

Financial Highlights¹

American International Group, Inc. (AIG) is a leading global insurance organization. Building on 100 years of experience, today AIG member companies provide a wide range of property casualty insurance, life insurance, retirement solutions, and other financial services to customers in more than 80 countries and jurisdictions. These diverse offerings include products and services that help businesses and individuals protect their assets, manage risks and provide for retirement security. AIG common stock is listed on the New York Stock Exchange.

Throughout 2018 we executed on our strategy to deliver long-term, profitable growth by improving underwriting capabilities, mitigating risk and volatility by repositioning reinsurance structures and risk limits, adding world-class talent and utilizing capital opportunistically to re-invest in the business. Looking ahead, we continue to take decisive actions to enhance AIG's positioning for the future.

Years ended December 31,

(dollars in millions, except per share data)

	2018	2017	2016
Operating results:			
Total revenues	\$ 47,389	\$ 49,520	\$ 52,367
Net loss attributable to AIG	\$ (6)	\$ (6,084)	\$ (849)
Adjusted after-tax income attributable to AIG ²	\$ 1,064	\$ 2,231	\$ 406
Net loss per common share attributable to AIG (diluted)	\$ (0.01)	\$ (6.54)	\$ (0.78)
Adjusted after-tax income per common share attributable to AIG (diluted) ²	\$ 1.17	\$ 2.34	\$ 0.36
Balance sheet (year-end):			
Total assets	\$ 491,984	\$ 498,301	\$ 498,264
Total AIG shareholders' equity	\$ 56,361	\$ 65,171	\$ 76,300
Key metrics:			
Book value per common share	\$ 65.04	\$ 72.49	\$ 76.66
Adjusted book value per common share ³	\$ 54.95	\$ 54.74	\$ 58.57
Return on equity (ROE)	0.0 %	(8.4) %	(1.0) %
Adjusted ROE ³	2.1 %	4.1 %	0.6 %
Core Adjusted ROE ⁴	2.3 %	3.2 %	0.8 %
General Insurance:			
Net premiums written	\$ 26,407	\$ 25,438	\$ 28,393
Adjusted pre-tax loss ⁵	\$ (469)	\$ (813)	\$ (2,051)
Combined ratio ⁶	111.4	117.3	118.9
Accident year combined ratio, as adjusted ⁷	99.7	97.1	96.0
Life and Retirement:			
Premiums and deposits ⁸	\$ 31,206	\$ 27,458	\$ 29,304
Adjusted pre-tax income ⁵	\$ 3,190	\$ 3,831	\$ 3,428
Adjusted ROE ⁴	12.6 %	12.4 %	10.8 %

¹ The non-GAAP financial measures presented herein 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 this Annual Report, AIG's Annual Report on Form 10-K for the fiscal year ended December 31, 2018 (included herein) or in the Fourth Quarter 2018 Financial Supplement available in the Investors section of AIG's website, www.aig.com. ² Adjusted after-tax income attributable to AIG and Adjusted after-tax income per common share attributable to AIG (diluted) are reconciled on page 66 of the Annual Report on Form 10-K (included herein). ³ Adjusted book value per common share and Return on equity — adjusted after-tax income excluding AOCI and DTA are reconciled on page 37 of the Annual Report on Form 10-K (included herein). ⁴ Adjusted ROE for Core and Life and Retirement are defined and reconciled on pages 352 and 354 of this Annual Report. ⁵ Adjusted pre-tax income is a GAAP measure for General Insurance and Life and Retirement, and is defined on page 41 of the Annual Report on Form 10-K (included herein). ⁶ Consistent with our definition of adjusted pre-tax income, excludes net loss reserve discount and the portion of favorable or unfavorable prior year reserve development for which we have ceded the risk under retroactive reinsurance agreements and related changes in amortization of the deferred gain. ⁷ Accident year combined ratio, as adjusted, is reconciled on page 73 in the Annual Report on Form 10-K (included herein). ⁸ Premiums and deposits is defined and reconciled on pages 352 and 354 of this Annual Report.