019, compared to net income of $938 million, or $1.01 per diluted share, in the prior-year quarter. Adjusted after-tax income was $1.4 billion, or $1.58 per diluted share, for the first quarter of 2019, compared to adjusted after-tax income of $963 million, or $1.04 per diluted share, in the prior-year quarter.

Brian Duperreault, AIG's President and Chief Executive Officer, said: "Our first quarter results represented strong performance, particularly in General Insurance, reflecting significant foundational work throughout 2018 to position AIG for sustainable, profitable growth. General Insurance achieved an underwriting profit driven by underwriting and expense discipline, improved business mix and reinsurance actions. We achieved an underwriting profit on a calendar year and accident year basis in the first quarter and we expect that to continue for the full year. Life and Retirement delivered solid performance, benefiting from diversification of product and distribution channels. We expect Life and Retirement to continue to deliver a low-to-mid teens adjusted ROCE, and we expect to reach a double-digit adjusted ROCE for consolidated AIG within three years."

FOR IMMEDIATE RELEASE

FIRST QUARTER FINANCIAL SUMMARY*

($ in millions, except per share amounts)	Three Months Ended March 31, 2019		Three Months Ended March 31, 2018	
Net income	$	654	$	938
Net income per diluted share	$	0.75	$	1.01
Adjusted after-tax income	$	1,388	$	963
Adjusted after-tax income per diluted share	$	1.58	$	1.04
Return on common equity		4.5 %		5.9 %
Adjusted return on common equity		11.6 %		7.7 %
Adjusted return on attributed common equity - Core		13.4 %		8.6 %
Book value per common share	$	69.33	$	69.95
Book value per common share, excluding accumulated other comprehensive income		66.89		67.48
Adjusted book value per common share		55.47		56.10

*Refer to the Comments on Regulation G and the tables that follow for a discussion of non-GAAP financial measures and the reconciliations of the non-GAAP financial measures to GAAP measures.

FIRST QUARTER 2019 HIGHLIGHTS

All comparisons are against the first quarter of 2018, unless otherwise indicated.

General Insurance – First quarter adjusted pre-tax income of $1.3 billion included underwriting income of $179 million and net investment income of $1.1 billion. The combined ratio of 97.4 was impacted by 2.7 points related to catastrophe losses net of reinstatement premiums and (1.0) points of net favorable loss reserve development. The accident year combined ratio, as adjusted, was 96.1, comprised of a 61.8 accident year loss ratio, as adjusted, down 130 basis points from the prior-year quarter, and an expense ratio of 34.3, down 230 basis points over the prior-year quarter. The decrease in accident year loss ratio, as adjusted, reflected the change in business mix, the acquisitions of Validus and Glatfelter, and reduced volatility as a result of our reinsurance strategy. The first quarter expense ratio of 34.3 primarily reflected improvement in the General operating expense (GOE) ratio as a result of expense reduction actions taken in the second half of 2018.

Life and Retirement Earnings – First quarter adjusted pre-tax income of $924 million reflected the favorable impact of equity market performance and tightening credit spreads which favorably impacted net investment income returns and Deferred Acquisition Costs (DAC) amortization, attractive new business margins, and solid growth in premiums and deposits in Individual Retirement and Group Retirement excluding FHLB funding agreements in the prior-year quarter, and in Life Insurance as well as a Pension Risk Transfer transaction in Institutional Markets. Although overall net outflows persisted, Individual Retirement net flows turned positive for the first time since the third quarter of 2016. The first quarter of 2019 Adjusted ROCE was 15.0%.

Net Investment Income – First quarter net investment income from our insurance companies, including the Legacy insurance portfolios, increased 11.1% from the prior-year quarter to $3.7

billion. The first quarter reflected favorable performance in the equity markets and narrowing of spreads in the credit markets, rebounding from a volatile fourth quarter 2018. Beginning the first quarter of 2019, on a prospective basis, within Legacy and Other Operations, investment income from our non-insurance subsidiaries, which had previously been included in Other income was included in net investment income. This reporting is consistent with General Insurance and Life and Retirement net investment income and had no effect on Adjusted after tax income. Amounts included in net investment income, as a result of this reclassification were $116 million. Additionally, and on a prospective basis, we also excluded changes in the fair value of equity securities from net investment income (and adjusted pre-tax income) which was $79 million.

Legacy Results – First quarter adjusted pre-tax income of $112 million declined from $145 million in the prior-year quarter due to lower Legacy General Insurance net investment income and premiums, and lower Legacy Investment earnings reflecting the continued decrease in the invested assets of the Legacy Investments portfolio. The prior-year quarter was negatively impacted by a refinement in reserves related to payout annuities within Legacy Life and Retirement.

