American International Group, Inc.

Quarterly Financial Supplement
Second Quarter 2021

All financial information in this document is unaudited. This supplement should be read in conjunction with AIG's Quarterly Report on Form 10-Q for the quarter ended June 30, 2021, which will be filed with the Securities and Exchange Commission.

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American International Group, Inc.
Cautionary Statement Regarding Forward-Looking Information

This Financial Supplement may include, and officers and representatives of American International Group, Inc. (AIG) may from time to time make and discuss, projections, goals, assumptions and statements that may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These projections, goals, assumptions and statements are not historical facts but instead represent only a belief regarding future events, many of which, by their nature, are inherently uncertain and outside AIG's control. These projections, goals, assumptions and statements include statements preceded by, followed by or including words such as "will," "believe," "anticipate," "expect," "intend," "plan," "focused on achieving," "view," "target," "goal" or "estimate." These projections, goals, assumptions and statements may relate to future actions, prospective services or products, future performance or results of current and anticipated services or products, sales efforts, expenses, the outcome of contingencies such as legal proceedings, anticipated organizational, business or regulatory changes, the effect of catastrophes, such as the COVID-19 crisis, and macroeconomic events, anticipated dispositions, monetization and/or acquisitions of businesses or assets, or successful integration of acquired businesses, management succession and retention plans, exposure to risk, trends in operations and financial results.

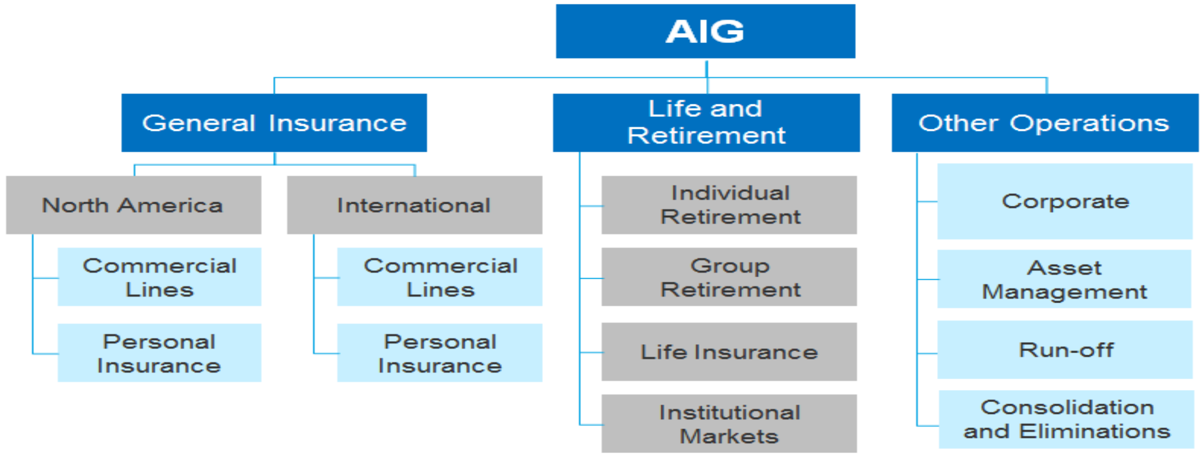
It is possible that AIG's actual results and financial condition will differ, possibly materially, from the results and financial condition indicated in these projections, goals, assumptions and statements. Factors that could cause AIG's actual results to differ, possibly materially, from those in the specific projections, goals, assumptions and statements include:

- AIG's ability to successfully separate the Life and Retirement business from AIG and the impact any separation may have on AIG, its businesses, employees, contracts and customers;
- AIG's ability to close the transactions announced as part of a strategic partnership with Blackstone;
- changes in market and industry conditions, including the significant global economic downturn, volatility in financial and capital markets, fluctuations in interest rates, prolonged economic recovery and disruptions to AIG's operations driven by COVID-19 and responses thereto, including new or changed governmental policy and regulatory actions;
- the occurrence of catastrophic events, both natural and man-made, including COVID-19, other pandemics, civil unrest and the effects of climate change;
- the adverse impact of COVID-19, including with respect to AIG's business, financial condition and results of operations;
- AIG's ability to effectively execute on AIG 200 transformational programs designed to achieve underwriting excellence, modernization of AIG's operating infrastructure, enhanced user and customer experiences and unification of AIG;
- the impact of potential information technology, cybersecurity or data security breaches, including as a result of cyber-attacks or security vulnerabilities, the likelihood of which may increase due to extended remote business operations as a result of COVID-19;
- disruptions in the availability of AIG's electronic data systems or those of third parties;
- actions by rating agencies with respect to our credit and financial strength ratings;
- AIG's ability to successfully dispose of, monetize and/or acquire businesses or assets or successfully integrate acquired businesses;
- changes to the valuation of AIG's investments;
- changes in judgments concerning the recognition of deferred tax assets and the impairment of goodwill;
- availability and affordability of reinsurance;
- the effectiveness of our risk management policies and procedures, including with respect to our business continuity and disaster recovery plans;
- nonperformance or defaults by counterparties, including Fortitude Reinsurance Company Ltd. (Fortitude Re);
- changes in judgments concerning potential cost-saving opportunities;
- concentrations in AIG's investment portfolios;
- changes to our sources of or access to liquidity;
- changes in judgments or assumptions concerning insurance underwriting and insurance liabilities;
- the effectiveness of strategies to recruit and retain key personnel and to implement effective succession plans;
- the requirements, which may change from time to time, of the global regulatory framework to which AIG is subject;
- significant legal, regulatory or governmental proceedings; 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 June 30, 2021 (which will be filed with the Securities and Exchange Commission), Part I, Item 2. MD&A in AIG's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2021 and Part I, Item 1A. Risk Factors and Part II, Item 7. MD&A in AIG's Annual Report on Form 10-K for the year ended December 31, 2020.

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.

Segment Reporting

To align financial reporting with AIG's chief operating decision makers' view of AIG's businesses and how they allocate resources and assess performance, we present our segments as follows:



General Insurance

General Insurance continues to be reported with the following operating segments:

- North America – primarily includes insurance businesses in the United States, Canada and Bermuda, and our global reinsurance business, AIG Re.
- International – includes regional insurance businesses in Japan, the United Kingdom, Europe, Middle East and Africa (EMEA region), Asia Pacific, Latin America and Caribbean, and China. International also includes the results of Talbot Holdings, Ltd as well as AIG's global specialty business, which is now entirely reflected in International as part of the resegmentation effort.

Additionally, our chief operating decision makers determined the performance review of these operating segments to be based on the underwriting profit of the segments.

Life and Retirement

Life and Retirement continues to be reported with the following operating segments:

- Individual Retirement – consists of fixed annuities, fixed index annuities, variable annuities and retail mutual funds.
- Group Retirement – consists of group mutual funds, group annuities, individual annuity and investment products, financial planning and advisory services, and plan administrative and compliance services.
- Life Insurance – primary products in the U.S. include term life and universal life insurance. International operations include distribution of life and health products in the UK and Ireland. Certain run-off life insurance portfolios previously reported in our Legacy segment have been realigned into the Life Insurance operating segment.
- Institutional Markets – consists of stable value wrap products, structured settlement and pension risk transfer annuities, corporate- and bank-owned life insurance, high net worth products and guaranteed investment contracts (GICs).

On October 26, 2020, AIG announced its intention to separate its Life and Retirement business from AIG. On July 14, 2021, AIG and The Blackstone Group Inc. (Blackstone) announced that they have reached a definitive agreement for Blackstone to acquire a 9.9 percent equity stake in SAFG Retirement Services, Inc. (SAFG), which is the holding company for AIG's Life and Retirement business, for $2.2 billion in an all cash transaction, subject to adjustment if the final pro forma adjusted book value is greater or lesser than the target pro forma adjusted book value. The transaction contemplates that most of AIG's investment operations would be transferred to SAFG or its subsidiaries as part of the separation. As part of this agreement, AIG also agreed to enter into a long-term strategic asset management relationship with Blackstone to manage an initial $50 billion of Life and Retirement's existing investment portfolio upon closing of the equity investment, with that amount increasing by increments of $8.5 billion per year for the next five years beginning in the third or fourth quarter of 2022, for an aggregate of $92.5 billion. These transactions are subject to customary closing conditions, including the expiration or termination of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, and are expected to close in the third quarter of 2021. While we currently believe an initial public offering is the next step in the separation of the Life and Retirement business from AIG, no assurance can be given regarding the form that a separation transaction may take or the specific terms or timing thereof, or that a separation will in fact occur. Any separation transaction will be subject to the satisfaction of various conditions and approvals, including approval by the AIG Board of Directors, receipt of insurance and other required regulatory approvals, and satisfaction of any applicable requirements of the SEC.

On July 14, 2021, AIG and BREIT, a long-term, perpetual capital vehicle affiliated with Blackstone, announced that they have reached a definitive agreement for BREIT to acquire AIG's interests in a U.S. affordable housing portfolio for approximately $5.1 billion, subject to certain adjustments, in an all cash transaction. This transaction is subject to customary closing conditions and is expected to close in the fourth quarter of 2021.

On February 8, 2021, AIG announced the execution of a definitive agreement with Touchstone, an indirect wholly-owned subsidiary of Western & Southern Financial Group, to sell certain assets of AIG Life and Retirement's Retail Mutual Funds business. As of June 30, 2021, AIG Life and Retirement's Retail Mutual Funds business managed $7.1 billion in assets across eighteen funds. The transaction closed on July 16, 2021 at which time we received initial proceeds, and twelve retail mutual funds managed by SAAMCo, a member of AIG Life and Retirement, with $6.8 billion in assets, were reorganized into Touchstone funds. Additional proceeds may be earned over a three-year period based on asset levels in certain reorganized funds. Six retail mutual funds managed by SAAMCo and not included in the transaction were liquidated. AIG Life and Retirement will retain its fund management platform and capabilities dedicated to its variable insurance products.

Other Operations

Other Operations primarily consists of income from assets held by AIG Parent and other corporate subsidiaries, deferred tax assets related to tax attributes, corporate expenses and intercompany eliminations, our institutional asset management business and results of our consolidated investment entities, General Insurance portfolios in run-off previously reported within Legacy as well as the historical results of our legacy insurance lines ceded to Fortitude Re.

American International Group, Inc.
Non-GAAP Financial Measures

Throughout this Financial Supplement, we present our financial condition and results of operations in the way we believe will be most meaningful and representative of our business results. Some of the measurements we use are ''Non-GAAP financial measures'' under Securities and Exchange Commission rules and regulations. GAAP is the acronym for generally accepted accounting principles in the United States. The non-GAAP financial measures we present may not be comparable to similarly-named measures reported by other companies.

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

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

- changes in fair value of securities used to hedge guaranteed living benefits;
- changes in benefit reserves and deferred policy acquisition costs (DAC), value of business acquired (VOBA), and sales inducement assets (SIA) related to net realized gains and losses;
- changes in the fair value of equity securities;
- net investment income on Fortitude Re funds withheld assets held by AIG in support of Fortitude Re's reinsurance obligations to AIG post deconsolidation of Fortitude Re (Fortitude Re funds withheld assets);
- following deconsolidation of Fortitude Re, net realized gains and losses on Fortitude Re funds withheld assets;
- loss (gain) on extinguishment of debt;
- all net realized 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 gains and losses to specific APTI line items based on the economic risk being hedged (e.g. net investment income and interest credited to policyholder account balances);
- income or loss from discontinued operations;
- net loss reserve discount benefit (charge);
- pension expense related to a one-time lump sum payment to former employees;
- income and loss from divested businesses;
- non-operating litigation reserves and settlements;
- restructuring and other costs related to initiatives designed to reduce operating expenses, improve efficiency and simplify our organization;
- the portion of favorable or unfavorable prior year reserve development for which we have ceded the risk under retroactive reinsurance agreements and related changes in amortization of the deferred gain;
- integration and transaction costs associated with acquiring or divesting businesses;
- losses from the impairment of goodwill; and
- non-recurring costs associated with the implementation of non-ordinary course legal or regulatory changes or changes to accounting principles.

Adjusted After-tax Income attributable to AIG common shareholders (AATI) is derived by excluding the tax effected adjusted pre-tax income (APTI) adjustments described above, dividends on preferred stock, and the following tax items from net income attributable to AIG:

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

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

Book Value per Common Share, Excluding Accumulated Other Comprehensive Income (AOCI) adjusted for the cumulative unrealized gains and losses related to Fortitude Re funds withheld assets and Deferred Tax Assets (DTA) (Adjusted Book Value per Common Share) is used to show the amount of our net worth on a per-common share basis after eliminating items that can fluctuate significantly from period to period including changes in fair value of AIG's available for sale securities portfolio, foreign currency translation adjustments and U.S. tax attribute deferred tax assets. This measure also eliminates the asymmetrical impact resulting from changes in fair value of our available for sale securities portfolio wherein there is largely no offsetting impact for certain related insurance liabilities. In addition, we adjust for the cumulative unrealized gains and losses related to Fortitude Re funds withheld assets since these fair value movements are economically transferred to Fortitude Re. We exclude deferred tax assets representing U.S. tax attributes related to net operating loss carryforwards and foreign tax credits as they have not yet been utilized. Amounts for interim periods are estimates based on projections of full-year attribute utilization. As net operating loss carryforwards and foreign tax credits are utilized, the portion of the DTA utilized is included in these book value per common share metrics. Adjusted Book Value per Common Share is derived by dividing Total AIG common shareholders' equity, excluding AOCI adjusted for the cumulative unrealized gains and losses related to Fortitude Re funds withheld assets, and DTA **(Adjusted Common Shareholders' Equity)**, by total common shares outstanding. The reconciliation to book value per common share, the most comparable GAAP measure, is presented on page 66 herein.

Book Value per Common Share, Excluding Goodwill, Value of Business Acquired (VOBA), Value of Distribution Channel Acquired (VODA), Other Intangible Assets, AOCI adjusted for the cumulative unrealized gains and losses related to Fortitude Re funds withheld assets, and Deferred Tax Assets (DTA) (Adjusted Tangible Book Value per Common Share) is used to provide more accurate measure of the realizable value of shareholder on a per-common share basis. Adjusted Tangible Book Value per Common Share is derived by dividing Total AIG common shareholders' equity, excluding intangible assets, AOCI adjusted for the cumulative unrealized gains and losses related to Fortitude Re funds withheld assets, and DTA **(Adjusted Tangible Common Shareholders' Equity)**, by total common shares outstanding. The reconciliation to book value per common share, the most comparable GAAP measure, is presented on page 66 herein.

AIG Return on Common Equity (ROCE) – Adjusted After-tax Income Excluding AOCI adjusted for the cumulative unrealized gains and losses related to Fortitude Re funds withheld assets and DTA (Adjusted Return on Common Equity) is used to show the rate of return on common shareholders' equity. We believe this measure is useful to investors because it eliminates items that can fluctuate significantly from period to period, including changes in fair value of our available for sale securities portfolio, foreign currency translation adjustments and U.S. tax attribute deferred tax assets. This measure also eliminates the asymmetrical impact resulting from changes in fair value of our available for sale securities portfolio wherein there is largely no offsetting impact for certain related insurance liabilities. In addition, we adjust for the cumulative unrealized gains and losses related to Fortitude Re funds withheld assets since these fair value movements are economically transferred to Fortitude Re. We exclude deferred tax assets representing U.S. tax attributes related to net operating loss carryforwards and foreign tax credits as they have not yet been utilized. Amounts for interim periods are estimates based on projections of full-year attribute utilization. As net operating loss carryforwards and foreign tax credits are utilized, the portion of the DTA utilized is included in Adjusted Return on Common Equity. Adjusted Return on Common Equity is derived by dividing actual or annualized adjusted after-tax income attributable to AIG common shareholders by average Adjusted Common Shareholders' Equity. The reconciliation to return on common equity, the most comparable GAAP measure, is presented on page 67 herein.

AIG Return on Common Equity – Adjusted After-tax Income, Excluding Goodwill, VOBA, VODA and Other Intangible assets, AOCI adjusted for the cumulative unrealized gains and losses related to Fortitude Re funds withheld assets, and DTA (Adjusted Return on Tangible Common Equity) is used to provide the rate of return on adjusted tangible common shareholder's equity, which is a more accurate measure of realizable shareholder value. We exclude Goodwill, VOBA, VODA and Other intangible assets from AIG common shareholders' equity to derive tangible common shareholders' equity and we further exclude AOCI adjusted for the cumulative unrealized gains and losses related to Fortitude Re funds withheld assets, and DTA for Adjusted Tangible Common Equity. Adjusted Return on Tangible Common Equity is derived by dividing actual or annualized adjusted after-tax income attributable to AIG common shareholders by average Adjusted Tangible Common Shareholders' Equity. The reconciliation to return on common equity, the most comparable GAAP measure, is presented on page 67 herein.

General Insurance and Life and Retirement Adjusted Segment Common Equity is based on segment equity adjusted for the attribution of debt and preferred stock (Segment Common Equity) and is consistent with AIG's Adjusted Common Shareholders' Equity definition. The reconciliations to Segment Common Equity are presented on pages 70 herein.

General Insurance and Life and Retirement Return on Adjusted Segment Common Equity – Adjusted After-tax Income (Return on Adjusted Segment Common Equity) is used to show the rate of return on Adjusted Segment Common Equity. Return on Adjusted Segment Common Equity is derived by dividing actual or annualized Adjusted After-tax Income by Average Adjusted Segment Common Equity. The reconciliations to Return on Adjusted Segment Common Equity are presented on pages 15 and 29 herein.

Adjusted After-tax Income Attributable to General Insurance and Life and Retirement is derived by subtracting attributed interest expense, income tax expense and attributed dividends on preferred stock from APTI. Attributed debt and the related interest expense and dividends on preferred stock are calculated based on our internal allocation model. Tax expense or benefit is calculated based on an internal attribution methodology that considers among other things the taxing jurisdiction in which the segments conduct business, as well as the deductibility of expenses in those jurisdictions. The reconciliations from Adjusted pre-tax income to Adjusted after-tax income attributed to General Insurance and Life and Retirement are presented on pages 15 and 29 herein.

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

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

Accident year loss and Accident year combined ratios, as adjusted: both the accident year loss and accident year combined ratios, as adjusted, exclude catastrophe losses and related reinstatement premiums, prior year development, net of premium adjustments, and the impact of reserve discounting. We believe that as adjusted ratios are meaningful measures of our underwriting results on an ongoing basis as they exclude catastrophes and the impact of reserve discounting which are outside of management's control. We also exclude prior year development to provide transparency related to current accident year results.

Underwriting ratios are computed as follows:

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

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

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

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

Natural catastrophe losses are generally weather or seismic events having a net impact on AIG in excess of $10 million each and man-made catastrophe losses, such as terrorism and civil disorders that exceed the $10 million threshold.

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

American International Group, Inc.
Consolidated Financial Highlights

(in millions, except per share data)	Quarterly 2Q21	1Q21	4Q20	3Q20	2Q20	Six Months Ended June 30, 2021	2020
Results of Operations Data (attributable to AIG common shareholders)							
Net income (loss)	$ 91	$ 3,869	$ (60)	$ 281	$ (7,936)	$ 3,960	$ (6,194)
Net income (loss) per share:							
Basic	$ 0.11	$ 4.45	$ (0.07)	$ 0.32	$ (9.15)	$ 4.58	$ (7.11)
Diluted (1)	$ 0.11	$ 4.41	$ (0.07)	$ 0.32	$ (9.15)	$ 4.53	$ (7.11)
Weighted average shares outstanding:							
Basic	862.9	868.1	868.4	867.7	867.0	865.5	870.6
Diluted (1)	872.9	876.3	868.4	873.1	867.0	874.6	870.6
Effective tax rate	(2.0)%	16.9 %	97.1 %	20.1 %	19.6 %	16.3 %	14.0 %
Adjusted after-tax income	$ 1,331	$ 923	$ 827	$ 708	$ 561	$ 2,254	$ 666
Adjusted after-tax income per diluted share	$ 1.52	$ 1.05	$ 0.94	$ 0.81	$ 0.64	$ 2.58	$ 0.76
Weighted average diluted shares - operating	872.9	876.3	876.7	873.1	870.2	874.6	874.5
Adjusted effective tax rate	18.6 %	21.7 %	21.9 %	21.2 %	24.8 %	19.9 %	29.0 %
Selected Balance Sheet data, at period end							
Total assets	$ 598,250	$ 584,390	$ 586,481	$ 577,230	$ 569,388	$ 598,250	$ 569,388
Long-term debt	26,161	26,432	28,103	28,731	29,248	26,161	29,248
Debt of consolidated investment entities	9,566	9,216	9,431	9,506	10,032	9,566	10,032
Preferred equity	485	485	485	485	485	485	485
AIG common shareholders' equity	65,598	62,194	65,877	63,623	61,749	65,598	61,749
AIG tangible common shareholders' equity	60,612	57,196	60,861	58,646	56,805	60,612	56,805
AIG shareholders' total equity	66,083	62,679	66,362	64,108	62,234	66,083	62,234
Adjusted common shareholders' equity	51,356	50,435	49,116	48,914	48,152	51,356	48,152
Adjusted tangible common shareholders' equity	46,370	45,437	44,100	43,937	43,208	46,370	43,208
Adjusted Segment Common Equity*							
General Insurance	$ 25,473	$ 25,265	$ 25,044	$ 25,085	$ 25,195	$ 25,473	$ 25,195
Life and Retirement (2)	20,689	20,226	19,172	19,421	19,101	20,689	19,101
Other Operations	5,194	4,944	4,900	4,408	3,856	5,194	3,856
Total adjusted segment common equity	$ 51,356	$ 50,435	$ 49,116	$ 48,914	$ 48,152	$ 51,356	$ 48,152
Return On Common Equity (ROCE, attributable to AIG common shareholders)							
ROCE	0.6 %	24.2 %	(0.4)%	1.8 %	NM **	12.3 %	NM%
Adjusted return on common equity	10.5 %	7.4 %	6.7 %	5.8 %	4.5 %	9.0 %	2.6 %
Adjusted return on tangible common equity	11.6 %	8.2 %	7.5 %	6.5 %	5.0 %	10.0 %	2.9 %
Return on adjusted segment common equity -General Insurance***	12.3 %	8.5 %	7.6 %	3.1 %	0.3 %	10.4 %	2.3 %
Return on adjusted segment common equity -Life and Retirement (2)***	16.4 %	14.2 %	16.0 %	15.5 %	13.5 %	15.3 %	11.4 %

* Adjusted segment common equity is based on segment equity adjusted for the attribution of debt and preferred stock (Segment Common Equity) and is consistent with AIG's Adjusted Common Shareholders' Equity definition. Refer to page 70 for reconciliation to segment common equity.

** Not Meaningful.

*** Refer to pages 15 and 29 for components of calculation.

See accompanying notes on page 14 and reconciliations of Non-GAAP financial measures beginning on page 64.

(in millions, except per share data)	Quarterly 2Q21	1Q21	4Q20	3Q20	2Q20	Six Months Ended June 30, 2021	2020
AIG Capitalization							
Total equity	$ 66,908	$ 63,560	$ 67,199	$ 64,607	$ 62,818	$ 66,908	$ 62,818
Hybrid - debt securities (3)	1,556	1,554	1,561	1,548	1,537	1,556	1,537
Total equity and hybrid debt	68,464	65,114	68,760	66,155	64,355	68,464	64,355
Financial debt (3)	22,607	22,838	24,420	24,989	25,504	22,607	25,504
Syndicated credit facility (3) (4)	-	-	-	-	-	-	-
Total capital	$ 91,071	$ 87,952	$ 93,180	$ 91,144	$ 89,859	$ 91,071	$ 89,859
Ratios							
Hybrid - debt securities / Total capital	1.7 %	1.8 %	1.7 %	1.7 %	1.7 %	1.7 %	1.7 %
Financial debt / Total capital	24.8	26.0	26.2	27.4	28.4	24.8	28.4
Syndicated credit facility / Total capital	-	-	-	-	-	-	-
Total debt / Total capital	26.5	27.8	27.9	29.1	30.1	26.5	30.1
Preferred stock / Total capital	0.5	0.6	0.5	0.5	0.5	0.5	0.5
Total debt and preferred stock / Total capital	27.0%	28.4 %	28.4 %	29.6 %	30.6 %	27.0 %	30.6 %
Common Stock Repurchases							
Aggregate repurchase of common stock	$ 230	$ 362	$ -	$ -	$ -	$ 592	$ 500
Number of common shares repurchased	5	8	-	-	-	13	12
Average price paid per share of common stock	$ 49.79	$ 45.10	$ -	$ -	$ -	$ 46.82	$ 41.12
Dividends							
Dividends declared per common share	$ 0.32	$ 0.32	$ 0.32	$ 0.32	$ 0.32	$ 0.64	$ 0.64
Total dividends declared on common stock	$ 274	$ 276	$ 276	$ 276	$ 275	$ 550	$ 551
Dividends declared per preferred share	$ 365.63	$ 365.63	$ 365.63	$ 365.63	$ 365.63	$ 731.25	$ 731.26
Total dividends declared on preferred stock	$ 8	$ 7	$ 7	$ 7	$ 8	$ 15	$ 15
Share Data (attributable to AIG, at period end)							
Common shares outstanding	854.9	859.4	861.6	861.4	861.4	854.9	861.4
Closing share price	$ 47.60	$ 46.66	$ 37.86	$ 27.53	$ 31.18	$ 47.60	$ 31.18
Book value per common share	76.73	72.37	76.46	73.86	71.68	76.73	71.68
Adjusted book value per common share	60.07	58.69	57.01	56.78	55.90	60.07	55.90
Adjusted tangible book value per common share	54.24	52.87	51.18	51.01	50.16	54.24	50.16

See accompanying notes on page 14 and reconciliations of Non-GAAP financial measures beginning on page 64.

American International Group, Inc.
Consolidated Financial Highlights

(in millions)	Quarterly					Six Months Ended June 30,	
	2Q21	1Q21	4Q20	3Q20	2Q20	2021	2020
Adjusted Pre-Tax Income (Loss)							
General Insurance							
North America - Underwriting Income	$ 169	$ (202)	$ (389)	$ (370)	$ (439)	$ (33)	$ (542)
International - Underwriting Income	294	275	218	(53)	96	569	112
Net Investment Income	731	772	980	839	518	1,503	1,106
Total General Insurance	$ 1,194	$ 845	$ 809	$ 416	$ 175	$ 2,039	$ 676
Life and Retirement (2)							
Individual Retirement	617	532	552	532	549	1,149	854
Group Retirement	347	307	318	338	214	654	357
Life Insurance	20	(40)	30	32	2	(20)	80
Institutional Markets	140	142	127	106	130	282	205
Total Life and Retirement	$ 1,124	$ 941	$ 1,027	$ 1,008	$ 895	$ 2,065	$ 1,496
Other Operations							
Other Operations before consolidation and eliminations	(516)	(354)	(428)	(368)	(332)	(870)	(1,167)
AIG Consolidation and eliminations	(94)	(176)	(292)	(140)	53	(270)	(34)
Total Other Operations	(610)	(530)	(720)	(508)	(279)	(1,140)	**(1,201)**
Total adjusted pre-tax income	**$ 1,708**	**$ 1,256**	**$ 1,116**	**$ 916**	**$ 791**	**$ 2,964**	**$ 971**

Noteworthy Adjusted Pre-Tax Income (Loss) Data	Quarterly					Six Months Ended June 30,	
	2Q21	1Q21	4Q20	3Q20	2Q20	2021	2020
Revenue Items:							
Better (worse) than expected alternative returns* (5)	$ 453	$ 451	$ 491	$ 352	$ (197)	$ 904	$ (383)
Better (worse) than expected fair value changes on Fixed Maturity Securities - Other accounted under fair value option (6)	4	(67)	41	132	305	(63)	(16)
Expense Items:							
Catastrophe losses, net of reinsurance**	$ 120	$ 441	$ 555	$ 803	$ 674	$ 561	$ 1,093
Reinstatement premiums related to catastrophes**	20	12	(5)	(2)	20	32	21
Prior year loss reserve development unfavorable (favorable), net of reinsurance**	14	(37)	49	13	(76)	(23)	(136)
Annual Life & Retirement actuarial assumption update	-	-	-	107	-	-	-

*Presented on a consolidated AIG basis, which consists of GI, L&R and Other Operations, including consolidations and eliminations.
**Reflected in the results of General Insurance as well as Other Operations, the latter of which includes Blackboard.

See accompanying notes on page 14 and reconciliations of Non-GAAP financial measures beginning on page 64.

American International Group, Inc.
Consolidated Statements of Operations

(in millions)	Quarterly					Six Months Ended June 30,	
	2Q21	1Q21	4Q20	3Q20	2Q20	2021	2020
Revenues:							
Premiums	$ 7,914	$ 6,507	$ 6,996	$ 6,677	$ 7,407	$ 14,421	$ 14,850
Policy fees	771	784	765	648	749	1,555	1,504
Net investment income:							
Interest and dividends (7)	2,576	2,592	2,630	2,653	2,987	5,168	6,108
Alternative investments (7)	579	572	604	454	(86)	1,151	(145)
Other investment income (loss) (7)	118	119	373	360	488	237	82
Investment expenses	(105)	(112)	(129)	(125)	(139)	(217)	(287)
Net investment income - excluding Fortitude Re funds withheld assets	3,168	3,171	3,478	3,342	3,250	6,339	5,758
Net investment income - Fortitude Re funds withheld assets*	507	486	479	458	116	993	116
Total net investment income	3,675	3,657	3,957	3,800	3,366	7,332	5,874
Net realized gains (losses)							
Net realized gains (losses) - excluding Fortitude Re funds withheld assets	(43)	695	(1,486)	(498)	(1,591)	652	1,928
Net realized gains (losses) on Fortitude Re funds withheld assets*	173	173	335	32	96	346	96
Net realized gains (losses) on Fortitude Re funds withheld embedded derivative*	(2,056)	2,382	(1,152)	(656)	(837)	326	(837)
Total net realized gains (losses)	(1,926)	3,250	(2,303)	(1,122)	(2,332)	1,324	1,187
Other income	247	256	261	218	206	503	424
Total revenues	10,681	14,454	9,676	10,221	9,396	25,135	23,839
Benefits, losses and expenses							
Policyholder benefits and losses incurred	6,084	5,139	6,088	5,872	6,521	11,223	12,846
Interest credited to policyholder account balances	872	868	865	882	918	1,740	1,875
Amortization of deferred policy acquisition costs	915	1,304	888	707	754	2,219	2,616
General operating and other expenses	2,218	2,088	2,165	1,991	2,087	4,306	4,240
Interest expense	338	342	358	379	365	680	720
(Gain) loss on extinguishment of debt	106	(8)	(3)	(2)	-	98	17
Net (gain) loss on sale or disposal of divested businesses	1	(7)	(127)	24	8,412	(6)	8,628
Total benefits, losses and expenses	10,534	9,726	10,234	9,853	19,057	20,260	30,942
Income (loss) from continuing operations before income taxes	147	4,728	(558)	368	(9,661)	4,875	(7,103)
Income tax (benefit) expense**	(3)	798	(542)	74	(1,896)	795	(992)
Income (loss) from continuing operations	150	3,930	(16)	294	(7,765)	4,080	(6,111)
Income (loss) from discontinued operations, net of income taxes	-	-	-	5	(1)	-	(1)
Net income (loss)	150	3,930	(16)	299	(7,766)	4,080	(6,112)
Net income (loss) attributable to noncontrolling interests (8)	51	54	37	11	162	105	67
Net income (loss) attributable to AIG	99	3,876	(53)	288	(7,928)	3,975	(6,179)
Less: Dividends on preferred stock	8	7	7	7	8	15	15
Net income (loss) attributable to AIG common shareholders	$ 91	$ 3,869	$ (60)	$ 281	$ (7,936)	$ 3,960	$ (6,194)

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

**U.S. valuation allowance establishment (release) of $700 million, $(136) million and $12 million recorded during the three-month periods ended March 31, 2021, December 31, 2020 and June 30, 2020, respectively. U.S. valuation allowance establishment of $700 million and $286 million recorded during the six-month periods ended June 30, 2021 and June 30, 2020, respectively.

See accompanying notes on page 14.

American International Group, Inc.
Consolidated Balance Sheets

(in millions)	June 30, 2021	March 31, 2021	December 31, 2020	September 30, 2020	June 30, 2020
Assets					
Investments:					
Fixed maturity securities					
Bonds available for sale, at fair value	$ 273,070	$ 263,012	$ 271,496	$ 265,965	$ 258,505
Other bond securities, at fair value	4,866	4,973	5,291	5,415	5,437
Equity securities					
Other common and preferred stock, at fair value	1,079	1,160	1,056	871	679
Mortgage and other loans receivable, net of allowance	45,216	45,468	45,562	45,590	46,522
Other invested assets	20,139	19,390	19,060	17,915	17,692
Short-term investments	15,169	14,454	18,203	20,648	21,316
Total investments	359,539	348,457	360,668	356,404	350,151
Cash	2,760	2,796	2,827	3,191	3,408
Accrued investment income	2,288	2,309	2,271	2,324	2,294
Premiums and other receivables, net of allowance	14,303	13,808	11,333	11,827	12,829
Reinsurance assets, net of allowance - Fortitude Re	34,092	34,342	34,578	34,707	34,556
Reinsurance assets, net of allowance - Other	41,344	41,932	38,963	40,337	40,656
Deferred income taxes	12,628	13,690	12,624	12,958	13,294
Deferred policy acquisition costs (9)	10,723	11,144	9,805	10,176	10,003
Other assets (9)	13,267	13,223	13,122	13,270	13,455
Separate account assets, at fair value	107,306	102,689	100,290	92,036	88,742
Total assets	$ 598,250	$ 584,390	$ 586,481	$ 577,230	$ 569,388
Liabilities					
Liability for unpaid losses and loss adjustment expenses	$ 78,981	$ 78,832	$ 77,720	$ 78,584	$ 77,853
Unearned premiums	21,487	21,012	18,660	20,093	20,103
Future policy benefits for life and accident and health insurance contracts	51,771	50,709	51,097	51,090	50,636
Policyholder contract deposits	161,112	157,741	160,251	158,205	155,852
Other policyholder funds	3,516	3,564	3,548	3,571	3,447
Fortitude Re funds withheld payable (10)	41,403	40,181	43,060	42,543	42,033
Other liabilities	30,039	30,454	27,122	28,264	28,624
Long-term debt	26,161	26,432	28,103	28,731	29,248
Debt of consolidated investment entities	9,566	9,216	9,431	9,506	10,032
Separate account liabilities	107,306	102,689	100,290	92,036	88,742
Total liabilities	531,342	520,830	519,282	512,623	506,570
AIG shareholders' equity					
Preferred stock	485	485	485	485	485
Common stock	4,766	4,766	4,766	4,766	4,766
Treasury stock, at cost	(49,634)	(49,412)	(49,322)	(49,327)	(49,327)
Additional paid-in capital	81,322	81,253	81,418	81,368	81,294
Retained earnings	18,935	19,121	15,504	15,838	15,847
Accumulated other comprehensive (loss) income	10,209	6,466	13,511	10,978	9,169
Total AIG shareholders' equity	66,083	62,679	66,362	64,108	62,234
Non-redeemable noncontrolling interests	825	881	837	499	584
Total equity	66,908	63,560	67,199	64,607	62,818
Total liabilities and equity	$ 598,250	$ 584,390	$ 586,481	$ 577,230	$ 569,388

See accompanying notes on page 14.

American International Group, Inc.
Segment Balance Sheets

(in millions)	June 30, 2021 General Insurance	Life & Retirement	Other Operations	AIG Inc.
Assets:				
Investments:				
Fixed maturity securities				
Bonds available for sale, at fair value	$ 73,018	$ 194,555	$ 5,497	$ 273,070
Other bond securities, at fair value	365	675	3,826	4,866
Equity securities				
Other common and preferred stock, at fair value	498	83	498	1,079
Mortgage and other loans receivable, net of allowance	9,046	36,420	(250)	45,216
Other invested assets	6,837	10,221	3,081	20,139
Short-term investments	5,055	7,033	3,081	15,169
Total investments	94,819	248,987	15,733	359,539
Cash	1,919	618	223	2,760
Accrued investment income	469	1,792	27	2,288
Premiums and other receivables, net of allowance	13,152	950	201	14,303
Reinsurance assets, net of allowance - Fortitude Re	3,952	28,775	1,365	34,092
Reinsurance assets, net of allowance - Other	34,355	2,772	4,217	41,344
Deferred income taxes	2,655	3,736	6,237	12,628
Deferred policy acquisition costs (9)	2,734	7,989	-	10,723
Other assets (9)	8,583	2,644	2,040	13,267
Separate account assets, at fair value	-	107,306	-	107,306
Total assets	$ 162,638	$ 405,569	$ 30,043	$ 598,250
Liabilities:				
Liability for unpaid losses and loss adjustment expenses	$ 74,609	$ -	$ 4,372	$ 78,981
Unearned premiums	21,378	98	11	21,487
Future policy benefits for life and accident and health insurance contracts	895	49,533	1,343	51,771
Policyholder contract deposits	-	161,280	(168)	161,112
Other policyholder funds	882	2,634 *	-	3,516
Fortitude Re funds withheld payable (10)	4,309	35,500	1,594	41,403
Other liabilities	18,011	8,904	3,124	30,039
Operating and other debt	109	-	1,889	1,998
Attributed debt	13,822	6,942	3,399	24,163
Long-term debt	13,931	6,942	5,288	26,161
Debt of consolidated investment entities	2,276	3,379	3,911	9,566
Separate account liabilities	-	107,306	-	107,306
Total liabilities	136,291	375,576	19,475	531,342
AIG Shareholders' equity				
Preferred stock	197	139	149	485
Common stock	-	-	4,766	4,766
Treasury stock, at cost	-	-	(49,634)	(49,634)
Additional paid-in capital	1,902	13,208	66,212	81,322
Retained earnings	23,360	4,351	(8,776)	18,935
Accumulated other comprehensive (loss) income	849	11,860	(2,500)	10,209
Total AIG shareholders' equity	26,308	29,558	10,217	66,083
Non-redeemable noncontrolling interests	39	435	351	825
Total equity	26,347	29,993	10,568	66,908
Total liabilities and equity	$ 162,638	$ 405,569	$ 30,043	$ 598,250

* Life and Retirement includes $1,686 million of Unearned Revenue Liability.

See accompanying notes on page 14.