Liquidity and Capital – As of March 31, 2019, AIG Parent liquidity stood at approximately $5.2 billion. In the first quarter, AIG Parent received approximately $1.2 billion of distributions from the insurance subsidiaries in the form of cash, fixed maturity securities and loan repayments including tax sharing payments. In February 2019, AIG Parent made a capital contribution of $300 million to its General Insurance companies.

In March 2019, AIG issued 20,000 shares of Series A 5.85% Non-Cumulative Preferred Stock, with a par value of $5.00 per share and a liquidation preference of $25,000 per share, for net proceeds of approximately $485 million. Also, in March 2019, AIG issued $600 million aggregate principal amount of 4.250% Notes due in 2029.

Book Value per Common Share – As of March 31, 2019, book value per common share was $69.33 compared to $65.04 at December 31, 2018. Book value per common share excluding accumulated other comprehensive income and deferred tax assets (Adjusted book value per common share) was $55.47, up slightly from prior-year end.

GENERAL INSURANCE

($ in millions)	Three Months Ended March 31, 2019	2018	Change
Total General Insurance			
Gross premiums written	$ 10,195	$ 9,205	11 %
Net premiums written	$ 6,033	$ 6,171	(2)
Underwriting income (loss)	$ 179	$ (251)	NM
Adjusted pre-tax income	$ 1,268	$ 510	149
Underwriting ratios:			
Loss ratio	63.1	67.2	(4.1) pts
Less: impact on loss ratio			
Catastrophe losses and reinstatement premiums	(2.7)	(5.7)	3.0
Prior year development	1.0	1.6	(0.6)
Adjustments for ceded premium under reinsurance contracts and other	0.4	-	0.4
Accident year loss ratio, as adjusted	61.8	63.1	(1.3)
Expense ratio	34.3	36.6	(2.3)
Combined ratio	97.4	103.8	(6.4)
Accident year combined ratio, as adjusted	96.1	99.7	(3.6)

FOR IMMEDIATE RELEASE

General Insurance - North America

($ in millions)	Three Months Ended March 31, 2019	2018	Change
North America			
Net premiums written	$ 2,578	$ 2,039	26 %
Commercial Lines	1,998	1,314	52
Personal Insurance	580	725	(20)
Underwriting income (loss)	$ (11)	$ (328)	97
Commercial Lines	54	(89)	NM
Personal Insurance	(65)	(239)	73
Adjusted pre-tax income	$ 934	$ 320	192
Underwriting ratios:			
North America			
Loss ratio	69.4	80.0	(10.6) pts
Less: impact on loss ratio			
Catastrophe losses and reinstatement premiums	(5.1)	(11.1)	6.0
Prior year development	1.8	2.8	(1.0)
Adjustments for ceded premium under reinsurance contracts and other	1.0	-	1.0
Accident year loss ratio, as adjusted	67.1	71.7	(4.6)
Expense ratio	30.9	32.2	(1.3)
Combined ratio	100.3	112.2	(11.9)
Accident year combined ratio, as adjusted	98.0	103.9	(5.9)
North America Commercial Lines			
Loss ratio	70.7	75.9	(5.2) pts
Less: impact on loss ratio			
Catastrophe losses and reinstatement premiums	(5.1)	(4.5)	(0.6)
Prior year development	2.8	6.9	(4.1)
Adjustments for ceded premium under reinsurance contracts and other	1.0	-	1.0
Accident year loss ratio, as adjusted	69.4	78.3	(8.9)
Expense ratio	27.0	28.8	(1.8)
Combined ratio	97.7	104.7	(7.0)
Accident year combined ratio, as adjusted	96.4	107.1	(10.7)
North America Personal Insurance			
Loss ratio	65.4	90.1	(24.7) pts
Less: impact on loss ratio			
Catastrophe losses and reinstatement premiums	(5.0)	(27.4)	22.4
Prior year development	(1.2)	(7.5)	6.3
Adjustments for ceded premium under reinsurance contracts and other	0.9	-	0.9
Accident year loss ratio, as adjusted	60.1	55.2	4.9
Expense ratio	42.9	40.9	2.0
Combined ratio	108.3	131.0	(22.7)
Accident year combined ratio, as adjusted	103.0	96.1	6.9

All comparisons are against the first quarter of 2018, unless otherwise indicated. Refer to the AIG First Quarter 2019 Financial Supplement, which is posted on AIG's website in the Investors section, for further information.

General Insurance North America – Commentary

- Adjusted pre-tax income of $934 million compared to adjusted pre-tax income of $320 million in the prior-year quarter.

- Net premiums written increased by 26.4% to $2.6 billion, largely due to the inclusion of the Validus ($1.1 billion) and Glatfelter ($76 million) acquisitions, partially offset by higher ceded premiums due to changes in the 2019 reinsurance programs and more disciplined risk appetite.