American International Group, Inc.
Debt and Capital

(in millions)	Debt and Hybrid Capital			Interest Expense/ Preferred Dividends			
	June 30,	June 30,	December 31,	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2020	2021	2020	2021	2020
Financial Debt							
AIG notes and bonds payable (11)	$ 21,491	$ 24,161	$ 23,068	$ 220	$ 232	$ 445	$ 450
AIG Japan Holdings Kabushiki Kaisha	343	349	361	1	1	1	1
AIG Life Holdings, Inc. notes and bonds payable	200	282	282	5	5	10	10
AIG Life Holdings, Inc. junior subordinated debt	227	361	361	7	8	14	15
Validus notes and bonds payable	346	351	348	5	2	11	8
Total	**22,607**	**25,504**	**24,420**	**238**	**248**	**481**	**484**
Operating Debt							
Series AIGFP matched notes and bonds payable	21	21	21	-	-	-	
Other AIG borrowings supported by assets	1,974	2,181	2,097	-	-	-	-
Other subsidiaries	3	5	4	-	-	-	1
Total	**1,998**	**2,207**	**2,122**	**-**	**-**	**-**	**1**
Hybrid - Debt Securities (3)							
Junior subordinated debt (12)	1,556	1,537	1,561	23	22	45	45
Total long-term debt	**$ 26,161**	**$ 29,248**	**$ 28,103**	**$ 261**	**$ 270**	**$ 526**	**$ 530**
Syndicated credit facility (3)							
Syndicated credit facility (4)	$ -	$ -	$ -	$ -	$ 7	$ -	$ 7
Debt of consolidated investment entities							
Debt of consolidated investment entities	$ 9,566	$ 10,032	$ 9,431	$ 77	$ 88	$ 154	$ 183
Preferred Shares Issuance							
Preferred stock	485	485	485	8	8	15	15
AIG Capitalization							
Total equity	$ 66,908	$ 62,818	$ 67,199				
Hybrid - debt securities (3) (12)	1,556	1,537	1,561				
Total equity and hybrid capital	68,464	64,355	68,760				
Financial debt (3)	22,607	25,504	24,420				
Syndicated credit facility (3) (4)	-	-	-				
Total capital	**$ 91,071**	**$ 89,859**	**$ 93,180**				
Ratios							
Hybrid - debt securities / Total capital	1.7 %	1.7 %	1.7 %				
Financial debt / Total capital	24.8	28.4	26.2				
Syndicated credit facility / Total capital	-	-	-				
Total debt / Total capital	26.5	30.1	27.9				
Preferred stock / Total capital	0.5	0.5	0.5				
Total debt and preferred stock / Total capital	27.0 %	30.6 %	28.4 %				

See accompanying notes on page 14.

(1) For the three months ended December 31 and June 30, 2020, because we reported a net loss attributable to AIG common shareholders from continuing operations, all common stock equivalents are anti-dilutive and are therefore excluded from the calculation of diluted shares and diluted per share amounts. The shares excluded from the diluted EPS calculation were 8,309,281 shares and 3,226,882 shares in the same periods, respectively.

(2) See discussion of Life and Retirement segment on page 2.

(3) Hybrid - debt securities, financial debt and syndicated credit facility are attributed to our reportable segments and Other Operations.

(4) Syndicated credit facility represents the $1.3 billion we borrowed under our $4.5 billion revolving syndicated credit facility on March 20, 2020, which was recorded in Other liabilities. On June 9, 2020, AIG Parent repaid the $1.3 billion borrowed under its $4.5 billion committed, revolving syndicated credit facility in full with interest.

(5) Represents alternative investment income including income on hedge funds, private equity funds and affordable housing partnerships. Hedge funds for which we elected the fair value option are recorded as of the balance sheet date. Private equity funds are generally reported on a one-quarter lag. We use a 6% expected rate of return for the better (worse) than expected alternative investments line item for all periods presented herein.

(6) Represents the impact of fair value changes included in APTI on the Fixed Maturity Securities – Other accounted under the fair value option, rather than their impact on the income from continuing operations before tax expense. We use a 4% expected rate of return to calculate the better (worse) than expected fair value changes on the Fixed Maturity Securities – Other line item for all periods presented herein.

(7) Interest and dividends, alternative investments and other investments income (loss) in 2Q20 were reclassified in 3Q20 resulting in an increase of other investment income (loss) of $113 million and a decrease in alternative investments and interest and dividends of $13 million and $100 million, respectively. The reclassification has no impact to net investment income - excluding Fortitude Re funds withheld assets or total net investment income.

(8) Prior to June 2, 2020, noncontrolling interests was primarily due to the 19.9 percent investment in Fortitude Holdings by an affiliate of Carlyle, which occurred in the fourth quarter of 2018. Carlyle was allocated 19.9 percent of Fortitude Holdings' standalone financial results through the June 2, 2020 closing date of the Majority Interest Fortitude Sale. Fortitude Holdings' results were mostly eliminated in AIG's consolidated income from continuing operations given that its results arose from intercompany transactions. Noncontrolling interests was calculated based on the standalone financial results of Fortitude Holdings. The most significant component of Fortitude Holdings' standalone results was the change in fair value of the embedded derivatives which changes with movements in interest rates and credit spreads, and which was recorded in net realized gains and losses of Fortitude Holdings. In accordance with AIG's adjusted after-tax income definition, net realized gains and losses are excluded from noncontrolling interests. Subsequent to the Majority Interest Fortitude Sale, AIG owns 3.5 percent of Fortitude Holdings and no longer consolidates Fortitude Holdings in its financial statements as of such date. The minority interest in Fortitude Holdings is carried at cost within AIG's Other invested assets, which was $100 million as of June 30, 2021. Fortitude Holdings' summarized financial information (standalone results), prior to the Majority Interest Fortitude Sale is presented below:

(in millions)	2Q20		1Q20		Six Months Ended June 30, 2020	
	Fortitude Holdings	AIG NCI	Fortitude Holdings	AIG NCI	Fortitude Holdings	AIG NCI
Revenues	$ 423	$ 84	$ 230	$ 46	$ 653	$ 130
Expenses	244	49	458	91	702	140
Adjusted pre-tax income	**179**	**35**	**(228)**	**(45)**	**(49)**	**(10)**
Taxes (benefit) expense	38	8	(48)	(10)	(10)	(2)
Adjusted after-tax income	**141**	**27**	**(180)**	**(35)**	**(39)**	**(8)**
Net realized gains (losses) and other charges	872	174	(489)	(97)	383	77
Taxes (benefit) on net realized gains (losses) and other charges	184	36	(103)	(20)	81	16
Net realized gains (losses) and Other charges - after-tax	**688**	**138**	**(386)**	**(77)**	**302**	**61**
Net income	**$ 829**	**$ 165**	**$ (566)**	**$ (112)**	**$ 263**	**$ 53**

(9) As of June 30, 2021 and December 31, 2020, both include $4.1 billion of Goodwill, and $0.9 billion of other intangible assets, respectively, other intangible assets primarily relating to the acquisitions of Validus, Glatfelter Insurance Group and Ellipse.

(10) Represents AIG obligation to Fortitude Re for funds withheld assets supporting the reinsurance transaction. See a breakdown of funds withheld assets on page 71 and a breakdown of funds withheld investments by segment on page 51.

(11) In May 2020, we issued $1.5 billion aggregate principal amount of 2.500% Notes Due 2025, $1.6 billion aggregate principal amount of 3.400% Notes Due 2030 and $1.0 billion aggregate principal amount of 4.375% Notes Due 2050. In February 2020, we redeemed all of our outstanding 4.35% callable Notes Due 2045.

(12) The junior subordinated debt securities receive partial equity treatment from a major rating agency under its current policies but are recorded as long-term borrowings in the Consolidated Balance Sheets.

(in millions)	Quarterly					Six Months Ended June 30,	
Results of Operations	**2Q21**	**1Q21**	**4Q20**	**3Q20**	**2Q20**	**2021**	**2020**
Gross premiums written	$ 9,503	$ 10,731	$ 7,135	$ 8,251	$ 8,474	$ 20,234	$ 18,560
Ceded premiums written	(2,643)	(4,252)	(1,570)	(2,327)	(2,925)	(6,895)	(7,090)
Net premiums written	$ 6,860	$ 6,479	$ 5,565	$ 5,924	$ 5,549	$ 13,339	$ 11,470
Net premiums earned	$ 6,215	$ 5,866	$ 5,993	$ 5,853	$ 5,737	$ 12,081	$ 11,816
Losses and loss adjustment expenses incurred (1)	3,810	3,848	4,210	4,367	4,167	7,658	8,226
Acquisition expenses:							
Amortization of deferred policy acquisition costs	854	873	851	835	866	1,727	1,852
Other acquisition expenses	335	311	335	322	281	646	626
Total acquisition expenses	1,189	1,184	1,186	1,157	1,147	2,373	2,478
General operating expenses	753	761	768	752	766	1,514	1,542
Underwriting income (loss)	463	73	(171)	(423)	(343)	536	(430)
Net investment income (loss):							
Interest and dividends	553	534	553	576	593	1,087	1,261
Alternative investments	216	201	452	284	(68)	417	(141)
Other investment income (loss)	10	77	34	55	54	87	99
Investment expenses	(48)	(40)	(59)	(76)	(61)	(88)	(113)
Total net investment income	731	772	980	839	518	1,503	1,106
Adjusted pre-tax income (loss)	1,194	845	809	416	175	2,039	676
Interest expense on attributed financial debt	147	145	145	146	142	292	288
Adjusted pre-tax income (loss) including attributed interest expense	1,047	700	664	270	33	1,747	388
Income tax expense (benefit)	263	161	182	70	9	424	94
Adjusted after-tax income (loss)	$ **784**	$ **539**	$ **482**	$ **200**	$ **24**	$ **1,323**	$ **294**
Dividends declared on preferred stock	3	3	3	3	3	6	6
Adjusted after-tax income (loss) attributable to common shareholders (a)	$ **781**	$ **536**	$ **479**	$ **197**	$ **21**	$ **1,317**	$ **288**
Ending adjusted segment common equity	$ 25,473	$ 25,265	$ 25,044	$ 25,085	$ 25,195	$ 25,473	$ 25,195
Average adjusted segment common equity (b)	25,369	25,155	25,065	25,140	25,065	25,261	25,063
Return on adjusted segment common equity (a÷b)	12.3 %	8.5 %	7.6 %	3.1 %	0.3 %	10.4 %	2.3 %
Underwriting Ratios							
Loss ratio (1)	61.3	65.6	70.2	74.6	72.6	63.4	69.6
Catastrophe losses and reinstatement premiums	(2.1)	(7.3)	(9.0)	(13.5)	(11.9)	(4.6)	(9.3)
Prior year development	0.7	0.9	(0.9)	(0.4)	0.8	0.8	0.8
Accident year loss ratio, as adjusted	59.9	59.2	60.3	60.7	61.5	59.6	61.1
Acquisition ratio	19.1	20.2	19.8	19.8	20.0	19.6	21.0
General operating expense ratio	12.1	13.0	12.8	12.8	13.4	12.5	13.1
Expense ratio	31.2	33.2	32.6	32.6	33.4	32.1	34.1
Combined ratio (1)	92.5	98.8	102.8	107.2	106.0	95.5	103.7
Accident year combined ratio, as adjusted	91.1	92.4	92.9	93.3	94.9	91.7	95.2

See accompanying notes on page 27 and reconciliations of Non-GAAP financial measures beginning on page 64.

American International Group, Inc.
General Insurance Operating Statistics

(in millions)

Noteworthy Items (pre-tax)	Quarterly 2Q21	1Q21	4Q20	3Q20	2Q20	Six Months Ended June 30, 2021	2020
Catastrophe-related losses, net of reinsurance	$ 118	$ 422	$ 545	$ 790	$ 674	$ 540	$ 1,093
Reinstatement premiums related to catastrophes	20	12	(5)	(2)	20	32	21
Prior year development:							
Prior year loss reserve development unfavorable (favorable), net of reinsurance	(51)	(56)	45	13	(74)	(107)	(134)
Return premium related to prior year development	15	17	5	15	45	32	55
Prior year loss reserve development (favorable) unfavorable, net of reinsurance and return premium	(36)	(39)	50	28	(29)	(75)	(79)
Reinstatement premiums related to prior year catastrophes	(1)	(14)	6	2	(2)	(15)	(3)
Other premium adjustments related to prior year	-	-	-	-	-	-	1
Better (worse) than expected alternative returns	138	122	375	213	(138)	260	(288)
Fair value changes on Fixed Maturity Securities - Other accounted under fair value option	13	42	21	34	57	55	87
Net liability for unpaid losses and loss adjustment expenses (at period end)	43,448	42,979	42,758	42,806	41,887	43,448	41,887

Net Premiums Written by product line	Quarterly 2Q21	1Q21	4Q20	3Q20	2Q20	Six Months Ended June 30, 2021	2020
General Insurance:							
Property	$ 1,034	$ 150	$ 733	$ 847	$ 895	$ 1,184	$ 864
Liability	889	1,079	715	918	800	1,968	1,741
Financial Lines	1,215	1,158	1,203	1,045	1,043	2,373	2,024
Specialty*	1,579	2,382	1,003	1,171	1,334	3,961	3,245
Total Commercial Lines	4,717	4,769	3,654	3,981	4,072	9,486	7,874
Accident and Health	856	867	722	781	772	1,723	1,861
Personal Lines	1,287	843	1,189	1,162	705	2,130	1,735
Total Personal Insurance	2,143	1,710	1,911	1,943	1,477	3,853	3,596
General Insurance net premiums written	**$ 6,860**	**$ 6,479**	**$ 5,565**	**$ 5,924**	**$ 5,549**	**$ 13,339**	**$ 11,470**
Foreign exchange effect on worldwide premiums:							
Change in net premiums written							
Increase (decrease) in original currency (2)	20.1 %	5.9 %	(6.0) %	(11.3) %	(15.1) %	12.7 %	(8.6) %
Foreign exchange effect	3.5	3.5	1.0	0.4	(0.6)	3.6	(0.5)
Increase (decrease) as reported in U.S. dollars	23.6 %	9.4 %	(5.0) %	(10.9) %	(15.7) %	16.3 %	(9.1) %

*Includes our global specialty business which is reported in our International operating segment as well as AIG Re, Programs and Crop businesses which are reported in our North America operating segment.

See accompanying notes on page 27 and reconciliations of Non-GAAP financial measures beginning on page 64.

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

(in millions)	Quarterly					Six Months Ended June 30,	
	2Q21	1Q21	4Q20	3Q20	2Q20	2021	2020
Prior year (favorable) unfavorable development by segment:							
North America							
Commercial Lines	$ (39)	$ (53)	$ 26	$ (160)	$ (40)	$ (92)	$ (105)
Personal Insurance	(19)	(5)	25	10	7	(24)	47
Total North America	(58)	(58)	51	(150)	(33)	(116)	(58)
International							
Commercial Lines	13	(4)	(21)	210	(52)	9	(77)
Personal Insurance	(6)	6	15	(47)	11	-	1
Total International	7	2	(6)	163	(41)	9	(76)
Total General Insurance prior year unfavorable (favorable) development*	**(51)**	**(56)**	**45**	**13**	**(74)**	**(107)**	**(134)**
Return premium related to prior year development	$ 15	$ 17	$ 5	$ 15	$ 45	$ 32	$ 55

* Includes the amortization attributed to the deferred gain at inception from the National Indemnity Company (NICO) adverse development reinsurance agreements of $49 million, $52 million, $52 million, $53 million and $53 million for the three months ended June 30, March 31, 2021 and December 31, September 30 and June 30, 2020, respectively. Consistent with our definition of APTI, prior year development excludes the portion of (favorable)/unfavorable prior year reserve development for which we have ceded the risk under the NICO reinsurance agreements of $(92) million, $1 million, $(186) million, $(46) million and $(2) million for the three months ended June 30, March 31, 2021 and December 31, September 30 and June 30, 2020, respectively. Also excludes related changes in amortization of the deferred gain, which were $(27) million, $20 million, $(2) million, $(17) million and $23 million, respectively, for those same periods. See details of amortization attributed to the deferred gain at inception from the NICO adverse development reinsurance agreements on page 28.

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

(in millions)	Quarterly					Six Months Ended June 30,	
Accident Year	2Q21	1Q21	4Q20	3Q20	2Q20	2021	2020
2020	$ (1)	$ -	$	$	$	$ (1)	
2019	12	(6)	10	7	10	6	$ 19
2018	18	15	88	46	(16)	33	8
2017	(1)	3	126	51	49	2	57
2016	(2)	1	137	74	(11)	(1)	(9)
2015	(15)	(18)	28	(11)	(14)	(33)	(24)
2014	(10)	(11)	(91)	(69)	(10)	(21)	(20)
2013	(9)	(7)	-	4	(24)	(16)	(30)
2012	(2)	(8)	(12)	12	(8)	(10)	(31)
2011 and prior	(41)	(25)	(241)	(101)	(50)	(66)	(104)
Total General Insurance prior year unfavorable (favorable) development*	**$ (51)**	**$ (56)**	**$ 45**	**$ 13**	**$ (74)**	**$ (107)**	**$ (134)**

*Favorable prior year development during the three months ended June 30, 2021 was largely driven by favorable Adverse Development Cover amortization with favorable Workers Compensation development offset by adverse US Short-tailed lines and Financial Lines D&O. Favorable prior year development during the three months ended March 31, 2021 was largely driven by favorable Adverse Development Cover amortization. Unfavorable prior year development during the three months ended December 31, 2020 is primarily related to adverse development due to severity increases in US Financial Lines and Excess Casualty offset by favorable loss emergence from Workers Compensation and International Short tailed lines and Adverse Development Cover amortization. Unfavorable prior year development during the three months ended September 30, 2020 is primarily related to International Financial Lines and Casualty driven by increased large losses, partially offset by favorable development in US Workers Compensation and other short-tailed lines in International Property and Specialty and the Adverse Development Cover amortization. Favorable prior year development during the three months ended June 30, 2020 is driven by the Adverse Development Cover amortization and International Property and Global Specialty, partially offset by adverse development in North America Programs and Personal Lines.

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

(in millions)	Quarterly					Six Months Ended June 30,	
Results of Operations	**2Q21**	**1Q21**	**4Q20**	**3Q20**	**2Q20**	**2021**	**2020**
Net premiums written	$ 3,156	$ 2,930	$ 2,361	$ 2,571	$ 2,153	$ 6,086	$ 4,852
Net premiums earned	$ 2,685	$ 2,388	$ 2,603	$ 2,494	$ 2,474	$ 5,073	$ 5,205
Losses and loss adjustment expenses incurred (1)	1,810	1,902	2,315	2,202	2,218	3,712	4,203
Acquisition expenses:							
Amortization of deferred policy acquisition costs	309	307	304	293	337	616	768
Other acquisition expenses	112	95	102	79	61	207	178
Total acquisition expenses	421	402	406	372	398	823	946
General operating expenses	285	286	271	290	297	571	598
Underwriting income (loss)	$ 169	$ (202)	$ (389)	$ (370)	$ (439)	(33)	(542)
Underwriting Ratios							
Loss ratio (1)	67.4	79.6	88.9	88.3	89.7	73.2	80.7
Catastrophe losses and reinstatement premiums	(2.9)	(15.2)	(18.0)	(23.1)	(20.2)	(8.8)	(13.1)
Prior year development	1.6	2.4	(2.2)	5.5	1.0	2.1	0.9
Adjustments for ceded premium under reinsurance contracts and other	-	-	-	-	-	-	(0.1)
Accident year loss ratio, as adjusted	66.1	66.8	68.7	70.7	70.5	66.5	68.4
Acquisition ratio	15.7	16.8	15.6	14.9	16.1	16.2	18.2
General operating expense ratio	10.6	12.0	10.4	11.6	12.0	11.3	11.5
Expense ratio	26.3	28.8	26.0	26.5	28.1	27.5	29.7
Combined ratio (1)	93.7	108.4	114.9	114.8	117.8	100.7	110.4
Accident year combined ratio, as adjusted	92.4	95.6	94.7	97.2	98.6	94.0	98.1
Noteworthy Items (pre-tax)							
Catastrophe-related losses, net of reinsurance	$ 70	$ 361	$ 477	$ 578	$ 497	$ 431	$ 682
Reinstatement premiums related to catastrophes	12	6	(11)	(2)	2	18	2
Prior year development:							
Prior year loss reserve development (favorable), net of reinsurance	(58)	(58)	51	(150)	(33)	(116)	(58)
Return premium related to prior year development	25	3	5	16	14	28	24
Prior year loss reserve development (favorable), net of reinsurance and return premium	(33)	(55)	56	(134)	(19)	(88)	(34)
Reinstatement premiums related to prior year catastrophes	(3)	(4)	5	2	(2)	(7)	(3)
Other premium adjustments related to prior year	-	-	-	-	-	-	1

See accompanying notes on page 27 and reconciliations of Non-GAAP financial measures beginning on page 64.

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

(in millions)	Quarterly					Six Months Ended June 30,	
Results of Operations	**2Q21**	**1Q21**	**4Q20**	**3Q20**	**2Q20**	**2021**	**2020**
Net premiums written	$ 2,655	$ 2,787	$ 1,992	$ 2,186	$ 2,303	$ 5,442	$ 4,457
Net premiums earned	$ 2,318	$ 2,037	$ 2,289	$ 2,186	$ 2,084	$ 4,355	$ 4,041
Losses and loss adjustment expenses incurred (1)	1,594	1,631	2,045	1,832	1,962	3,225	3,399
Acquisition expenses:							
Amortization of deferred policy acquisition costs	296	257	267	239	254	553	492
Other acquisition expenses	54	64	54	49	40	118	121
Total acquisition expenses	350	321	321	288	294	671	613
General operating expenses	212	221	208	219	233	433	452
Underwriting income (loss)	$ 162	$ (136)	$ (285)	$ (153)	$ (405)	$ 26	$ (423)
Underwriting Ratios							
Loss ratio (1)	68.8	80.1	89.3	83.8	94.1	74.1	84.1
Catastrophe losses and reinstatement premiums	(2.9)	(15.4)	(17.4)	(19.1)	(23.4)	(8.8)	(15.1)
Prior year development	1.1	2.6	(1.4)	6.3	1.4	1.8	2.1
Accident year loss ratio, as adjusted	67.0	67.3	70.5	71.0	72.1	67.1	71.1
Acquisition ratio	15.1	15.8	14.0	13.2	14.1	15.4	15.2
General operating expense ratio	9.1	10.8	9.1	10.0	11.2	9.9	11.2
Expense ratio	24.2	26.6	23.1	23.2	25.3	25.3	26.4
Combined ratio (1)	93.0	106.7	112.4	107.0	119.4	99.4	110.5
Accident year combined ratio, as adjusted	91.2	93.9	93.6	94.2	97.4	92.4	97.5
Noteworthy Items (pre-tax)							
Catastrophe-related losses, net of reinsurance	$ 59	$ 310	$ 406	$ 420	$ 488	$ 369	$ 612
Reinstatement premiums related to catastrophes	12	6	(11)	(2)	-	18	-
Prior year development:							
Prior year loss reserve development (favorable) unfavorable, net of reinsurance	(39)	(53)	26	(160)	(40)	(92)	(105)
Return premium related to prior year development	24	4	5	28	17	28	27
Prior year loss reserve development (favorable) unfavorable, net of reinsurance and return premium	(15)	(49)	31	(132)	(23)	(64)	(78)
Reinstatement premiums related to prior year catastrophes	(3)	(4)	5	2	(2)	(7)	(3)
Other premium adjustments related to prior year	-	-	-	-	-	-	1

See accompanying notes on page 27 and reconciliations of Non-GAAP financial measures beginning on page 64.

(in millions)	Quarterly					Six Months Ended June 30,	
Results of Operations	**2Q21**	**1Q21**	**4Q20**	**3Q20**	**2Q20**	**2021**	**2020**
Net premiums written	$ 501	$ 143	$ 369	$ 385	$ (150)	$ 644	$ 395
Net premiums earned	$ 367	$ 351	$ 314	$ 308	$ 390	$ 718	$ 1,164
Losses and loss adjustment expenses incurred	216	271	270	370	256	487	804
Acquisition expenses:							
Amortization of deferred policy acquisition costs	13	50	37	54	83	63	276
Other acquisition expenses	58	31	48	30	21	89	57
Total acquisition expenses	71	81	85	84	104	152	333
General operating expenses	73	65	63	71	64	138	146
Underwriting income (loss)	$ 7	$ (66)	$ (104)	$ (217)	$ (34)	$ (59)	$ (119)
Underwriting Ratios							
Loss ratio	58.9	77.2	86.0	120.1	65.6	67.8	69.1
Catastrophe losses and reinstatement premiums	(3.0)	(14.5)	(22.6)	(51.3)	(2.6)	(8.6)	(6.1)
Prior year development	5.0	1.6	(8.0)	(0.6)	(1.3)	3.3	(3.9)
Accident year loss ratio, as adjusted	60.9	64.3	55.4	68.2	61.7	62.5	59.1
Acquisition ratio	19.3	23.1	27.1	27.3	26.7	21.2	28.6
General operating expense ratio	19.9	18.5	20.1	23.1	16.4	19.2	12.5
Expense ratio	39.2	41.6	47.2	50.4	43.1	40.4	41.1
Combined ratio	98.1	118.8	133.2	170.5	108.7	108.2	110.2
Accident year combined ratio, as adjusted	100.1	105.9	102.6	118.6	104.8	102.9	100.2
Noteworthy Items (pre-tax)							
Catastrophe-related losses, net of reinsurance	$ 11	$ 51	$ 71	$ 158	$ 9	$ 62	$ 70
Reinstatement premiums related to catastrophes	-	-	-	-	2	-	2
Prior year development:							
Prior year loss reserve development (favorable) unfavorable, net of reinsurance	(19)	(5)	25	10	7	(24)	47
(Additional) premium related to prior year development	1	(1)	-	(12)	(3)	-	(3)
Prior year loss reserve development (favorable) unfavorable, net of reinsurance and (additional) premium	(18)	(6)	25	(2)	4	(24)	44

See accompanying notes on page 27 and reconciliations of Non-GAAP financial measures beginning on page 64.

(in millions)	Quarterly					Six Months Ended June 30,	
Results of Operations	**2Q21**	**1Q21**	**4Q20**	**3Q20**	**2Q20**	**2021**	**2020**
Net premiums written	$ 3,704	$ 3,549	$ 3,204	$ 3,353	$ 3,396	$ 7,253	$ 6,618
Net premiums earned	$ 3,530	$ 3,478	$ 3,390	$ 3,359	$ 3,263	$ 7,008	$ 6,611
Losses and loss adjustment expenses incurred	2,000	1,946	1,895	2,165	1,949	3,946	4,023
Acquisition expenses:							
Amortization of deferred policy acquisition costs	545	566	547	542	529	1,111	1,084
Other acquisition expenses	223	216	233	243	220	439	448
Total acquisition expenses	768	782	780	785	749	1,550	1,532
General operating expenses	468	475	497	462	469	943	944
Underwriting income (loss)	$ 294	$ 275	$ 218	$ (53)	$ 96	569	112
Underwriting Ratios							
Loss ratio	56.7	56.0	55.9	64.5	59.7	56.3	60.9
Catastrophe losses and reinstatement premiums	(1.5)	(1.9)	(2.1)	(6.4)	(5.7)	(1.7)	(6.4)
Prior year development	(0.1)	(0.1)	0.2	(4.8)	0.7	(0.1)	0.9
Accident year loss ratio, as adjusted	55.1	54.0	54.0	53.3	54.7	54.5	55.4
Acquisition ratio	21.8	22.5	23.0	23.4	23.0	22.1	23.2
General operating expense ratio	13.3	13.7	14.7	13.8	14.4	13.5	14.3
Expense ratio	35.1	36.2	37.7	37.2	37.4	35.6	37.5
Combined ratio	91.8	92.2	93.6	101.7	97.1	91.9	98.4
Accident year combined ratio, as adjusted	90.2	90.2	91.7	90.5	92.1	90.1	92.9
Noteworthy Items (pre-tax)							
Catastrophe-related losses, net of reinsurance	$ 48	$ 61	$ 68	$ 212	$ 177	$ 109	$ 411
Reinstatement premiums related to catastrophes	8	6	6	-	18	14	19
Prior year loss reserve development (favorable) unfavorable, net of reinsurance	7	2	(6)	163	(41)	9	(76)
(Additional) Return premium related to prior year development	(10)	14	-	(1)	31	4	31
Prior year loss reserve development (favorable) unfavorable, net of reinsurance and (additional) return premium	(3)	16	(6)	162	(10)	13	(45)
Reinstatement premiums related to prior year catastrophes	2	(10)	1	-	-	(8)	-

See accompanying notes on page 27 and reconciliations of Non-GAAP financial measures beginning on page 64.

(in millions)	Quarterly					Six Months Ended June 30,	
Results of Operations	**2Q21**	**1Q21**	**4Q20**	**3Q20**	**2Q20**	**2021**	**2020**
Net premiums written	$ 2,062	$ 1,982	$ 1,662	$ 1,795	$ 1,769	$ 4,044	$ 3,417
Net premiums earned	$ 1,945	$ 1,854	$ 1,771	$ 1,770	$ 1,685	$ 3,799	$ 3,386
Losses and loss adjustment expenses incurred	1,125	1,058	1,042	1,335	1,114	2,183	2,251
Acquisition expenses:							
Amortization of deferred policy acquisition costs	253	264	251	238	230	517	476
Other acquisition expenses	109	103	93	112	96	212	202
Total acquisition expenses	362	367	344	350	326	729	678
General operating expenses	240	243	247	233	238	483	474
Underwriting income (loss)	$ 218	$ 186	$ 138	$ (148)	$ 7	$ 404	$ (17)
Underwriting Ratios							
Loss ratio	57.8	57.1	58.8	75.4	66.1	57.5	66.5
Catastrophe losses and reinstatement premiums	(1.4)	(3.2)	(4.0)	(7.6)	(11.4)	(2.3)	(11.3)
Prior year development	(0.4)	-	1.1	(11.9)	2.5	(0.3)	1.9
Accident year loss ratio, as adjusted	56.0	53.9	55.9	55.9	57.2	54.9	57.1
Acquisition ratio	18.6	19.8	19.4	19.8	19.3	19.2	20.0
General operating expense ratio	12.3	13.1	13.9	13.2	14.1	12.7	14.0
Expense ratio	30.9	32.9	33.3	33.0	33.4	31.9	34.0
Combined ratio	88.7	90.0	92.1	108.4	99.5	89.4	100.5
Accident year combined ratio, as adjusted	86.9	86.8	89.2	88.9	90.6	86.8	91.1
Noteworthy Items (pre-tax)							
Catastrophe-related losses, net of reinsurance	$ 23	$ 55	$ 68	$ 137	$ 183	$ 78	$ 373
Reinstatement premiums related to catastrophes	8	6	6	(3)	18	14	19
Prior year loss reserve development (favorable) unfavorable, net of reinsurance	13	(4)	(21)	210	(52)	9	(77)
Return premium related to prior year development	(10)	13	2	-	16	3	16
Prior year loss reserve development (favorable) unfavorable, net of reinsurance and return premium	3	9	(19)	210	(36)	12	(61)
Reinstatement premiums related to prior year catastrophes	2	(3)	-	-	-	(1)	-

See accompanying notes on page 27 and reconciliations of Non-GAAP financial measures beginning on page 64.

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

(in millions)	Quarterly					Six Months Ended June 30,	
Results of Operations	**2Q21**	**1Q21**	**4Q20**	**3Q20**	**2Q20**	**2021**	**2020**
Net premiums written	$ 1,642	$ 1,567	$ 1,542	$ 1,558	$ 1,627	$ 3,209	$ 3,201
Net premiums earned	$ 1,585	$ 1,624	$ 1,619	$ 1,589	$ 1,578	$ 3,209	$ 3,225
Losses and loss adjustment expenses incurred	875	888	853	830	835	1,763	1,772
Acquisition expenses:							
Amortization of deferred policy acquisition costs	292	302	296	304	299	594	608
Other acquisition expenses	114	113	140	131	124	227	246
Total acquisition expenses	406	415	436	435	423	821	854
General operating expenses	228	232	250	229	231	460	470
Underwriting income (loss)	$ 76	$ 89	$ 80	$ 95	$ 89	$ 165	$ 129
Underwriting Ratios							
Loss ratio	55.2	54.7	52.7	52.2	52.9	54.9	54.9
Catastrophe losses and reinstatement premiums	(1.6)	(0.4)	-	(4.8)	0.4	(0.9)	(1.1)
Prior year development	0.4	(0.2)	(0.9)	3.0	(1.2)	0.1	(0.3)
Accident year loss ratio, as adjusted	54.0	54.1	51.8	50.4	52.1	54.1	53.5
Acquisition ratio	25.6	25.6	26.9	27.4	26.8	25.6	26.5
General operating expense ratio	14.4	14.3	15.4	14.4	14.6	14.3	14.6
Expense ratio	40.0	39.9	42.3	41.8	41.4	39.9	41.1
Combined ratio	95.2	94.6	95.0	94.0	94.3	94.8	96.0
Accident year combined ratio, as adjusted	94.0	94.0	94.1	92.2	93.5	94.0	94.6
Noteworthy Items (pre-tax)							
Catastrophe-related losses, net of reinsurance	$ 25	$ 6	$ -	$ 75	$ (6)	$ 31	$ 38
Reinstatement premiums related to catastrophes	-	-	-	3	-	-	-
Prior year loss reserve development (favorable) unfavorable, net of reinsurance	(6)	6	15	(47)	11	-	1
(Additional) Return premium related to prior year development	-	1	(2)	(1)	15	1	15
Prior year loss reserve development (favorable) unfavorable, net of reinsurance and (additional) return premium	(6)	7	13	(48)	26	1	16
Reinstatement premiums related to prior year catastrophes	-	(7)	1	-	-	(7)	-

See reconciliations of Non-GAAP financial measures beginning on page 64.

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

(in millions)	Quarterly					Six Months Ended June 30,	
Results of Operations	**2Q21**	**1Q21**	**4Q20**	**3Q20**	**2Q20**	**2021**	**2020**
Net premiums written	$ 4,717	$ 4,769	$ 3,654	$ 3,981	$ 4,072	$ 9,486	$ 7,874
Net premiums earned	$ 4,263	$ 3,891	$ 4,060	$ 3,956	$ 3,769	$ 8,154	$ 7,427
Losses and loss adjustment expenses incurred (1)	2,719	2,689	3,087	3,167	3,076	5,408	5,650
Acquisition expenses:							
Amortization of deferred policy acquisition costs	549	521	518	477	484	1,070	968
Other acquisition expenses	163	167	147	161	136	330	323
Total acquisition expenses	712	688	665	638	620	1,400	1,291
General operating expenses	452	464	455	452	471	916	926
Underwriting income (loss)	$ 380	$ 50	$ (147)	$ (301)	$ (398)	$ 430	$ (440)
Underwriting Ratios							
Loss ratio (1)	63.8	69.1	76.0	80.1	81.6	66.3	76.1
Catastrophe losses and reinstatement premiums	(2.2)	(9.6)	(11.6)	(14.0)	(18.1)	(5.7)	(13.4)
Prior year development	0.4	1.3	(0.3)	(1.8)	1.9	0.8	2.0
Accident year loss ratio, as adjusted	62.0	60.8	64.1	64.3	65.4	61.4	64.7
Acquisition ratio	16.7	17.7	16.4	16.1	16.4	17.2	17.4
General operating expense ratio	10.6	11.9	11.2	11.4	12.5	11.2	12.5
Expense ratio	27.3	29.6	27.6	27.5	28.9	28.4	29.9
Combined ratio (1)	91.1	98.7	103.6	107.6	110.5	94.7	106.0
Accident year combined ratio, as adjusted	89.3	90.4	91.7	91.8	94.3	89.8	94.6
Noteworthy Items (pre-tax)							
Catastrophe-related losses, net of reinsurance	$ 82	$ 365	$ 474	$ 557	$ 671	$ 447	$ 985
Reinstatement premiums related to catastrophes	20	12	(5)	(5)	18	32	19
Prior year development:							
Prior year loss reserve development (favorable) unfavorable, net of reinsurance	(26)	(57)	5	50	(92)	(83)	(182)
Return premium related to prior year development	14	17	7	28	33	31	43
Prior year loss reserve development (favorable) unfavorable, net of reinsurance and return premium	(12)	(40)	12	78	(59)	(52)	(139)
Reinstatement premiums related to prior year catastrophes	(1)	(7)	5	2	(2)	(8)	(3)
Other premium adjustments related to prior year	-	-	-	-	-	-	1

See accompanying notes on page 27 and reconciliations of Non-GAAP financial measures beginning on page 64.

(in millions)	Quarterly					Six Months Ended June 30,	
Results of Operations	**2Q21**	**1Q21**	**4Q20**	**3Q20**	**2Q20**	**2021**	**2020**
Net premiums written	$ 2,143	$ 1,710	$ 1,911	$ 1,943	$ 1,477	$ 3,853	$ 3,596
Net premiums earned	$ 1,952	$ 1,975	$ 1,933	$ 1,897	$ 1,968	$ 3,927	$ 4,389
Losses and loss adjustment expenses incurred	1,091	1,159	1,123	1,200	1,091	2,250	2,576
Acquisition expenses:							
Amortization of deferred policy acquisition costs	305	352	333	358	382	657	884
Other acquisition expenses	172	144	188	161	145	316	303
Total acquisition expenses	477	496	521	519	527	973	1,187
General operating expenses	301	297	313	300	295	598	616
Underwriting income (loss)	$ 83	$ 23	$ (24)	$ (122)	$ 55	$ 106	$ 10
Underwriting Ratios							
Loss ratio	55.9	58.7	58.1	63.3	55.4	57.3	58.7
Catastrophe losses and reinstatement premiums	(1.9)	(2.9)	(3.7)	(12.4)	(0.2)	(2.4)	(2.5)
Prior year development	1.3	0.1	(2.0)	2.3	(1.2)	0.7	(1.2)
Accident year loss ratio, as adjusted	55.3	55.9	52.4	53.2	54.0	55.6	55.0
Acquisition ratio	24.4	25.1	27.0	27.4	26.8	24.8	27.0
General operating expense ratio	15.4	15.0	16.2	15.8	15.0	15.2	14.0
Expense ratio	39.8	40.1	43.2	43.2	41.8	40.0	41.0
Combined ratio	95.7	98.8	101.3	106.5	97.2	97.3	99.7
Accident year combined ratio, as adjusted	95.1	96.0	95.6	96.4	95.8	95.6	96.0
Noteworthy Items (pre-tax)							
Catastrophe-related losses, net of reinsurance	$ 36	$ 57	$ 71	$ 233	$ 3	$ 93	$ 108
Reinstatement premiums related to catastrophes	-	-	-	3	2	-	2
Prior year development:							
Prior year loss reserve development (favorable) unfavorable, net of reinsurance	(25)	1	40	(37)	18	(24)	48
(Additional) premium related to prior year development	1	-	(2)	(13)	12	1	12
Prior year loss reserve development (favorable) unfavorable, net of reinsurance and (additional) premium	(24)	1	38	(50)	30	(23)	60
Reinstatement premiums related to prior year catastrophes	-	(7)	1	-	-	(7)	-

See accompanying notes on page 27 and reconciliations of Non-GAAP financial measures beginning on page 64.