- The North America combined ratio of 100.3 included 5.1 points of catastrophe losses net of reinstatement premiums and (1.8) points of net favorable prior year loss reserve development. The accident year combined ratio, as adjusted, was 98.0 for the quarter comprised of a 67.1 accident year loss ratio, as adjusted, and a 30.9 expense ratio. The lower accident year loss ratio, as adjusted was primarily driven by the change in business mix including the Validus and Glatfelter acquisitions. The pre-tax underwriting loss of $11 million includes $158 million of catastrophe losses, net of reinsurance, of which $120 million related to North America Commercial Lines and $38 million related to Personal Insurance. Net favorable prior year loss reserve development of $60 million was primarily related to the amortization of the adverse development cover deferred gain.

- The decrease in the expense ratio reflected a decrease in the GOE ratio resulting from actions taken in the second half of 2018 to reduce expenses.

- Net investment income of $945 million compared to $648 million in the prior-year quarter. The increase in net investment income was primarily driven by strong alternative investment returns and higher average invested assets due to the acquisition of Validus.

General Insurance - International

($ in millions)	Three Months Ended March 31, 2019	2018	Change
International			
Net premiums written	$ 3,455	$ 4,132	(16) %
Commercial Lines	1,780	1,955	(9)
Personal Insurance	1,675	2,177	(23)
Underwriting income (loss)	$ 190	$ 77	147
Commercial Lines	68	(14)	NM
Personal Insurance	122	91	34
Adjusted pre-tax income	$ 334	$ 190	76
Underwriting ratios:			
International			
Loss ratio	57.4	58.5	(1.1) pts
Less: impact on loss ratio			
Catastrophe losses and reinstatement premiums	(0.5)	(1.9)	1.4
Prior year development	0.4	0.7	(0.3)
Accident year loss ratio, as adjusted	57.3	57.3	-
Expense ratio	37.2	39.5	(2.3)
Combined ratio	94.6	98.0	(3.4)
Accident year combined ratio, as adjusted	94.5	96.8	(2.3)
International Commercial Lines			
Loss ratio	63.0	64.5	(1.5) pts
Less: impact on loss ratio			
Catastrophe losses and reinstatement premiums	(1.0)	(4.5)	3.5
Prior year development	(2.4)	-	(2.4)
Accident year loss ratio, as adjusted	59.6	60.0	(0.4)
Expense ratio	33.0	36.4	(3.4)
Combined ratio	96.0	100.9	(4.9)
Accident year combined ratio, as adjusted	92.6	96.4	(3.8)
International Personal Insurance			
Loss ratio	52.4	54.0	(1.6) pts
Less: impact on loss ratio			
Prior year development	2.8	1.3	1.5
Accident year loss ratio, as adjusted	55.2	55.3	(0.1)
Expense ratio	41.1	42.0	(0.9)
Combined ratio	93.5	96.0	(2.5)
Accident year combined ratio, as adjusted	96.3	97.3	(1.0)

All comparisons are against the first quarter of 2018, unless otherwise indicated. Refer to the AIG First Quarter 2019 Financial Supplement, which is posted on AIG's website in the Investors section, for further information.

General Insurance International – Commentary

- Adjusted pre-tax income of $334 million compared to adjusted pre-tax income of $190 million in the prior-year quarter.
- Net premiums written decreased 16.4% on a reported basis and 13.2% on a constant dollar basis. The decrease in net premiums written was due to the Japan merger impact of $300 million in the prior-year quarter, higher ceded premiums due to changes in the 2019 reinsurance program and lower accident & health business in Asia Pacific, partially offset by the Validus acquisition ($171 million).
- The International combined ratio was 94.6. The accident year combined ratio, as adjusted, of 94.5 was comprised of a 57.3 accident year loss ratio, as adjusted, and a 37.2 expense ratio. Pre-tax underwriting income of $190 million included $17 million of catastrophe losses, net of reinsurance, and net favorable prior year loss reserve development of $12 million.
- The expense ratio decrease was driven by a reduction in the GOE ratio due to the Japan merger impact in the prior-year quarter and as a result of actions taken in the second half of 2018 to reduce expenses.
- Net investment income of $144 million for the quarter compared to $113 million in the prior-year quarter. The increase in net investment income was largely the result of higher average invested assets and favorable returns.

LIFE AND RETIREMENT

	Three Months Ended March 31,		
($ in millions)	**2019**	**2018**	**Change**
Life and Retirement			
Premiums & Fees	$ 1,936	$ 1,180	64 %
Net Investment Income	2,042	2,046	-
Adjusted Revenue	4,204	3,460	22
Benefits, losses and expenses	3,280	2,568	28
Adjusted pre-tax income	924	892	4
Premiums and deposits*	8,356	8,862	(6)
Individual Retirement			
Premiums & Fees	$ 204	$ 216	(6) %
Net Investment Income	999	984	2
Adjusted Revenue	1,351	1,361	(1)
Benefits, losses and expenses	843	862	(2)
Adjusted pre-tax income	508	499	2
Premiums and deposits*	4,186	4,358	(4)
Net flows*	133	(820)	NM