(1) Consistent with our definition of APTI, excludes net loss reserve discount and the portion of favorable or unfavorable prior year reserve development for which we have ceded the risk under retroactive reinsurance agreements and related changes in amortization of the deferred gain.

(2) Computed using current exchange rate for the corresponding periods in the prior year.

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

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

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

(in millions)	June 30, 2021	March 31, 2021	December 31, 2020	September 30, 2020	June 30, 2020	2Q21 Change
Gross Covered Losses						
Covered reserves before discount	$ 15,589	$ 16,051	$ 16,534	$ 17,352	$ 17,927	$ (462)
Inception to date losses paid	26,030	25,683	25,198	24,612	24,095	347
Attachment point	(25,000)	(25,000)	(25,000)	(25,000)	(25,000)	-
Covered losses above attachment point	**$ 16,619**	**$ 16,734**	**$ 16,732**	**$ 16,964**	**$ 17,022**	**$ (115)**
Unused Recoverable Limit						
Total limit above attachment	$ 25,000	$ 25,000	$ 25,000	$ 25,000	$ 25,000	$ -
Covered losses above attachment ceded to NICO	16,619	16,734	16,732	16,964	17,022	(115)
Unused recoverable limit @ 100%	8,381	8,266	8,268	8,036	7,978	115
Unused recoverable limit @ 80%	**$ 6,705**	**$ 6,613**	**$ 6,614**	**$ 6,429**	**$ 6,382**	**$ 92**
Deferred Gain Development						
Covered losses above attachment ceded to NICO (80%)	$ 13,295	$ 13,387	$ 13,386	$ 13,572	$ 13,618	$ (92)
Consideration paid including interest	(10,188)	(10,188)	(10,188)	(10,188)	(10,188)	-
Pre-tax deferred gain before discount and amortization	**3,107**	**3,199**	**3,198**	**3,384**	**3,430**	**(92)**
Discount on ceded losses	(855)	(872)	(911)	(1,173)	(1,193)	17
Pre-tax deferred gain before amortization	2,252	2,327	2,287	2,211	2,237	(75)
Inception to date amortization attributed to deferred gain at inception	(1,005)	(956)	(904)	(852)	(799)	(49)
Inception to date amortization attributed to changes in deferred gain*	(61)	(89)	(86)	(103)	(127)	28
Deferred gain liability reflected in AIG's balance sheet	**$ 1,186**	**$ 1,282**	**$ 1,297**	**$ 1,256**	**$ 1,311**	**$ (96)**

Prior Year Development, Net of Reinsurance and Deferred Gain Amortization

	Quarterly				
	2Q21	1Q21	4Q20	3Q20	2Q20
Unfavorable (favorable) prior year development on covered reserves before retroactive reinsurance and deferred gain amortization	$ (115)	$ 2	$ (232)	$ (58)	$ (3)
Prior year development ceded to NICO	92	(1)	186	46	2
Subtotal	**(23)**	**1**	**(46)**	**(12)**	**(1)**
Amortization attributed to deferred gain at inception	(49)	(52)	(52)	(53)	(53)
Unfavorable (favorable) prior year development on covered reserves, net of reinsurance and deferred gain amortization	**(72)**	**(51)**	**(98)**	**(65)**	**(54)**
Unfavorable (favorable) prior year development on non-covered reserves	21	(5)	143	78	(20)
Total unfavorable (favorable) prior year development, net of reinsurance and deferred gain amortization	**$ (51)**	**$ (56)**	**$ 45**	**$ 13**	**$ (74)**

* Excluded from our definition of APTI.

Selected Balance Sheet data for ADC	June 30, 2021	March 31, 2021	December 31, 2020	September 30, 2020	June 30, 2020
Reinsurance recoverable reported in Reinsurance assets, net of allowance	$ 11,891	$ 12,348	$ 12,475	$ 12,399	$ 12,425
Ceded reserves reported in Liability for unpaid losses and loss adjustment expenses	11,616	11,969	12,316	12,399	12,425
Deferred gain reported in Other liabilities	1,186	1,282	1,297	1,256	1,311

American International Group, Inc.
Life and Retirement Results (14)

(in millions)	Quarterly					Six Months Ended June 30,	
Results of Operations	**2Q21**	**1Q21**	**4Q20**	**3Q20**	**2Q20**	**2021**	**2020**
Premiums and deposits:	**$ 9,035**	**$ 6,402**	**$ 7,400**	**$ 6,998**	**$ 5,718**	**$ 15,437**	**$ 12,727**
Revenues:							
Premiums	$ 1,645	$ 600	$ 950	$ 785	$ 1,622	$ 2,245	$ 2,889
Policy fees	772	783	764	649	728	1,555	1,461
Net investment income (loss):							
Base portfolio (1)	1,900	1,868	1,885	1,879	1,901	3,768	3,844
Alternative investments	325	292	293	230	(47)	617	68
Other yield enhancements (2)	151	193	206	223	245	344	253
Total net investment income	2,376	2,353	2,384	2,332	2,099	4,729	4,165
Advisory fee and other income	253	244	240	224	212	497	432
Total adjusted revenues	**5,046**	**3,980**	**4,338**	**3,990**	**4,661**	**9,026**	**8,947**
Benefits, losses and expenses:							
Policyholder benefits and losses incurred	2,223	1,257	1,507	1,506	2,082	3,480	3,871
Interest credited to policyholder account balances	882	870	881	893	880	1,752	1,777
Amortization of deferred policy acquisition costs	168	225	233	(46)	123	393	445
Non deferrable insurance commissions and other (4)	146	157	170	128	149	303	292
Advisory fee expenses	85	83	82	79	79	168	155
General operating expenses	383	413	402	385	413	796	829
Interest expense	35	34	36	37	40	69	82
Total benefits, losses and expenses	**3,922**	**3,039**	**3,311**	**2,982**	**3,766**	**6,961**	**7,451**
Adjusted pre-tax income (3)	**1,124**	**941**	**1,027**	**1,008**	**895**	**2,065**	**1,496**
Interest expense on attributed financial debt	74	70	70	72	68	144	143
Adjusted pre-tax income including attributed interest expense	1,050	871	957	936	827	1,921	1,353
Income tax expense	211	172	185	189	165	383	266
Adjusted after-tax income	**$ 839**	**$ 699**	**$ 772**	**$ 747**	**$ 662**	**$ 1,538**	**$ 1,087**
Dividends declared on preferred stock	2	2	2	2	2	4	4
Adjusted after-tax income attributable to common shareholders (a)	**$ 837**	**$ 697**	**$ 770**	**$ 745**	**$ 660**	**$ 1,534**	**$ 1,083**
Ending adjusted segment common equity	$ 20,689	$ 20,226	$ 19,172	$ 19,421	$ 19,101	$ 20,689	$ 19,101
Average adjusted segment common equity (b)	20,458	19,699	19,297	19,261	19,625	20,029	19,016
Return on adjusted segment common equity (a÷b)	16.4 %	14.2 %	16.0 %	15.5 %	13.5 %	15.3 %	11.4 %
Noteworthy Items:							
Annual actuarial assumption update (3)	$ -	$ -	$ -	$ (107)	$ -	$ -	$ -
Better (worse) than expected alternative returns	261	233	238	182	(91)	494	(18)
Fair value changes on Fixed Maturity Securities - Other accounted under fair value option	9	12	19	49	43	21	(10)

See accompanying notes on page 41 and reconciliations of Non-GAAP financial measures beginning on page 64.

(in millions)	Quarterly					Six Months Ended June 30,	
Results of Operations	**2Q21**	**1Q21**	**4Q20**	**3Q20**	**2Q20**	**2021**	**2020**
Premiums and deposits	**$ 3,978**	**$ 3,373**	**$ 2,758**	**$ 2,702**	**$ 1,794**	**$ 7,351**	**$ 4,910**
Revenues:							
Premiums	$ 32	$ 25	$ 37	$ 35	$ 38	$ 57	$ 79
Policy fees	241	232	228	221	205	473	412
Net investment income (loss):							
Base portfolio (1)	883	868	877	876	892	1,751	1,819
Alternative investments	139	123	132	102	(20)	262	31
Other yield enhancements (2)	67	77	114	102	83	144	78
Total net investment income	1,089	1,068	1,123	1,080	955	2,157	1,928
Advisory fee and other income	157	152	148	143	133	309	280
Total adjusted revenues	**1,519**	**1,477**	**1,536**	**1,479**	**1,331**	**2,996**	**2,699**
Benefits, losses and expenses:							
Policyholder benefits and losses incurred	95	116	113	96	50	211	188
Interest credited to policyholder account balances	433	426	428	453	427	859	870
Amortization of deferred policy acquisition costs	108	133	172	143	54	241	275
Non deferrable insurance commissions and other (4)	89	88	89	83	83	177	162
Advisory fee expenses	54	52	52	52	49	106	101
General operating expenses	107	114	114	103	100	221	210
Interest expense	16	16	16	17	19	32	39
Total benefits, losses and expenses	**902**	**945**	**984**	**947**	**782**	**1,847**	**1,845**
Adjusted pre-tax income (3)	**$ 617**	**$ 532**	**$ 552**	**$ 532**	**$ 549**	**$ 1,149**	**$ 854**
Noteworthy Items (pre-tax)							
Annual actuarial assumption update (3)	$ -	$ -	$ -	$ (75)	$ -	$ -	$ -
Better (worse) than expected alternative returns	111	97	107	81	(39)	208	(6)

See accompanying notes on page 41 and reconciliations of Non-GAAP financial measures beginning on page 64.

Life and Retirement – Individual Retirement (Variable and Index Annuities) Operating Statistics

(in millions)	Quarterly					Six Months Ended June 30,	
	2Q21	1Q21	4Q20	3Q20	2Q20	2021	2020
Assets under management:							
General accounts	$ 43,720	$ 40,009	$ 42,737	$ 40,562	$ 39,066	$ 43,720	$ 39,066
Separate accounts	56,785	54,247	53,305	49,356	47,755	56,785	47,755
Total assets under management	**$ 100,505**	**$ 94,256**	**$ 96,042**	**$ 89,918**	**$ 86,821**	**$ 100,505**	**$ 86,821**
Net investment spreads:							
Total yield	4.61 %	4.63 %	4.76 %	4.56 %	4.06 %	4.62 %	4.03 %
Less: Alternative investments (6)	(0.51)	(0.45)	(0.50)	(0.40)	0.16	(0.48)	(0.01)
Less: Other yield enhancements (7)	(0.14)	(0.35)	(0.35)	(0.33)	(0.37)	(0.25)	(0.02)
Base yield (8)	**3.96**	**3.83**	**3.91**	**3.83**	**3.85**	**3.89**	**4.00**
Cost of funds (a)	1.32	1.31	1.32	1.28	1.31	1.31	1.32
Base net investment spread (b)	**2.64 %**	**2.52 %**	**2.59 %**	**2.55 %**	**2.54 %**	**2.58 %**	**2.68 %**
DAC rollforward:							
Balance at beginning of period	$ 2,637	$ 2,263	$ 2,350	$ 2,389	$ 2,576	$ 2,263	$ 2,792
Initial allowance upon CECL adoption	-	-	-	-	-	-	13
Deferrals	154	128	112	87	75	282	196
Operating amortization	(68)	(94)	(133)	(79)	(11)	(162)	(184)
Change from realized gains (losses)	111	(171)	196	80	235	(60)	(308)
Change from unrealized gains (losses)	(297)	511	(262)	(127)	(486)	214	(120)
Balance at end of period	**$ 2,537**	**$ 2,637**	**$ 2,263**	**$ 2,350**	**$ 2,389**	**$ 2,537**	**$ 2,389**
Reserve rollforward:							
Balance at beginning of period, gross	$ 90,167	$ 90,258	$ 85,059	$ 82,758	$ 76,684	$ 90,258	$ 80,970
Premiums and deposits	2,941	2,586	2,060	1,612	1,222	5,527	3,427
Surrenders and withdrawals	(1,509)	(1,442)	(1,267)	(1,147)	(933)	(2,951)	(2,206)
Death and other contract benefits	(324)	(351)	(287)	(263)	(250)	(675)	(492)
Subtotal	91,275	91,051	85,565	82,960	76,723	92,159	81,699
Change in fair value of underlying assets and reserve accretion, net of policy fees	3,573	(757)	4,608	1,878	5,735	2,816	926
Cost of funds (a)	105	101	98	95	93	206	183
Other reserve changes	215	(228)	(13)	126	207	(13)	(50)
Balance at end of period	95,168	90,167	90,258	85,059	82,758	95,168	82,758
Reinsurance ceded	(35)	(35)	(35)	(35)	(28)	(35)	(28)
Total insurance reserves	**$ 95,133**	**$ 90,132**	**$ 90,223**	**$ 85,024**	**$ 82,730**	**$ 95,133**	**$ 82,730**

(a) Excludes the amortization of Sales Inducement Assets (SIA).
(b) Excludes the impact of alternative investments and other yield enhancements.
See accompanying notes on page 41.

(in millions)	Quarterly					Six Months Ended June 30,	
	2Q21	1Q21	4Q20	3Q20	2Q20	2021	2020
Assets under management:							
General accounts	$ 58,300	$ 57,884	$ 59,357	$ 60,259	$ 59,537	$ 58,300	$ 59,537
Separate accounts	172	161	151	136	130	172	130
Total assets under management	**$ 58,472**	**$ 58,045**	**$ 59,508**	**$ 60,395**	**$ 59,667**	**$ 58,472**	**$ 59,667**
Net investment spreads (a):							
Total yield	4.79 %	4.63 %	4.90 %	4.82 %	4.27 %	4.71 %	4.40 %
Less: Alternative investments (6)	(0.53)	(0.46)	(0.50)	(0.38)	0.15	(0.49)	(0.01)
Less: Other yield enhancements (7)	(0.24)	(0.18)	(0.38)	(0.38)	(0.21)	(0.22)	(0.11)
Base yield (8)	**4.02**	**3.99**	**4.02**	**4.06**	**4.21**	**4.00**	**4.28**
Cost of funds (b)	2.58	2.62	2.62	2.63	2.66	2.60	2.63
Base net investment spread (c)	**1.44 %**	**1.37 %**	**1.40 %**	**1.43 %**	**1.55 %**	**1.40 %**	**1.65 %**
DAC rollforward:							
Balance at beginning of period	$ 449	$ 96	$ 284	$ 374	$ 1,063	$ 96	$ 512
Initial allowance upon CECL adoption	-	-	-	-	-	-	2
Deferrals	23	14	15	15	9	37	23
Operating amortization	(40)	(39)	(39)	(64)	(43)	(79)	(91)
Change from realized gains (losses)	(1)	(2)	(1)	4	(1)	(3)	11
Change from unrealized gains (losses)	(163)	380	(163)	(45)	(654)	217	(83)
Balance at end of period	**$ 268**	**$ 449**	**$ 96**	**$ 284**	**$ 374**	**$ 268**	**$ 374**
Reserve rollforward:							
Balance at beginning of period, gross	$ 50,317	$ 50,821	$ 51,107	$ 51,162	$ 51,394	$ 50,821	$ 51,796
Premiums and deposits	938	638	559	942	387	1,576	1,034
Surrenders and withdrawals	(997)	(896)	(813)	(737)	(616)	(1,893)	(1,456)
Death and other contract benefits	(493)	(485)	(441)	(517)	(494)	(978)	(1,075)
Subtotal	49,765	50,078	50,412	50,850	50,671	49,526	50,299
Change in fair value of underlying assets and reserve accretion, net of policy fees	124	22	85	162	133	146	194
Cost of funds (b)	310	313	323	327	327	623	649
Other reserve changes	19	(96)	1	(232)	31	(77)	20
Balance at end of period	50,218	50,317	50,821	51,107	51,162	50,218	51,162
Reinsurance ceded	(277)	(278)	(278)	(281)	(282)	(277)	(282)
Total insurance reserves	**$ 49,941**	**$ 50,039**	**$ 50,543**	**$ 50,826**	**$ 50,880**	**$ 49,941**	**$ 50,880**

(a) Excludes immediate annuities.
(b) Excludes the amortization of SIA.
(c) Excludes the impact of alternative investments and other yield enhancements.
See accompanying notes on page 41.

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

(in millions)	Quarterly					Six Months Ended June 30,	
	2Q21	1Q21	4Q20	3Q20	2Q20	2021	2020
Premiums and deposits:							
Fixed Annuities	$ 938	$ 638	$ 559	$ 942	$ 387	$ 1,576	$ 1,034
Variable Annuities	1,427	1,198	932	670	542	2,625	1,401
Index Annuities	1,514	1,388	1,128	942	680	2,902	2,026
Total Annuities	3,879	3,224	2,619	2,554	1,609	7,103	4,461
Retail Mutual Funds	99	149	139	148	185	248	449
Total premiums and deposits	3,978	3,373	2,758	2,702	1,794	7,351	4,910
Surrenders and withdrawals:							
Fixed Annuities	(997)	(896)	(813)	(737)	(616)	(1,893)	(1,456)
Variable Annuities	(1,197)	(1,133)	(1,022)	(886)	(735)	(2,330)	(1,786)
Index Annuities	(312)	(309)	(245)	(261)	(198)	(621)	(420)
Total Annuities	(2,506)	(2,338)	(2,080)	(1,884)	(1,549)	(4,844)	(3,662)
Retail Mutual Funds	(732)	(773)	(828)	(807)	(1,002)	(1,505)	(2,762)
Total surrenders and withdrawals	(3,238)	(3,111)	(2,908)	(2,691)	(2,551)	(6,349)	(6,424)
Death and other contract benefits:							
Fixed Annuities	(493)	(485)	(441)	(517)	(494)	(978)	(1,075)
Variable Annuities	(263)	(286)	(236)	(220)	(207)	(549)	(407)
Index Annuities	(61)	(65)	(51)	(43)	(43)	(126)	(85)
Total death and other contract benefits	(817)	(836)	(728)	(780)	(744)	(1,653)	(1,567)
Net flows:							
Fixed Annuities	(552)	(743)	(695)	(312)	(723)	(1,295)	(1,497)
Variable Annuities	(33)	(221)	(326)	(436)	(400)	(254)	(792)
Index Annuities	1,141	1,014	832	638	439	2,155	1,521
Total Annuities	556	50	(189)	(110)	(684)	606	(768)
Retail Mutual Funds	(633)	(624)	(689)	(659)	(817)	(1,257)	(2,313)
Total net flows	$ (77)	$ (574)	$ (878)	$ (769)	$ (1,501)	$ **(651)**	$ (3,081)
Surrender rates (9):							
Fixed Annuities	**8.0%**	**7.1%**	**6.4%**	**5.8%**	**4.8%**	**7.5%**	**5.7%**
Variable and Index Annuities	**6.5%**	**6.4%**	**5.8%**	**5.5%**	**4.7%**	**6.4%**	**5.5%**
Variable Annuities	**7.3%**	**7.1%**	**6.5%**	**5.9%**	**5.1%**	**7.1%**	**6.1%**
Index Annuities	**4.6%**	**4.8%**	**4.0%**	**4.4%**	**3.5%**	**4.7%**	**3.8%**

See accompanying notes on page 41 and reconciliations of Non-GAAP financial measures beginning on page 64.

(in millions)	Quarterly					Six Months Ended June 30,	
Results of Operations	**2Q21**	**1Q21**	**4Q20**	**3Q20**	**2Q20**	**2021**	**2020**
Premiums and deposits	**$ 2,255**	**$ 1,818**	**$ 2,199**	**$ 1,772**	**$ 1,670**	**$ 4,073**	**$ 3,525**
Revenues:							
Premiums	$ 4	$ 4	$ 5	$ 5	$ 3	$ 8	$ 9
Policy fees	130	124	119	115	100	254	209
Net investment income (loss):							
Base portfolio (1)	482	472	478	476	485	954	969
Alternative investments	82	78	76	59	(11)	160	18
Other yield enhancements (2)	41	50	53	36	67	91	71
Total net investment income	605	600	607	571	541	1,205	1,058
Advisory fee and other income	81	78	75	67	68	159	130
Total adjusted revenues	**820**	**806**	**806**	**758**	**712**	**1,626**	**1,406**
Benefits, losses and expenses:							
Policyholder benefits and losses incurred	8	18	8	17	14	26	47
Interest credited to policyholder account balances	287	283	287	276	279	570	560
Amortization of deferred policy acquisition costs	13	16	12	(44)	4	29	39
Non deferrable insurance commissions and other (4)	18	29	33	28	28	47	56
Advisory fee expenses	31	31	30	27	30	62	54
General operating expenses	106	113	108	106	132	219	271
Interest expense	10	9	10	10	11	19	22
Total benefits, losses and expenses	**473**	**499**	**488**	**420**	**498**	**972**	**1,049**
Adjusted pre-tax income (3)	**$ 347**	**$ 307**	**$ 318**	**$ 338**	**$ 214**	**$ 654**	**$ 357**
Noteworthy items (pre-tax)							
Annual actuarial assumption update (3)	$ -	$ -	$ -	$ 68	$ -	$ -	$ -
Better (worse) than expected alternative returns	65	63	62	47	(22)	128	(4)

See accompanying notes on page 41 and reconciliations of Non-GAAP financial measures beginning on page 64.

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

(in millions)	Quarterly 2Q21	1Q21	4Q20	3Q20	2Q20	Six Months Ended June 30, 2021	2020
Assets under administration:							
General accounts	$ 53,410	$ 51,573	$ 53,177	$ 52,237	$ 51,329	$ 53,410	$ 51,329
Separate accounts	44,467	42,609	41,310	36,975	35,311	44,467	35,311
Group Retirement mutual funds	27,686	25,907	25,015	21,694	20,989	27,686	20,989
Advisory services assets	25,787	24,393	23,366	21,074	20,265	25,787	20,265
Other third party assets	8,734	8,555	8,438	7,876	7,068	8,734	7,068
Eliminations (5)	(22,273)	(21,695)	(21,183)	(19,376)	(18,882)	(22,273)	(18,882)
Total assets under administration	**$ 137,811**	**$ 131,342**	**$ 130,123**	**$ 120,480**	**$ 116,080**	**$ 137,811**	**$ 116,080**
Net investment spreads:							
Total yield	4.98 %	4.99 %	5.06 %	4.83 %	4.56 %	4.98 %	4.53 %
Less: Alternative investments (6)	(0.57)	(0.56)	(0.55)	(0.43)	0.17	(0.56)	-
Less: Other yield enhancements (7)	(0.24)	(0.33)	(0.34)	(0.20)	(0.46)	(0.28)	(0.20)
Base yield (8)	**4.17**	**4.10**	**4.17**	**4.20**	**4.27**	**4.14**	**4.33**
Cost of funds (a)	2.61	2.62	2.63	2.65	2.64	2.61	2.66
Base net investment spread (b)	**1.56 %**	**1.48 %**	**1.54 %**	**1.55 %**	**1.63 %**	**1.53 %**	**1.67 %**
Net flows:							
Premiums and deposits	$ 2,255	$ 1,818	$ 2,199	$ 1,772	$ 1,670	$ 4,073	$ 3,525
Surrenders and withdrawals	(2,263)	(2,484)	(2,158)	(2,544)	(1,734)	(4,747)	(3,994)
Death and other contract benefits	(221)	(227)	(194)	(185)	(179)	(448)	(361)
Total net flows	**$ (229)**	**$ (893)**	**$ (153)**	**$ (957)**	**$ (243)**	**$ (1,122)**	**$ (830)**
Surrender rates (9)	**7.9 %**	**8.9 %**	**8.1 %**	**10.1 %**	**7.3 %**	**8.4 %**	**8.2 %**
DAC rollforward:							
Balance at beginning of period	$ 784	$ 560	$ 631	$ 602	$ 874	$ 560	$ 684
Initial allowance upon CECL adoption	-	-	-	-	-	-	1
Deferrals	16	15	17	17	17	31	33
Operating amortization	(13)	(16)	(12)	44	(4)	(29)	(39)
Change from realized gains (losses)	2	(7)	4	2	4	(5)	3
Change from unrealized gains (losses)	(126)	232	(80)	(34)	(289)	106	(80)
Balance at end of period	**$ 663**	**$ 784**	**$ 560**	**$ 631**	**$ 602**	**$ 663**	**$ 602**
Reserve rollforward:							
Balance at beginning of period, gross	$ 112,732	$ 110,651	$ 102,560	$ 99,523	$ 90,947	$ 110,651	$ 102,049
Premiums and deposits	2,255	1,818	2,199	1,772	1,670	4,073	3,525
Surrenders and withdrawals	(2,263)	(2,484)	(2,158)	(2,544)	(1,734)	(4,747)	(3,994)
Death and other contract benefits	(221)	(227)	(194)	(185)	(179)	(448)	(361)
Subtotal	112,503	109,758	102,407	98,566	90,704	109,529	101,219
Change in fair value of underlying assets and reserve accretion, net of policy fees	4,206	2,843	8,039	3,758	8,552	7,049	(2,153)
Cost of funds (a)	284	280	285	285	277	564	555
Other reserve changes	(51)	(149)	(80)	(49)	(10)	(200)	(98)
Total insurance reserves and Group Retirement mutual funds	**$ 116,942**	**$ 112,732**	**$ 110,651**	**$ 102,560**	**$ 99,523**	**$ 116,942**	**$ 99,523**

(a) Excludes the amortization of SIAs.
(b) Excludes the impact of alternative investments and other yield enhancements.
See accompanying notes on page 41 and reconciliations of Non-GAAP financial measures beginning on page 64.

American International Group, Inc.
Life and Retirement – Individual and Group Retirement Variable Annuity Guaranteed Benefits (10)

(in millions)	Quarterly				
	2Q21	1Q21	4Q20	3Q20	2Q20
Account value by benefit type (a)					
Guaranteed Minimum Death Benefits (GMDB) only (b)	$ 77,870	$ 75,655	$ 74,099	$ 68,936	$ 66,660
Guaranteed Minimum Income Benefits (GMIB) (c)	2,430	2,354	2,327	2,136	2,049
Guaranteed Minimum Withdrawal Benefits (GMWB) (d)	50,395	48,436	47,738	44,810	43,733
Liability by benefit type (a)					
GMDB (b)	$ 370	$ 364	$ 359	$ 353	$ 381
GMIB (c)	12	12	12	12	12
GMWB (d)	2,564	1,967	3,658	3,920	4,347

(a) Excludes assumed reinsurance business.
(b) A guaranteed minimum death benefit is an amount paid from a variable annuity upon the death of the owner. This benefit protects beneficiaries from market volatility and may be different than the account value. This benefit may be subject to a maximum amount based on age of owner or dollar amount. "Guaranteed Minimum Death Benefits only" signifies that no other guarantees are present in the contract. Contracts with a guaranteed living benefit also have a guaranteed minimum death benefit, but a policyholder can generally only receive payout from one guaranteed feature, i.e. the features are generally mutually exclusive.
(c) A guaranteed minimum income benefit guarantees a minimum level of periodic income payments upon annuitization.
(d) A guaranteed minimum withdrawal benefit creates a guaranteed income stream which, within certain parameters, may continue for the life of the annuitant even if the entire contract value has been reduced to zero. The fair value of GMWB embedded derivatives is based on actuarial and capital market assumptions related to projected cash flows of rider fees and claims over the expected lives of the contracts.

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

(in millions)	Quarterly					Six Months Ended June 30,	
	2Q21	1Q21	4Q20	3Q20	2Q20	2021	2020
Change in fair value of embedded derivatives, excluding update of actuarial assumptions and non-performance risk adjustment (NPA)	$ (762)	$ 2,679	$ 1,951	$ 1,207	$ 1,298	$ 1,917	$ (4,303)
Change in fair value of variable annuity hedging portfolio:							
Fixed maturity securities	13	18	13	13	11	31	18
Interest rate derivative contracts	760	(1,404)	(531)	(356)	35	(644)	2,229
Equity derivative contracts	(390)	(390)	(788)	(384)	(891)	(780)	493
Change in fair value of variable annuity hedging portfolio	383	(1,776)	(1,306)	(727)	(845)	(1,393)	2,740
Change in fair value of embedded derivatives, excluding update of actuarial assumptions and NPA, net of hedging portfolio	(379)	903	645	480	453	524	(1,563)
Change in fair value of embedded derivatives due to NPA spread	18	(111)	(983)	(519)	(1,094)	(93)	1,552
Change in fair value of embedded derivatives due to change in NPA volume	321	(685)	(517)	(290)	(358)	(364)	1,211
Change in fair value of embedded derivatives due to update of actuarial assumptions	-	-	-	194	-	-	-
Total change due to update of actuarial assumptions and NPA	339	(796)	(1,500)	(615)	(1,452)	(457)	2,763
Net impact on pre-tax income (loss)	**$ (40)**	**$ 107**	**$ (855)**	**$ (135)**	**$ (999)**	**$ 67**	**$ 1,200**

See accompanying notes on page 41.

(in millions)	Quarterly					Six Months Ended June 30,	
Results of Operations	**2Q21**	**1Q21**	**4Q20**	**3Q20**	**2Q20**	**2021**	**2020**
Premiums and deposits	**$ 1,161**	**$ 1,131**	**$ 1,156**	**$ 1,076**	**$ 1,119**	**$ 2,292**	**$ 2,181**
Revenues:							
Premiums	$ 532	$ 532	$ 491	$ 470	$ 491	$ 1,064	$ 954
Policy fees	355	380	370	266	377	735	748
Net investment income (loss):							
Base portfolio (1)	314	314	315	321	322	628	649
Alternative investments	56	50	53	41	(8)	106	13
Other yield enhancements (2)	24	43	24	77	26	67	33
Total net investment income	394	407	392	439	340	801	695
Other income (11)	14	14	16	14	11	28	22
Total adjusted revenues	**1,295**	**1,333**	**1,269**	**1,189**	**1,219**	**2,628**	**2,419**
Benefits, losses and expenses:							
Policyholder benefits and losses incurred	950	1,004	895	1,033	863	1,954	1,641
Interest credited to policyholder account balances	89	88	93	94	93	177	186
Amortization of deferred policy acquisition costs	45	75	48	(147)	64	120	129
Non deferrable insurance commissions and other (4)	33	33	40	10	30	66	58
General operating expenses	152	166	156	159	160	318	310
Interest expense	6	7	7	8	7	13	15
Total benefits, losses and expenses	**1,275**	**1,373**	**1,239**	**1,157**	**1,217**	**2,648**	**2,339**
Adjusted pre-tax income (3)	**$ 20**	**$ (40)**	**$ 30**	**$ 32**	**$ 2**	**$ (20)**	**$ 80**
Noteworthy items (pre-tax)							
Annual actuarial assumption update (3)	$ -	$ -	$ -	$ (101)	$ -	$ -	$ -
Better (worse) than expected alternative returns	45	39	43	32	(17)	84	(4)
Adjusted pre-tax income Domestic Life	22	(33)	33	16	3	(11)	65
Adjusted pre-tax income (loss) International Life	(2)	(7)	(3)	16	(1)	(9)	15

See accompanying notes on page 41 and reconciliations of Non-GAAP financial measures beginning on page 64.

(in millions)	Quarterly					Six Months Ended June 30,	
	2Q21	1Q21	4Q20	3Q20	2Q20	2021	2020
Gross life insurance in force, end of period:							
Domestic Life	$ 972,030	$ 967,809	$ 965,490	$ 956,090	$ 950,727	$ 972,030	$ 950,727
International Life	221,872	214,361	204,208	186,142	173,413	221,872	173,413
Total	$ 1,193,902	$ 1,182,170	$ 1,169,698	$ 1,142,232	$ 1,124,140	$ 1,193,902	$ 1,124,140
Life and A&H CPPE sales (12):							
Term	$ 48	$ 49	$ 46	$ 39	$ 44	$ 97	$ 103
Universal life	22	20	28	22	23	42	50
Group and other life	53	38	28	32	64	91	97
Single premium and unscheduled deposits	2	2	2	2	3	4	6
Total	$ 125	$ 109	$ 104	$ 95	$ 134	$ 234	$ 256
Surrender/lapse rates (13):							
Domestic Life	4.07 %	3.67 %	3.56 %	4.70 %	3.37 %	3.87 %	4.39 %
DAC/VOBA rollforward:							
Balance at beginning of period	$ 4,560	$ 4,371	$ 4,361	$ 4,104	$ 4,164	$ 4,371	$ 4,108
Initial allowance upon CECL adoption	-	-	-	-	-	-	(1)
Deferrals	90	92	88	99	92	182	200
Operating amortization	(45)	(75)	(48)	147	(64)	(120)	(129)
Change from realized gains (losses)	4	(14)	6	4	10	(10)	7
Change from unrealized gains (losses)	(114)	180	(70)	(13)	(96)	66	(47)
Foreign exchange translation	-	6	34	20	(2)	6	(34)
Balance at end of period	$ 4,495	$ 4,560	$ 4,371	$ 4,361	$ 4,104	$ 4,495	$ 4,104
Reserve rollforward:							
Balance at beginning of period, gross	$ 27,589	$ 27,998	$ 28,257	$ 27,686	$ 26,743	$ 27,998	$ 27,397
Premiums and deposits	1,056	1,029	1,061	986	1,027	2,085	1,999
Surrenders and withdrawals	(116)	(144)	(129)	(88)	(96)	(260)	(267)
Death and other contract benefits	(138)	(173)	(142)	(114)	(170)	(311)	(301)
Subtotal	28,391	28,710	29,047	28,470	27,504	29,512	28,828
Change in fair value of underlying assets and reserve accretion, net of policy fees	(198)	(208)	(185)	(290)	(275)	(406)	(658)
Cost of funds	89	88	93	94	93	177	186
Other reserve changes	24	(1,010)	(1,017)	(55)	368	(986)	(613)
Foreign exchange translation	1	9	60	38	(4)	10	(57)
Balance at end of period	28,307	27,589	27,998	28,257	27,686	28,307	27,686
Reinsurance ceded	(1,488)	(1,461)	(1,437)	(1,370)	(1,365)	(1,488)	(1,365)
Total insurance reserves	$ 26,819	$ 26,128	$ 26,561	$ 26,887	$ 26,321	$ 26,819	$ 26,321
Domestic Life	26,153	25,497	25,969	26,308	25,784	26,153	25,784
International Life	666	631	592	579	537	666	537
Total insurance reserves	$ 26,819	$ 26,128	$ 26,561	$ 26,887	$ 26,321	$ 26,819	$ 26,321

See accompanying notes on page 41.

(in millions)	Quarterly					Six Months Ended June 30,	
Results of Operations	**2Q21**	**1Q21**	**4Q20**	**3Q20**	**2Q20**	**2021**	**2020**
Premiums and deposits	**$ 1,641**	**$ 80**	**$ 1,287**	**$ 1,448**	**$ 1,135**	**$ 1,721**	**$ 2,111**
Revenues:							
Premiums	$ 1,077	$ 39	$ 417	$ 275	$ 1,090	$ 1,116	$ 1,847
Policy fees	46	47	47	47	46	93	92
Net investment income:							-
Base portfolio (1)	221	214	215	206	202	435	407
Alternative investments	48	41	32	28	(8)	89	6
Other yield enhancements (2)	19	23	15	8	69	42	71
Total net investment income	288	278	262	242	263	566	484
Other income	1	-	1	-	-	1	-
Total adjusted revenues	**1,412**	**364**	**727**	**564**	**1,399**	**1,776**	**2,423**
Benefits, losses and expenses:							
Policyholder benefits and losses incurred	1,170	119	491	360	1,155	1,289	1,995
Interest credited to policyholder account balances	73	73	73	70	81	146	161
Amortization of deferred policy acquisition costs	2	1	1	2	1	3	2
Non deferrable insurance commissions	6	7	8	7	8	13	16
General operating expenses	18	20	24	17	21	38	38
Interest expense	3	2	3	2	3	5	6
Total benefits, losses and expenses	**1,272**	**222**	**600**	**458**	**1,269**	**1,494**	**2,218**
Adjusted pre-tax income (3)	**$ 140**	**$ 142**	**$ 127**	**$ 106**	**$ 130**	**$ 282**	**$ 205**
General and separate account reserves							
Future policyholder benefits	$ 11,650	$ 10,656	$ 10,991	$ 10,291	$ 10,159	$ 11,650	$ 10,159
Policyholder contract deposits	11,420	11,377	11,694	11,263	10,588	11,420	10,588
Separate account reserves	4,884	4,734	4,612	4,748	4,779	4,884	4,779
Total general and separate account reserves	**$ 27,954**	**$ 26,767**	**$ 27,297**	**$ 26,302**	**$ 25,526**	**$ 27,954**	**$ 25,526**
Noteworthy Items (pre-tax)							
Annual actuarial assumption update (3)	$ -	$ -	$ -	$ 1	$ -	$ -	$ -
Better (worse) than expected alternative returns	40	34	26	22	(13)	74	(4)

See accompanying notes on page 41 and reconciliations of Non-GAAP financial measures beginning on page 64.