($ in millions)	Three Months Ended March 31, 2019	2018	Change
Group Retirement			
Premiums & Fees	$ 104	$ 118	(12) %
Net Investment Income	541	582	(7)
Adjusted Revenue	709	761	(7)
Benefits, losses and expenses	477	479	-
Adjusted pre-tax income	232	282	(18)
Premiums and deposits*	2,063	2,072	-
Net flows*	(875)	(755)	(16)
Life Insurance			
Premiums & Fees	$ 768	$ 756	2 %
Net Investment Income	291	293	(1)
Adjusted Revenue	1,073	1,061	1
Benefits, losses and expenses	957	1,009	(5)
Adjusted pre-tax income	116	52	123
Premiums and deposits	995	969	3
Institutional Markets			
Premiums & Fees	$ 860	$ 90	NM %
Net Investment Income	211	187	13
Adjusted Revenue	1,071	277	287
Benefits, losses and expenses	1,003	218	360
Adjusted pre-tax income	68	59	15
Premiums and deposits	1,112	1,463	(24)

*1Q18 Premiums and deposits included $1.3 billion of FHLB Notes in Individual and Group Retirement ($1.1 billion and $0.2 billion, respectively), but are excluded from net flows reporting as these funding agreements are not considered part of the metric to measure core recurring performance

All comparisons are against the first quarter of 2018, unless otherwise indicated. Refer to the AIG First Quarter 2019 Financial Supplement, which is posted on AIG's website in the Investors section, for further information.

Life and Retirement – Commentary

- In Individual Retirement, adjusted pre-tax income reflected higher equity market performance and tightening credit spreads which favorably impacted net investment income and amortization of DAC. This was partially offset by lower alternative investment returns and lower fee income and advisory fees primarily driven by lower average Variable Annuity assets under administration. Net flows were positive and reflected stronger Fixed and Index Annuity sales.

- Group Retirement adjusted pre-tax income declined primarily due to lower net investment income driven by a one-time bond claim payment recovery in the prior-year quarter and lower alternative investment returns. Premiums and deposits excluding FHLB funding agreements in the prior-year quarter grew 11% for the quarter with higher group acquisitions, in-plan annuity contributions and individual product sales. Group Retirement net flows were negative primarily due to higher surrenders.

- In Life Insurance, adjusted pre-tax income reflected favorable mortality, continued decrease of group benefits GOE and commissions, and positive reserve and reinsurance refinements which impacted ceded premium, commissions and GOE. Total premiums and deposits increased for the quarter driven by strong sales growth in our UK individual protection line as well as the addition of group protection sales with the acquisition of Ellipse

- In Institutional Markets, adjusted pre-tax income increased due to higher net investment income on a growing asset base, partially offset by lower alternative investment returns. Premiums and deposits reflect a large pension risk transfer transaction executed during the quarter.

CONFERENCE CALL

AIG will host a conference call tomorrow, Tuesday, May 7, 2019 at 8:00 a.m. ET to review these results. The call is open to the public and can be accessed via a live listen-only webcast in the Investors section of www.aig.com. A replay will be available after the call at the same location.

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

The conference call (including the conference call presentation material), the earnings release and the financial supplement may include, and officers and representatives of AIG may from time to time make and discuss, projections, goals, assumptions and statements that may constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These projections, goals, assumptions and statements are not historical facts but instead represent only a belief regarding future events, many of which, by their nature, are inherently uncertain and outside AIG’s control. These projections, goals, assumptions and statements include statements preceded by, followed by or including words such as “will,” “believe,” “anticipate,” “expect,” “intend,” “plan,” “focused on achieving,” “view,” “target,” “goal” or “estimate.” These projections, goals, assumptions and statements may relate to future actions, prospective services or products, future performance or results of current and anticipated services or products, sales efforts, expenses, the outcome of contingencies such as legal proceedings, anticipated organizational, business or regulatory changes, anticipated sales, monetization and/or acquisitions of businesses or assets, or successful integration of acquired businesses, management succession and retention plans, exposure to risk, trends in operations and financial results.

It is possible that AIG’s actual results and financial condition will differ, possibly materially, from the results and financial condition indicated in these projections, goals, assumptions and statements.

Factors that could cause AIG’s actual results to differ, possibly materially, from those in the specific projections, goals, assumptions and statements include:

- changes in market and industry conditions;
- the occurrence of catastrophic events, both natural and man-made;

- AIG's ability to successfully reorganize its businesses and execute on our initiatives to improve our underwriting capabilities and reinsurance programs, as well as improve profitability, without negatively impacting client relationships or its competitive position;
- AIG's ability to successfully dispose of, monetize and/or acquire businesses or assets or successfully integrate acquired businesses;
- actions by credit rating agencies;
- changes in judgments concerning insurance underwriting and insurance liabilities;
- changes in judgments concerning potential cost saving opportunities;
- the impact of potential information technology, cybersecurity or data security breaches, including as a result of cyber-attacks or security vulnerabilities;
- disruptions in the availability of AIG's electronic data systems or those of third parties;
- the effectiveness of our strategies to recruit and retain key personnel and our ability to implement effective succession plans;
- negative impacts on customers, business partners and other stakeholders;
- AIG's ability to successfully manage Legacy portfolios;
- concentrations in AIG's investment portfolios;
- the requirements, which may change from time to time, of the global regulatory framework to which AIG is subject;
- significant legal, regulatory or governmental proceedings;
- changes in judgments concerning the recognition of deferred tax assets and goodwill impairment; and
- such other factors discussed in Part I, Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations (MD&A) in AIG's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2019 (which will be filed with the Securities and Exchange Commission), and Part II, Item7. MD&A and Part I, Item 1A. Risk Factors in AIG's Annual Report on Form 10-K for the year ended December 31, 2018.

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

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COMMENT ON REGULATION G

Throughout this press release, including the financial highlights, AIG presents its financial condition and results of operations in the way it believes will be most meaningful and representative of its business results. Some of the measurements AIG uses are "non-GAAP financial measures" under Securities and Exchange Commission rules and regulations. GAAP is the acronym for "generally accepted accounting principles" in the United States. The non-GAAP financial measures AIG presents may not be comparable to similarly-named measures reported by other companies. The reconciliations of such measures to the most comparable GAAP measures in accordance with Regulation G are included within the relevant tables or in the First Quarter 2019

Financial Supplement available in the Investor Information section of AIG's website, www.aig.com.

Book Value per Common Share, Excluding Accumulated Other Comprehensive Income (AOCI) and Book Value per Common Share, Excluding AOCI and Deferred Tax Assets (DTA) (Adjusted Book Value per Common Share) are used to show the amount of AIG's net worth on a per-common share basis. AIG believes these measures are useful to investors because they eliminate items that can fluctuate significantly from period to period, including changes in fair value of AIG's available for sale securities portfolio, foreign currency translation adjustments and U.S. tax attribute deferred tax assets. These measures also eliminate the asymmetrical impact resulting from changes in fair value of AIG's available for sale securities portfolio wherein there is largely no offsetting impact for certain related insurance liabilities. AIG excludes deferred tax assets representing U.S. tax attributes related to net operating loss carryforwards and foreign tax credits as they have not yet been utilized. Amounts for interim periods are estimates based on projections of full-year attribute utilization. As net operating loss carryforwards and foreign tax credits are utilized, the portion of the DTA utilized is included in these book value per common share metrics. Book value per common share, excluding AOCI, is derived by dividing Total AIG common shareholders' equity, excluding AOCI, by total common shares outstanding. Adjusted Book Value per Common Share is derived by dividing Total AIG common shareholders' equity, excluding AOCI and DTA (**Adjusted Common Shareholders' Equity**), by total common shares outstanding.

AIG Return on Common Equity – Adjusted After-tax Income Excluding AOCI and DTA (Adjusted Return on Common Equity) is used to show the rate of return on common shareholders' equity. AIG believes this measure is useful to investors because it eliminates items that can fluctuate significantly from period to period, including changes in fair value of AIG's available for sale securities portfolio, foreign currency translation adjustments and U.S. tax attribute deferred tax assets. This measure also eliminates the asymmetrical impact resulting from changes in fair value of AIG's available for sale securities portfolio wherein there is largely no offsetting impact for certain related insurance liabilities. AIG excludes deferred tax assets representing U.S. tax attributes related to net operating loss carryforwards and foreign tax credits as they have not yet been utilized. Amounts for interim periods are estimates based on projections of full-year attribute utilization. As net operating loss carryforwards and foreign tax credits are utilized, the portion of the DTA utilized is included in Adjusted Return on Common Equity. Adjusted Return on Common Equity is derived by dividing actual or annualized adjusted after-tax income attributable to AIG by average Adjusted Common Shareholders' Equity.

Core and Life and Retirement Adjusted Attributed Common Equity is an attribution of total AIG Adjusted Common Shareholders' Equity to these segments based on AIG's internal capital model, which incorporates the segments' respective risk profiles. Adjusted attributed common equity represents AIG's best estimates based on current facts and circumstances and will change over time.

Core and Life and Retirement Return on Common Equity – Adjusted After-tax Income (Adjusted Return on Attributed Common Equity) is used to show the rate of return on Adjusted Attributed Common Equity. Adjusted Return on Attributed Common Equity is derived by dividing actual or annualized Adjusted After-tax Income by Average Adjusted Attributed Common Equity.

Adjusted After-tax Income Attributable to Core and Life and Retirement is derived by subtracting attributed interest expense and income tax expense from adjusted pre-tax income. Attributed debt and the related interest expense is calculated based on AIG's internal capital model. Tax expense or benefit is calculated based on an internal attribution methodology that considers among other things the taxing jurisdiction in which the segments conduct business, as well as the deductibility of expenses in those jurisdictions.