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

(in millions)	Quarterly 2Q21	1Q21	4Q20	3Q20	2Q20	Six Months Ended June 30, 2021	2020
Reserve rollforward:							
Balance at beginning of period, gross	$ 26,813	$ 27,342	$ 26,348	$ 25,572	$ 24,389	$ 27,342	$ 23,673
Premiums and deposits	1,641	80	1,287	1,448	1,135	1,721	2,111
Surrenders and withdrawals	(607)	(312)	(767)	(805)	(107)	(919)	(216)
Death and other contract benefits	(194)	(208)	(195)	(162)	(235)	(402)	(529)
Subtotal	27,653	26,902	26,673	26,053	25,182	27,742	25,039
Change in fair value of underlying assets and reserve accretion, net of policy fees	280	165	288	267	219	445	268
Cost of funds	73	73	73	70	81	146	161
Other reserve changes	(7)	(327)	308	(42)	90	(334)	104
Balance at end of period	27,999	26,813	27,342	26,348	25,572	27,999	25,572
Reinsurance ceded	(45)	(46)	(45)	(46)	(46)	(45)	(46)
Total insurance reserves	**$ 27,954**	**$ 26,767**	**$ 27,297**	**$ 26,302**	**$ 25,526**	**$ 27,954**	**$ 25,526**
Reserves by line of business:							
Structured settlements	$ 3,444	$ 3,438	$ 3,593	$ 3,407	$ 3,363	$ 3,444	$ 3,363
Pension risk transfer	9,030	8,040	8,218	7,709	7,615	9,030	7,615
Corporate and Bank-owned life insurance	5,101	5,060	5,078	5,024	4,971	5,101	4,971
High net worth	2,497	2,372	2,237	2,208	2,083	2,497	2,083
Stable value wrap	52	53	55	380	570	52	570
Guaranteed investment contracts	7,830	7,804	8,116	7,574	6,924	7,830	6,924
Total insurance reserves	**$ 27,954**	**$ 26,767**	**$ 27,297**	**$ 26,302**	**$ 25,526**	**$ 27,954**	**$ 25,526**
Premiums and deposits by line of business:							
Structured settlements	$ 40	$ 41	$ 64	$ 73	$ 95	$ 81	$ 192
Pension risk transfer	1,049	13	369	220	1,035	1,062	1,731
Corporate and Bank-owned life insurance	1	-	-	-	(1)	1	-
High net worth	2	26	4	2	6	28	65
Stable value wrap	(1)	-	-	3	-	(1)	(1)
Guaranteed investment contracts	550	-	850	1,150	-	550	124
Total premiums and deposits	**$ 1,641**	**$ 80**	**$ 1,287**	**$ 1,448**	**$ 1,135**	**$ 1,721**	**$ 2,111**
Stable value wraps (401k and bank-owned life insurance) - Assets under management (a)	**$ 42,436**	**$ 42,920**	**$ 43,310**	**$ 42,665**	**$ 41,348**	**$ 42,436**	**$ 41,348**

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

See accompanying notes on page 41 and reconciliations of Non-GAAP financial measures beginning on page 64.

(1) Net investment income (loss) - base portfolio includes interest, dividends, and foreclosed real estate income, net of investment expenses and non-qualifying (economic) hedges.

(2) Net investment income (loss) - other yield enhancements includes call and tender income, commercial mortgage loan prepayments, changes in market value of investments accounted for under the fair value option, interest received on defaulted investments (other than foreclosed real estate) and other miscellaneous investment income, including income of certain partnership entities that are required to be consolidated.

(3) Life and Retirement Adjusted pre-tax income in 3Q20 included the net effect of adjustments to reflect the annual review and update of certain assumptions used to amortize DAC and related items for interest-sensitive products, including life and annuity spreads, mortality rates, lapse rates, fees and separate account long-term asset growth rates. The update of actuarial assumptions also included adjustments to reserves for universal life with secondary guarantees. Consolidated pre-tax income in these periods also included adjustments to the valuation of variable annuity GMWB features that are accounted for as embedded derivatives, primarily due to updated assumptions for lapses, mortality, risk margins and utilization of withdrawal benefits. Changes in the fair value of such embedded derivatives are recorded in net realized gains (losses) and, together with related DAC adjustments, are excluded from APTI. In the aggregate, the net effect of adjustments to reflect the review and update of actuarial assumptions for Life and Retirement products increased (decreased) APTI and pre-tax income as follows:

(in millions)	Life Insurance	Individual Retirement - Fixed Annuities	Individual Retirement - Variable and Index Annuities	Group Retirement	Institutional Markets	Total Life and Retirement
	3Q20	3Q20	3Q20	3Q20	3Q20	3Q20
Policy fees	$ (106)	$ -	$ -	$ -	$ -	$ (106)
Interest credited to policyholder account balances	-	(15)	(3)	12	-	(6)
Amortization of deferred policy acquisition costs	210	(22)	(22)	59	-	225
Non deferrable insurance commissions	15	-	-	-	-	15
Policyholder benefits and claims incurred	(220)	(40)	27	(3)	1	(235)
Adjusted pre-tax income (loss)	**$ (101)**	**$ (77)**	**$ 2**	**$ 68**	**$ 1**	**$ (107)**
Changes in DAC related to net realized losses	-	-	(43)	(1)	-	(44)
Net realized gains	-	-	118	24	-	142
Increase (decrease) to pre-tax income (loss)	**$ (101)**	**$ (77)**	**$ 77**	**$ 91**	**$ 1**	**$ (9)**

(4) Non deferrable insurance commissions and other includes risk charges related to statutory reinsurance that became effective in 2016 of certain life insurance reserves, which resulted in the release of statutory capital. The risk charges are allocated to the Life and Retirement segments on the basis of segment common equity, consistent with the benefit from the reduced capital requirement.

(5) Assets under administration also enrolled in advisory services and mutual funds or annuities sold through VALIC Financial Advisors and reported in another AIG business unit segment.

(6) Includes incremental effect on base yield of alternative investments. Quarterly results are annualized.

(7) Includes incremental effect on base yield of other yield enhancements. Quarterly results are annualized.

(8) Includes returns from base portfolio including accretion and impacts from holding cash and short-term investments. Quarterly results are annualized.

(9) Annuity surrender rates represent actual or annualized surrenders and other withdrawals as a percentage of average annuity reserves and Group Retirement mutual fund assets under administration.

(10) Life and Retirement uses reinsurance, product design and hedging to mitigate risks related to guaranteed benefits in individual annuity contracts. See Part II, Item 7. MD&A – Enterprise Risk Management – Insurance Risks – Life and Retirement Companies' Key Risks – Variable Annuity Risk Management and Hedging Programs in our Annual Report on Form 10-K for the year ended December 31, 2020 for a discussion of our risk management related to these product features.

(11) Life Insurance - Other income is primarily related to Laya Healthcare commission and profit sharing revenues received from insurers for distribution of their products.

(12) Life Insurance sales are shown on a continuous payment premium equivalent (CPPE) basis. Life insurance sales include periodic premiums from new business expected to be collected over a one-year period and 10 percent of unscheduled and single premiums from new and existing policyholders. Sales of accident and health insurance represent annualized first-year premium from new policies.

(13) Life insurance lapse rates are reported on a 90-day lag basis to include grace period processing.

(14) See discussion of Life and Retirement segment on page 2.

American International Group, Inc.
Other Operations Results

(in millions)	Quarterly					Six Months Ended June 30,	
Results of Operations (1)	**2Q21**	**1Q21**	**4Q20**	**3Q20**	**2Q20**	**2021**	**2020**
Revenues:							
Premiums	$ 54	$ 52	$ 53	$ 40	$ 36	$ 106	$ 140
Policy fees	-	-	-	1	21	-	42
Net investment income							
Interest and dividends	45	50	47	44	336	95	814
Alternative investments	118	207	112	48	(55)	325	(78)
Other investment income (loss)	45	(2)	20	88	287	43	39
Investment expenses	(8)	(6)	(10)	(2)	(18)	(14)	(35)
Total Net investment income	200	249	169	178	550	449	740
Other income	5	23	18	4	-	28	-
Total adjusted revenues	259	324	240	223	607	583	922
Benefits, losses and expenses:							
Policyholder benefits and losses incurred	96	66	41	42	284	162	733
Interest credited to policyholder account balances	-	-	-	(4)	44	-	93
Acquisition expenses							
Amortization of deferred policy acquisition costs	11	10	10	9	13	21	31
Other acquisition expenses	(1)	-	1	(1)	-	(1)	1
Total acquisition expenses	10	10	11	8	13	20	32
General operating expenses							
Corporate and Other	319	241	270	205	243	560	529
Asset Management	13	35	11	2	13	48	29
Amortization of intangible assets	10	10	10	10	10	20	20
Total General operating expenses	342	286	291	217	266	628	578
Interest expense							
Interest - Financial Debt and Hybrids	260	265	283	291	269	525	528
Interest - Asset Management	62	44	36	32	42	106	90
Interest - Economic hedge on foreign denominated debt	4	4	4	4	9	8	21
Interest - Other	1	3	2	1	12	4	14
Total Interest expense	327	316	325	328	332	643	653
Total benefits, losses and expenses	775	678	668	591	939	1,453	2,089
Adjusted pre-tax loss before consolidation and eliminations	**(516)**	**(354)**	**(428)**	**(368)**	**(332)**	**(870)**	**(1,167)**
Consolidation and eliminations							
Consolidation and eliminations - Consolidated investment entities (2)	(87)	(175)	(285)	(131)	63	(262)	(41)
Consolidation and eliminations - other	(7)	(1)	(7)	(9)	(10)	(8)	7
Total consolidation and eliminations	(94)	(176)	(292)	(140)	53	(270)	(34)
Adjusted pre-tax loss	**$ (610)**	**$ (530)**	**$ (720)**	**$ (508)**	**$ (279)**	**$ (1,140)**	**$ (1,201)**
Adjusted pre-tax Income (loss) by activities							
Corporate and Other	(617)	(552)	(519)	(395)	(248)	(1,169)	(1,127)
Asset Management	101	198	91	27	(84)	299	(40)
Consolidation and eliminations	(94)	(176)	(292)	(140)	53	(270)	(34)
Adjusted pre-tax loss	**$ (610)**	**$ (530)**	**$ (720)**	**$ (508)**	**$ (279)**	**$ (1,140)**	**$ (1,201)**

See accompanying notes on page 43.

AIG

Other Operations Notes

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

(2) Consolidation and eliminations - consolidated investment entities primarily represents the elimination of intercompany net investment income recorded by General Insurance and Life and Retirement subsidiaries for their investments in consolidated investment entities within Asset Management reported in Other Operations.

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

(in millions)	Quarterly					Six Months Ended June 30,	
	2Q21	1Q21	4Q20	3Q20	2Q20	2021	2020
Fixed Maturity Securities - AFS, at fair value							
Annualized yield (1)	3.84%	4.00%	4.06%	4.16%	4.37%	3.92%	4.45%
Investment income	$ 2,103	$ 2,151	$ 2,160	$ 2,179	$ 2,461	$ 4,254	$ 4,998
Net realized gains (losses)	50	145	61	(43)	3	195	19
Ending carrying value (2)	238,905	229,732	235,449	230,190	223,125	238,905	223,125
Amortized cost	221,235	216,602	213,637	211,641	206,821	221,235	206,821
Fixed Maturity Securities - Other, at fair value (3)							
Total Return (1)	4.31%	(1.46%)	7.53%	14.15%	26.85%	1.36%	3.33%
Investment income (loss)	$ 51	$ (18)	$ 97	$ 185	$ 357	$ 33	$ 96
Ending carrying value (4) (5)	4,687	4,788	5,091	5,211	5,247	4,687	5,247
Mortgage and other loans receivable							
Annualized yield (1)	4.33%	4.00%	4.27%	4.23%	4.26%	4.16%	4.39%
Investment income	$ 446	$ 414	$ 443	$ 445	$ 485	$ 860	$ 997
Net realized gains (losses)	67	41	(28)	(13)	(22)	108	(60)
Ending carrying value	41,115	41,351	41,470	41,590	42,554	41,115	42,554
Other Invested Assets:							
Other invested assets - Hedge Funds (6)							
Annualized yield (1)	21.02%	9.77%	46.54%	30.68%	33.26%	15.04%	(3.89)%
Investment income (loss)	$ 100	$ 45	$ 232	$ 147	$ 170	$ 145	$ (49)
Ending carrying value	1,853	1,820	2,110	2,006	2,002	1,853	2,002
Other invested assets - Private Equity (6)							
Annualized yield (1)	27.19%	34.11%	27.12%	25.80%	(21.20%)	30.35%	(5.73)%
Investment income (loss)	$ 434	$ 499	$ 354	$ 294	$ (276)	$ 933	$ (145)
Net realized gains (losses)	5	2	(27)	(6)	(35)	7	(35)
Ending carrying value	6,744	6,025	5,678	4,766	4,353	6,744	4,353
Other invested assets - Real Estate investments							
Annualized yield (1)	2.83%	2.88%	2.61%	1.08%	2.96%	2.87%	2.88%
Investment income (loss)	$ 57	$ 58	$ 52	$ 22	$ 61	$ 115	$ 120
Net realized gains (losses)	26	19	8	68	7	45	53
Ending carrying value	7,921	8,172	7,930	8,011	8,164	7,921	8,164
Other invested assets - All other (7)							
Investment income (loss)	$ 70	$ 84	$ 27	$ 47	$ 34	$ 154	$ 52
Ending carrying value	1,961	1,831	1,816	1,784	1,820	1,961	1,820
Other Invested Assets - Total	**$ 18,479**	**$ 17,848**	**$ 17,534**	**$ 16,567**	**$ 16,339**	**$ 18,479**	**$ 16,339**
Short-term Investments							
Annualized yield (1)	0.33%	0.22%	0.25%	0.30%	0.53%	0.26%	0.93%
Investment income (loss)	$ 12	$ 9	$ 12	$ 14	$ 27	$ 21	$ 84
Ending carrying value	15,075	14,406	18,169	20,632	21,297	15,075	21,297
Fortitude Re Funds Withheld Assets, ending carrying value	$ 40,199	$ 39,172	$ 41,899	$ 41,343	$ 40,910	$ 40,199	$ 40,910
Total AIG Investments, Excluding Equity Securities (4)(8)	**$ 358,460**	**$ 347,297**	**$ 359,612**	**$ 355,533**	**$ 349,472**	**$ 358,460**	**$ 349,472**
Total Investment Expenses	**$ 105**	**$ 112**	**$ 129**	**$ 125**	**$ 139**	**$ 217**	**$ 287**
Total Gross Investment Income (8)	**$ 3,273**	**$ 3,242**	**$ 3,377**	**$ 3,333**	**$ 3,319**	**$ 6,515**	**$ 6,153**

See accompanying notes on page 50.

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

Reconciliation to GAAP Net Investment Income
(in millions)

	Quarterly					Six Months Ended June 30,	
	2Q21	**1Q21**	**4Q20**	**3Q20**	**2Q20**	**2021**	**2020**
Total Gross Investment Income - APTI basis (8)	**$ 3,273**	**$ 3,242**	**$ 3,377**	**$ 3,333**	**$ 3,319**	**$ 6,515**	**$ 6,153**
Subtract: Investment expenses	105	112	129	125	139	217	287
Add: Net realized gains (losses) related to economic hedges and other	14	61	(22)	(10)	18	75	31
Total Net Investment Income - APTI Basis (8)	**$ 3,182**	**$ 3,191**	**$ 3,226**	**$ 3,198**	**$ 3,198**	**$ 6,373**	**$ 5,897**
Breakdown by Segment:							
General Insurance	731	772	980	839	518	1,503	1,106
Life and Retirement	2,376	2,353	2,384	2,332	2,099	4,729	4,165
Other Operations	200	249	169	178	550	449	740
Consolidation and Eliminations	(125)	(183)	(307)	(151)	31	(308)	(114)
Total Net Investment Income - APTI Basis (8)	**$ 3,182**	**$ 3,191**	**$ 3,226**	**$ 3,198**	**$ 3,198**	**$ 6,373**	**$ 5,897**
Reconciliation to GAAP Net Investment Income:							
Add: Changes in fair value of securities used to hedge guaranteed living benefits	13	19	14	15	14	32	27
Add: Changes in the fair value of equity securities	(13)	22	216	119	56	9	(135)
Add: Net investment income on Fortitude Re funds withheld assets	507	486	479	458	116	993	116
Subtract: Net realized gains (losses) related to economic hedges and other	14	61	(22)	(10)	18	75	31
Net Investment Income per Consolidated Statements of Operations	**$ 3,675**	**$ 3,657**	**$ 3,957**	**$ 3,800**	**$ 3,366**	**$ 7,332**	**$ 5,874**

See accompanying notes on page 50.

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

Investment Portfolio Results by Asset Category and Annualized Yields

(in millions)	June 30, 2021 General Insurance	Life & Retirement	Other Operations	Eliminations*	AIG Inc.
Fixed Maturity Securities - AFS, at fair value					
Annualized yield (1)	2.88%	4.45%	2.81%	0.00%	3.84%
Investment income	$ 471	$ 1,659	$ 42	$ (69)	$ 2,103
Ending carrying value	69,417	165,544	5,738	(1,794)	238,905
Amortized Cost	66,462	150,462	5,871	(1,560)	221,235
Fixed Maturity Securities - Other, at fair value					
Total Return (1)	9.01%	6.42%	0.93%	0.00%	4.31%
Investment income (loss)	$ 13	$ 9	$ 9	$ 20	$ 51
Ending carrying value	295	566	3,860	(34)	4,687
Mortgage and other loans receivable					
Annualized yield (1)	3.69%	4.43%	84.21%	0.00%	4.33%
Investment income	$ 79	$ 365	$ 2	$ -	$ 446
Ending carrying value	8,563	32,802	-	(250)	41,115
Other Invested Assets:					
Other invested assets - Hedge Funds					
Annualized yield (1)	20.08%	21.46%	0.00%	0.00%	21.02%
Investment income	$ 67	$ 36	$ -	$ (3)	$ 100
Ending carrying value	1,301	653	-	(101)	1,853
Other invested assets - Private Equity					
Annualized yield (1)	15.24%	28.62%	19.80%	0.00%	27.19%
Investment income	$ 149	$ 244	$ 119	$ (78)	$ 434
Ending carrying value	3,970	3,643	2,517	(3,386)	6,744
Other invested assets - Real Estate investments					
Annualized yield (1)	(0.84%)	5.23%	0.35%	0.00%	2.83%
Investment income	$ (1)	$ 51	$ 3	$ 4	$ 57
Ending carrying value	475	3,850	3,409	187	7,921
Other invested assets - All other					
Investment income	$ (2)	$ 45	$ 33	$ (6)	$ 70
Ending carrying value	1,091	415	455	-	1,961
Total Other Invested Assets	**$ 6,837**	**$ 8,561**	**$ 6,381**	**$ (3,300)**	**$ 18,479**
Short-term Investments					
Annualized yield (1)	0.26%	0.51%	0.08%	0.00%	0.33%
Investment income	$ 3	$ 8	$ 1	$ -	$ 12
Ending carrying value	5,055	6,939	4,316	(1,235)	15,075
Fortitude Re Funds Withheld Assets, ending carrying value	4,154	34,492	1,905	(352)	$ 40,199
Total AIG					
Total Investments, Excluding Equity Securities (8)	**$ 94,321**	**$ 248,904**	**$ 22,200**	**$ (6,965)**	**$ 358,460**
Total Gross Investment Income (8)					**3,274**
Subtract: Investment expenses					105
Add: Net realized gains related to economic hedges and other					13
Total Net Investment Income - APTI Basis (8)					**$ 3,182**

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

See accompanying notes on page 50.