Adjusted Revenues exclude Net realized capital gains (losses), income from non-operating litigation settlements (included in Other income for GAAP purposes) and changes in fair value of securities used to hedge guaranteed living benefits (included in Net investment income for GAAP purposes). Adjusted revenues is a GAAP measure for AIG's operating segments.

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

Adjusted Pre-tax Income (APTI) is derived by excluding the items set forth below from income from continuing operations before income tax. This definition is consistent across AIG's segments. These items generally fall into one or more of the following broad categories: legacy matters having no relevance to AIG's current businesses or operating performance; adjustments to enhance transparency to the underlying economics of transactions; and measures that AIG believes to be common to the industry. APTI is a GAAP measure for AIG's segments. Excluded items include the following:

- changes in fair value of securities used to hedge guaranteed living benefits;
- changes in benefit reserves and deferred policy acquisition costs (DAC), value of business acquired (VOBA), and sales inducement assets (SIA) related to net realized capital gains and losses;
- changes in the fair value of equity securities;
- loss (gain) on extinguishment of debt;
- all net realized capital gains and losses except earned income (periodic settlements and changes in settlement accruals) on derivative instruments used for non-qualifying (economic) hedging or for asset replication. Earned income on such economic hedges is reclassified from net realized capital gains and losses to specific APTI line items based on the economic risk being hedged (e.g. net investment income and interest credited to policyholder account balances);
- income or loss from discontinued operations;
- net loss reserve discount benefit (charge);
- pension expense related to a one-time lump sum payment to former employees;
- income and loss from divested businesses;
- non-operating litigation reserves and settlements;
- restructuring and other costs related to initiatives designed to reduce operating expenses, improve efficiency and simplify AIG's organization;
- the portion of favorable or unfavorable prior year reserve development for which AIG has ceded the risk under retroactive reinsurance agreements and related changes in amortization of the deferred gain;
- integration and transaction costs associated with acquired businesses;
- losses from the impairment of goodwill; and
- non-recurring external costs associated with the implementation of non-ordinary course legal or regulatory changes or changes to accounting principles.

Adjusted After-tax Income attributable to AIG (AATI) is derived by excluding the tax effected APTI adjustments described above and the following tax items from net income attributable to AIG:

- deferred income tax valuation allowance releases and charges;
- changes in uncertain tax positions and other tax items related to legacy matters having no relevance to AIG's current businesses or operating performance; and
- net tax charge related to the enactment of the Tax Cuts and Jobs Act (Tax Act);

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

See page 17 for the reconciliation of Net income attributable to AIG to Adjusted After-tax Income Attributable to AIG.

Ratios: AIG, along with most property and casualty insurance companies, uses the loss ratio, the expense ratio and the combined ratio as measures of underwriting performance. These ratios are relative measurements that describe, for every $100 of net premiums earned, the amount of losses and loss adjustment expenses (which for General Insurance excludes net loss reserve discount), and the amount of other underwriting expenses that would be incurred. A combined ratio of less than 100 indicates underwriting income and a combined ratio of over 100 indicates an underwriting loss. AIG's ratios are calculated using the relevant segment information calculated under GAAP, and thus may not be comparable to similar ratios calculated for regulatory reporting purposes. The underwriting environment varies across countries and products, as does the degree of litigation activity, all of which affect such ratios. In addition, investment returns, local taxes, cost of capital, regulation, product type and competition can have an effect on pricing and consequently on profitability as reflected in underwriting income and associated ratios.

Accident year loss and combined ratios, as adjusted: both the accident year loss and combined ratios, as adjusted, exclude catastrophe losses and related reinstatement premiums, prior year development, net of premium adjustments, and the impact of reserve discounting. Natural and man-made catastrophe losses are generally weather or seismic events having a net impact on AIG in excess of $10 million each and also include certain man-made events, such as terrorism and civil disorders that exceed the $10 million threshold. AIG believes that as adjusted ratios are meaningful measures of AIG's underwriting results on an ongoing basis as they exclude catastrophes and the impact of reserve discounting which are outside of management's control. AIG also excludes prior year development to provide transparency related to current accident year results.

<u>Underwriting ratios are computed as follows:</u>

a) Loss ratio = Loss and loss adjustment expenses incurred ÷ Net premiums earned (NPE)
b) Acquisition ratio = Total acquisition expenses ÷ NPE
c) General operating expense ratio = General operating expenses ÷ NPE
d) Expense ratio = Acquisition ratio + General operating expense ratio
e) Combined ratio = Loss ratio + Expense ratio
f) Accident year loss ratio, as adjusted (AYLR) = [Loss and loss adjustment expenses incurred – CATs – PYD] ÷ [NPE +/(-) Reinstatement premiums related to catastrophes (CYRIPs) +/(-) RIPs related to prior year catastrophes (PYRIPs) + (Additional) returned premium related to PYD on loss sensitive business ((AP)RP) + Adjustment for ceded premiums under reinsurance contracts related to prior accident years]
g) Accident year combined ratio, as adjusted = AYLR + Expense ratio
h) Catastrophe losses (CATs) and reinstatement premiums = [Loss and loss adjustment expenses incurred – (CATs)] ÷ [NPE +/(-) CYRIPs] – Loss ratio
i) Prior year development net of (additional) return premium related to PYD on loss sensitive business = [Loss and loss adjustment expenses incurred – CATs – PYD] ÷ [NPE +/(-) CYRIPs +/(-) PYRIPs + (AP)RP] – Loss ratio – CAT ratio

Premiums and deposits: includes direct and assumed amounts received and earned on traditional life insurance policies, group benefit policies and life-contingent payout annuities, as well as deposits received on universal life, investment-type annuity contracts, Federal Home Loan Bank (FHLB) funding agreements and mutual funds.

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

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

Reconciliations of Adjusted Pre-tax and After-tax Income

	Three Months Ended March 31,							
	2019				2018			
	Pre-tax	**Tax Effect**	**Noncontrolling Interest[b]**	**After-tax**	**Pre-tax**	**Tax Effect**	**Noncontrolling Interest**	**After-tax**
Pre-tax income/net income, including noncontrolling interests	$ 1,154	$ 217	$ -	$ 937	$ 1,227	$ 277	$ -	$ 949
Noncontrolling interest	-	-	(283)	(283)	-	-	(11)	(11)
Pre-tax income/net income attributable to AIG	1,154	217	(283)	654	1,227	277	(11)	938
Adjustments:								
Changes in uncertain tax positions and other tax adjustments	-	12	-	(12)	-	4	-	(4)
Deferred income tax valuation allowance (releases) charges	-	38	-	(38)	-	(30)	-	30
Changes in fair value of securities used to hedge guaranteed living benefits	(96)	(20)	-	(76)	77	16	-	61
Changes in benefit reserves and DAC, VOBA and SIA related to net realized capital gains (losses)	(99)	(21)	-	(78)	31	6	-	25
Changes in the fair value of equity securities	(79)	(17)	-	(62)	-	-	-	-
Unfavorable (favorable) prior year development and related amortization changes ceded under retroactive reinsurance agreements	(27)	(5)	-	(22)	34	7	-	27
(Gain) loss on extinguishment of debt	(2)	(1)	-	(1)	4	1	-	3
Net realized capital (gains) losses[a]	474	109	-	365	19	(1)	-	20
Loss from discontinued operations	-	-	-	-	-	-	-	1
Income from divested businesses	(6)	(1)	-	(5)	(8)	(2)	-	(6)
Non-operating litigation reserves and settlements	1	1	-	-	13	3	-	10
Net loss reserve discount (benefit) charge	473	99	-	374	(205)	(43)	-	(162)
Integration and transaction costs associated with acquired businesses	7	2	-	5	-	-	-	-
Restructuring and other costs	47	10	-	37	24	5	-	19
Noncontrolling interest primarily related to net realized capital gains (losses) of Fortitude Holdings' standalone results[b]	-	-	247	247	-	-	1	1
Adjusted pre-tax income/Adjusted after-tax income	$ 1,847	$ 423	$ (36)	$ 1,388	$ 1,216	$ 243	$ (10)	$ 963

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

(b) Noncontrolling interests is primarily due to the 19.9 percent investment in Fortitude Holdings by an affiliate of The Carlyle Group L.P. (Carlyle), which occurred in the fourth quarter of 2018. Carlyle is allocated 19.9 percent of Fortitude Holdings’ standalone financial results. Fortitude Holdings’ results are mostly eliminated in AIG’s consolidated income from continuing operations given that its results arise from intercompany transactions. Noncontrolling interests is calculated based on the standalone financial results of Fortitude Holdings. The most significant component of Fortitude Holdings’ standalone results concerns gains related to the change in fair value of embedded derivatives, which moved materially in the quarter due to lower rates and tightening credit spreads, and which are recorded in net realized capital gains and losses of Fortitude Holdings. In accordance with AIG's adjusted after-tax income definition, realized capital gains and losses are excluded from noncontrolling interests.

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

Summary of Key Financial Metrics

	Three Months Ended March 31, 2019	2018	% Inc. (Dec.)
Earnings per common share:			
Basic			
Income from continuing operations	$ 0.75	$ 1.03	(27.2)%
Income from discontinued operations	-	-	NM
Net income attributable to AIG	$ 0.75	$ 1.03	(27.2)
Diluted			
Income from continuing operations	$ 0.75	$ 1.01	(25.7)
Income from discontinued operations	-	-	NM
Net income attributable to AIG	$ 0.75	$ 1.01	(25.7)
Adjusted after-tax income attributable to AIG per diluted share	$ 1.58	$ 1.04	51.9 %
Weighted average shares outstanding:			
Basic	875.4	908.0	
Diluted	877.5	925.3	
Return on common equity (a)	4.5 %	5.9 %	
Adjusted return on common equity (b)	11.6 %	7.7 %	

As of period end:	March 31, 2019	December 31, 2018	March 31, 2018
Total AIG shareholders' equity	$ 60,787	$ 56,361	$ 62,792
Preferred equity	485	-	-
Total AIG common shareholders' equity	60,302	56,361	62,792
Accumulated other comprehensive income (AOCI)	2,128	(1,413)	2,220
Total AIG common shareholders' equity, excluding AOCI	58,174	57,774	60,572
Deferred tax assets (c)	9,926	10,153	10,214
Total adjusted AIG common shareholders' equity	$ 48,248	$ 47,621	$ 50,358

As of period end:	March 31, 2019	December 31, 2018	% Inc. (Dec.)	March 31, 2018	% Inc. (Dec.)
Book value per common share (d)	$ 69.33	$ 65.04	6.6 %	$ 69.95	(0.9)%
Book value per common share, excluding AOCI (e)	$ 66.89	$ 66.67	0.3	$ 67.48	(0.9)
Adjusted book value per common share (f)	$ 55.47	$ 54.95	0.9	$ 56.10	(1.1)
Total common shares outstanding	869.7	866.6		897.7	

Financial highlights - notes

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

(b) Computed as Annualized Adjusted after-tax income attributable to AIG divided by Adjusted Common Shareholders' Equity.

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

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

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

(f) Represents Adjusted Common Shareholders' Equity, divided by Total common shares outstanding.

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

Reconciliations of Life and Retirement Adjusted Return on Common Equity

	Three Months Ended March 31, 2019	2018
Adjusted pre-tax income	$ 924	$ 892
Interest expense on attributed financial debt	37	16
Adjusted pre-tax income including attributed interest expenses	887	876
Income tax expense	176	174
Adjusted after-tax income	711	702
Ending adjusted attributed common equity	$ 18,280	$ 19,931
Average adjusted attributed common equity	$ 18,988	$ 19,699
Adjusted return on attributed common equity	15.0 %	14.3 %

Reconciliations of Core Adjusted Return on Common Equity

	Three Months Ended March 31, 2019	2018
Adjusted pre-tax income	$ 1,735	$ 1,071
Interest expense (benefit) on attributed financial debt	-	(10)
Adjusted pre-tax income including attributed interest expenses	1,735	1,081
Income tax expense	400	214
Adjusted after-tax income	1,335	867
Ending adjusted attributed common equity	$ 40,798	$ 41,112
Average adjusted attributed common equity	$ 39,767	$ 40,522
Adjusted return on attributed common equity	13.4 %	8.6 %

Net Premiums Written - Change in Constant Dollar

General Insurance - International	**Three Months Ended March 31, 2019**
Foreign exchange effect on worldwide premiums:	
Change in net premiums written	
Increase (decrease) in original currency	(13.2)%
Foreign exchange effect	(3.2)
Increase (decrease) as reported in U.S. dollars	(16.4)%

Reconciliation of Insurance Company Net Investment Income

	Three Months Ended March 31, 2019	2018
Net investment income per Consolidated Statement of Operations	$ 3,879	$ 3,261
Changes in fair value of securities used to hedge guaranteed living benefits	(105)	77
Changes in the fair value of equity securities	(79)	-
Net realized capital gains related to economic hedges and other	23	10
Total Insurance Company Net investment income	$ 3,718	$ 3,348

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

Reconciliations of Premiums and Deposits*

	Three Months Ended March 31, 2019	Three Months Ended March 31, 2018
Individual Retirement:		
Premiums	$ 11	$ 12
Deposits	4,175	4,347
Other	-	(1)
Total premiums and deposits	$ 4,186	$ 4,358
Group Retirement:		
Premiums	$ 4	$ 6
Deposits	2,059	2,066
Other	-	-
Total premiums and deposits	$ 2,063	$ 2,072
Life Insurance:		
Premiums	$ 395	$ 379
Deposits	406	412
Other	194	178
Total premiums and deposits	$ 995	$ 969
Institutional Markets:		
Premiums	$ 819	$ 49
Deposits	286	1,408
Other	7	6
Total premiums and deposits	$ 1,112	$ 1,463
Total Life and Retirement:		
Premiums	$ 1,229	$ 446
Deposits	6,926	8,233
Other	201	183
Total premiums and deposits	$ 8,356	$ 8,862

* 1Q18 includes deposits in Individual Retirement ($1.1 billion), Group Retirement ($0.2 billion) and Institutional Markets ($1.4 billion) of FHLB funding agreements.