AIG

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

Investment Income and Yield by Segment (in millions)	Quarterly 2Q21	1Q21	4Q20	3Q20	2Q20	Six Months Ended June 30, 2021	2020
Interest and dividends (a)							
General Insurance							
Investment income	$ 553	$ 534	$ 553	$ 576	$ 593	$ 1,087	$ 1,261
Invested assets	80,080	77,205	75,912	76,264	75,307	80,080	75,307
Annualized yield	2.84%	2.79%	2.91%	3.04%	3.15%	2.80%	3.38%
Life and Retirement							
Investment income	$ 2,032	$ 2,027	$ 2,063	$ 2,069	$ 2,085	$ 4,059	$ 4,107
Invested assets	190,203	186,608	187,304	187,035	183,903	190,203	183,903
Annualized yield	4.31%	4.34%	4.41%	4.46%	4.55%	4.32%	4.54%
Total AIG							
Investment income	$ 2,561	$ 2,574	$ 2,615	$ 2,638	$ 2,973	$ 5,135	$ 6,079
Invested assets	277,425	272,359	273,276	273,863	270,672	277,425	270,672
Annualized yield	3.77%	3.77%	3.82%	3.88%	4.09%	3.74%	4.22%
Alternative investment income (loss)							
General Insurance							
Investment income	$ 216	$ 201	$ 452	$ 284	$ (68)	$ 417	$ (141)
Invested assets	5,271	5,178	5,323	4,913	4,594	5,271	4,594
Annualized yield	16.31%	15.31%	35.33%	23.90%	(5.82%)	15.86%	(5.69)%
Life and Retirement							
Investment income	$ 325	$ 292	$ 293	$ 230	$ (47)	$ 617	$ 68
Invested assets	4,492	3,971	3,896	3,470	2,941	4,492	2,941
Annualized yield	31.00%	29.69%	31.60%	28.83%	(6.48%)	29.95%	4.81%
Total AIG							
Investment income	$ 579	$ 572	$ 605	$ 454	$ (86)	$ 1,151	$ (145)
Invested assets	8,793	8,047	8,045	7,042	6,634	8,793	6,634
Annualized yield	28.44%	28.44%	32.08%	26.56%	(4.50%)	27.75%	(3.68)%
Other investment income (loss)							
General Insurance							
Investment income	$ 10	$ 77	$ 34	$ 55	$ 54	$ 87	$ 99
Invested assets (b)	1,861	2,419	2,825	2,772	2,917	1,861	2,917
Life and Retirement							
Investment income	$ 85	$ 103	$ 79	$ 113	$ 138	$ 188	$ 156
Invested assets (b)	4,635	4,730	4,401	4,399	4,622	4,635	4,622
Total AIG							
Investment income	$ 146	$ 157	$ 135	$ 231	$ 450	$ 303	$ 250
Invested assets (b)	14,373	14,589	14,580	14,737	14,952	14,373	14,952
Total AIG Investment Income, APTI basis (8)	**$ 3,287**	**$ 3,303**	**$ 3,355**	**$ 3,323**	**$ 3,337**	**$ 6,590**	**$ 6,184**
Investment expenses	105	112	129	125	139	217	287
Total Net Investment Income - APTI Basis (8)	**$ 3,182**	**$ 3,191**	**$ 3,226**	**$ 3,198**	**$ 3,198**	**$ 6,373**	**$ 5,897**

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

	Quarterly 2Q21	1Q21	4Q20	3Q20	2Q20	Six Months Ended June 30, 2021	2020
General Insurance	$ 19	$ 23	$ 17	$ 6	$ 12	$ 42	$ 23
Life and Retirement	87	125	130	124	33	212	59
Total Interest and dividends	**$ 106**	**$ 148**	**$ 147**	**$ 130**	**$ 45**	**$ 254**	**$ 82**

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

See accompanying notes on page 50.

(in millions)	Quarterly					Six Months Ended June 30,	
	2Q21	1Q21	4Q20	3Q20	2Q20	2021	2020
Sales of fixed maturity securities	$ 40	$ 94	$ 38	$ 28	$ 27	$ 134	$ 241
Intent to sell	-	-	-	-	(3)	-	(3)
Change in allowance for credit losses on fixed maturity securities	10	51	29	(77)	(24)	61	(222)
Change in allowance for credit losses on loans	67	41	(32)	(13)	(22)	108	(60)
Foreign exchange transactions	139	(49)	325	250	44	90	(210)
Variable annuity embedded derivatives, net of related hedges	(53)	89	(868)	(148)	(1,010)	36	1,182
All other derivatives and hedge accounting	(336)	351	(1,037)	(626)	(568)	15	991
Fortitude Re funds withheld assets	(1,883)	2,555	(817)	(624)	(741)	672	(741)
Other	90	118	59	88	(35)	208	9
Total net realized gains (losses)	**$ (1,926)**	**$ 3,250**	**$ (2,303)**	**$ (1,122)**	**$ (2,332)**	**$ 1,324**	**$ 1,187**

(1) Yields/Total Return are calculated using quarterly annualized investment income divided by the average quarterly asset amortized cost for the interim periods. Starting in the second quarter of 2020, for hedge fund investments, annualized yield calculations are based on the average ending carrying value with adjustments for hedge fund redemptions that occurred at the beginning of the quarter. Prior periods have been revised to reflect the annualized yield calculation change in hedge fund investments. In the second quarter of 2020, for purposes of calculating yield/total returns, average amortized cost was adjusted to excluded Fortitude Re withheld assets, consistent with the exclusion of net investment income on Fortitude Re funds withheld assets post deconsolidation of Fortitude Re.

(2) As of June 30, 2021, our Fixed Maturity Securities - AFS portfolio was approximately 84% fixed rate and 16% variable rate.

(3) Fixed Maturity Securities - Other are securities for which we elected the fair value option. For Fixed Maturity Securities - Other changes in the fair value of these securities are reported through investment income, which can result in significant fluctuation in the total return.

(4) Excludes the carrying value of securities used to hedge guaranteed living benefits.

(5) As of June 30, 2021, our Fixed Maturity Securities - Other portfolio was approximately 36% fixed rate and 64% variable rate.

(6) Other Invested Assets - Hedge Funds/Private Equity includes investments accounted for under the equity method of accounting, where changes in our share of the net asset values are recorded through investment income or investments where we have elected the fair value option, where changes in the fair value are reported through investment income.

(7) Other Invested Assets - All Other includes long term time deposits, private common stock, and affordable housing partnerships. Due to the mix of investments included within this line item and their varied performance, annualized yield is not meaningful and therefore is not presented.

(8) Consistent with our definition of APTI, we exclude equity securities from our investments and changes in the fair value of equity securities from gross and net investment income-APTI basis. The following table provides information related to equity securities for periods presented (on a pre-tax basis):

(in millions)	**Quarterly**				
	2Q21	**1Q21**	**4Q20**	**3Q20**	**2Q20**
Equity Securities at fair value					
Total return	-4.64%	7.94%	89.67%	61.42%	34.38%
Investment income	$ (13)	$ 22	$ 216	$ 119	$ 56
Ending carrying value	1,079	1,160	1,056	871	679

American International Group, Inc.
AIG Invested Assets Summary, at Carrying Value

June 30, 2021

(in millions)	General Insurance Amount	General Insurance % of total	Life & Retirement Amount	Life & Retirement % of total	Other Operations Amount	Other Operations % of total	Eliminations* Amount	Eliminations* % of total	AIG Inc. Amount	AIG Inc. % of total
Bonds available for sale, at fair value										
Government and municipalities	**$ 16,982**	**18 %**	**$ 14,268**	**6 %**	**$ 902**	**3 %**	**$ -**	**- %**	**$ 32,152**	**9 %**
U.S. government and government sponsored entities	1,859	2	1,259	1	794	3	-	-	3,912	1
Obligations of states, municipalities and political subdivisions	5,712	6	7,662	3	101	-	-	-	13,475	4
Non-U.S. governments	9,411	10	5,347	2	7	-	-	-	14,765	4
Corporate debt	31,782	34	114,399	46	3,129	14	(350)	5	148,960	42
Residential Mortgage-Backed Securities	9,088	10	15,375	6	3,293	14	(577)	8	27,179	8
Commercial Mortgage-Backed Securities	4,825	5	9,332	4	80	-	-	-	14,237	4
Collateralized Debt Obligations (CDOs)	4,489	5	6,571	3	(1,774)	(8)	(867)	12	8,419	2
Asset-Backed Securities	2,251	2	5,599	2	108	-	-	-	7,958	2
Total bonds available for sale	**69,417**	**74**	**165,544**	**67**	**5,738**	**23**	**(1,794)**	**25**	**238,905**	**67**
Other bond securities, at fair value	**295**	**-**	**566**	**-**	**3,860**	**17**	**(34)**	**-**	**4,687**	**1**
Total Fixed Maturities	**69,712**	**74**	**166,110**	**67**	**9,598**	**40**	**(1,828)**	**25**	**243,592**	**68**
Equity securities										
Other common and preferred stock, at fair value	**498**	**1**	**83**	**-**	**536**	**2**	**(38)**	**1**	**1,079**	**-**
Mortgage and other loans receivable										
Residential mortgages	2,559	2	1,440	1	-	-	(6)	-	3,993	1
Commercial mortgages	5,002	5	27,926	10	-	-	-	-	32,928	9
Life insurance policy loans	13	-	1,500	1	-	-	-	-	1,513	-
Commercial loans, other loans and notes receivable	1,118	1	2,443	1	-	-	(248)	4	3,313	1
Total mortgage and other loans receivable	**8,692**	**8**	**33,309**	**13**	**-**	**-**	**(254)**	**4**	**41,747**	**11**
Allowance for credit losses	(129)	-	(507)	-	-	-	4	-	(632)	-
Total mortgage and other loans receivable, net of allowance	**8,563**	**8**	**32,802**	**13**	**-**	**-**	**(250)**	**4**	**41,115**	**11**
Other invested assets										
Hedge funds	1,301	1	653	-	-	-	(101)	1	1,853	1
Private equity	3,970	4	3,643	1	2,517	12	(3,386)	49	6,744	2
Real estate investments	475	1	3,850	2	3,409	16	187	(3)	7,921	2
Other invested assets - All other	1,091	1	415	-	455	2	-	-	1,961	1
Total other invested assets	**6,837**	**7**	**8,561**	**3**	**6,381**	**30**	**(3,300)**	**47**	**18,479**	**6**
Short-term investments	**5,055**	**5**	**6,939**	**3**	**4,316**	**20**	**(1,235)**	**18**	**15,075**	**4**
Fortitude Re Funds Withheld Assets										
Bonds available for sale	3,601	**4**	29,011	**12**	1,610	**7**	(57)	**1**	**34,165**	**10**
Other bond securities, at fair value	70	**-**	109	**-**	-	**-**	-	**-**	**179**	**-**
Mortage and Other Loans Receivable	483	**1**	3,618	**1**	-	**-**	-	**-**	**4,101**	**1**
Other Invested Assets	-	**-**	1,660	**1**	295	**1**	(295)	**4**	**1,660**	**-**
Short-Term Investments	-	**-**	94	**-**	-	**-**	-	**-**	**94**	**-**
Total Fortitude Re funds withheld assets	**4,154**	**5**	**34,492**	**14**	**1,905**	**8**	**(352)**	**5**	**40,199**	**11**
Total investments	**$ 94,819**	**100 %**	**$ 248,987**	**100 %**	**$ 22,736**	**100 %**	**$ (7,003)**	**100 %**	**$ 359,539**	**100 %**

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

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

(in millions)	June 30, 2021 General Insurance	Life & Retirement	Other Operations	Eliminations*	AIG Inc.
Bonds available for sale, at fair value					
U.S. government and government sponsored entities	$ 1,859	$ 1,259	$ 794	$ -	$ 3,912
Obligations of states, municipalities and political subdivisions	5,712	7,662	101	-	13,475
Non-U.S. governments	9,411	5,347	7	-	14,765
Total Government and municipalities	**16,982**	**14,268**	**902**	**-**	**32,152**
Corporate debt					
Financial institutions:					
Banks	7,981	8,362	41	-	16,384
Insurance	1,128	6,427	188	-	7,743
Other securities firms and other financial institutions	2,599	12,688	148	-	15,435
Total Financial institutions	11,708	27,477	377	-	39,562
Utilities	2,227	16,992	110	-	19,329
Communications	1,993	7,370	275	-	9,638
Consumer noncyclical	4,176	16,423	470	-	21,069
Consumer cyclical	3,308	8,390	488	-	12,186
Capital goods	1,768	6,313	100	-	8,181
Energy	1,824	9,667	116	-	11,607
Basic materials	989	4,066	117	-	5,172
Other	3,789	17,701	1,076	(350)	22,216
Total Corporate debt	**$ 31,782**	**$ 114,399**	**$ 3,129**	**$ (350)**	**$ 148,960**
Mortgage-backed, asset-backed and collateralized					
Investments in Residential Mortgage-Backed Securities					
Agency	$ 4,055	$ 6,584	$ 3,293	$ -	$ 13,932
Prime jumbo non-agency	1,268	1,971	-	-	3,239
Other non-agency	3,765	6,243	-	-	10,008
Internal Transactions	-	577	-	(577)	-
Total Investments in Residential Mortgage-Backed Securities	**$ 9,088**	**$ 15,375**	**$ 3,293**	**$ (577)**	**$ 27,179**
Investments in Commercial Mortgage-Backed Securities					
Agency	$ 84	$ 1,437	$ -	$ -	$ 1,521
Non-agency (CMBS traditional and other)	4,741	7,895	80	-	12,716
Total Investments in Commercial Mortgage-Backed Securities	**$ 4,825**	**$ 9,332**	**$ 80**	**$ -**	**$ 14,237**
Investments in Collateralized Debt Obligations (CDOs)					
Bank loans (CLO)	$ 3,180	$ 5,276	$ (57)	$ -	$ 8,399
Other	1,309	1,295	(1,717)	(867)	20
Total Investments in CDOs	**$ 4,489**	**$ 6,571**	**$ (1,774)**	**$ (867)**	**$ 8,419**
Investments in Asset-Backed Securities (ABS)	**$ 2,251**	**$ 5,599**	**$ 108**	**$ -**	**$ 7,958**
Total Mortgage-backed, asset-backed and collateralized	**$ 20,653**	**$ 36,877**	**$ 1,707**	**$ (1,444)**	**$ 57,793**
Total Bonds available for sale, at fair value	**$ 69,417**	**$ 165,544**	**$ 5,738**	**$ (1,794)**	**$ 238,905**
Other bond securities, at fair value					
U.S. government and government sponsored entities	$ -	$ -	$ 1,778	$ -	$ 1,778
Corporate debt	12	-	-	-	12
Mortgage-backed, asset-backed and collateralized:					
RMBS	158	112	1	(6)	265
CMBS	44	151	-	-	195
CDO/ABS and other collateralized	81	303	2,081	(28)	2,437
Total mortgage-backed, asset-backed and collateralized	283	566	2,082	(34)	2,897
Total Other Bonds Securities at Fair value	**295**	**566**	**3,860**	**(34)**	**4,687**
Fortitude Re Funds Withheld Assets	**3,671**	**29,120**	**1,610**	**(57)**	**34,344**
Total Fixed Maturities - Total AIG	**$ 73,383**	**$ 195,230**	**$ 11,208**	**$ (1,885)**	**$ 277,936**

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

Credit Ratings

At June 30, 2021, approximately 88 percent of our fixed maturity securities were held by our domestic entities. Approximately 89 percent of these securities were rated investment grade by one or more of the principal rating agencies. Our investment decision process relies primarily on internally generated fundamental analysis and internal risk ratings. Third-party rating services' ratings and opinions provide one source of independent perspective for consideration in the internal analysis.

Moody's Investors Service Inc. (Moody's), Standard & Poor's Financial Services LLC, a subsidiary of S&P Global Inc. (S&P), or similar foreign rating services rate a significant portion of our foreign entities' fixed maturity securities portfolio. Rating services are not available for some foreign-issued securities. Our Credit Risk Management department closely reviews the credit quality of the foreign portfolio's non-rated fixed maturity securities. At June 30, 2021, approximately 94 percent of such investments were either rated investment grade or, on the basis of our internal analysis, were equivalent from a credit standpoint to securities rated investment grade. Approximately 26 percent of the foreign entities' fixed maturity securities portfolio is comprised of sovereign fixed maturity securities supporting policy liabilities in the country of issuance.

Composite AIG Credit Ratings

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

NAIC Designations of Fixed Maturity Securities

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

American International Group, Inc.
Credit Ratings for Fixed Maturities

	June 30, 2021				
(in millions)	General Insurance	Life & Retirement	Other Operations	Eliminations*	AIG Inc.
Bonds available for sale, at fair value					
Government and municipalities					
AAA	$ 6,020	$ 2,111	$ 815	$ -	$ 8,946
AA	5,728	5,791	56	-	11,575
A	3,749	2,947	19	-	6,715
BBB	1,062	2,367	12	-	3,441
Below investment grade	423	729	-	-	1,152
Not Rated	-	323	-	-	323
Total Government and municipalities	**$ 16,982**	**$ 14,268**	**$ 902**	**$ -**	**$ 32,152**
Corporate debt					
AAA	$ 692	$ 1,366	$ 1	$ -	$ 2,059
AA	3,676	15,775	27	-	19,478
A	10,881	30,313	69	-	41,263
BBB	12,435	57,876	104	(350)	70,065
Below investment grade**	4,032	9,069	2,059	-	15,160
Not Rated	66	-	869	-	935
Total Corporate debt	**$ 31,782**	**$ 114,399**	**$ 3,129**	**$ (350)**	**$ 148,960**
Mortgage-backed, asset-backed and collateralized					
Investments in residential mortgage-backed securities					
AAA	$ 5,378	$ 7,692	$ 3,293	$ (474)	$ 15,889
AA	882	2,298	-	(40)	3,140
A	197	480	-	(31)	646
BBB	128	302	-	(19)	411
Below investment grade**	2,503	4,602	-	(13)	7,092
Not Rated	-	1	-	-	1
Total Investments in residential mortgage-backed securities	**$ 9,088**	**$ 15,375**	**$ 3,293**	**$ (577)**	**$ 27,179**
Investments in commercial mortgage-backed securities					
AAA	$ 2,846	$ 5,019	$ 30	$ -	$ 7,895
AA	1,372	3,014	50	-	4,436
A	355	648	-	-	1,003
BBB	229	410	-	-	639
Below investment grade	18	230	-	-	248
Not Rated	5	11	-	-	16
Total Investments in commercial mortgage-backed securities	**$ 4,825**	**$ 9,332**	**$ 80**	**$ -**	**$ 14,237**

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

** These securities are mostly rated NAIC-1 and NAIC-2 by the NAIC. See NAIC designation table on page 61 herein.

American International Group, Inc.
Credit Ratings for Fixed Maturities

(in millions)	General Insurance	Life & Retirement	Other Operations	Eliminations*	AIG Inc.
	June 30, 2021				
Bonds available for sale, at fair value					
Investments in collateralized debt obligations (CDOs)					
AAA	$ 1,532	$ 1,064	$ (57)	$ -	$ 2,539
AA	2,250	3,915	(1,681)	(564)	3,920
A	587	1,250	-	(61)	1,776
BBB	80	151	-	(67)	164
Below investment grade	26	138	(36)	(116)	12
Not Rated	14	53	-	(59)	8
Total Investments in CDOs	**$ 4,489**	**$ 6,571**	**$ (1,774)**	**$ (867)**	**$ 8,419**
Investments in asset-backed securities (ABS)					
AAA	$ 663	$ 270	$ 100	$ -	$ 1,033
AA	354	1,395	-	-	1,749
A	519	1,685	8	-	2,212
BBB	701	2,218	-	-	2,919
Below investment grade	13	29	-	-	42
Not Rated	1	2	-	-	3
Total Investments in ABS	**$ 2,251**	**$ 5,599**	**$ 108**	**$ -**	**$ 7,958**
Total Bonds available for sale, at fair value					
AAA	**$ 17,131**	**$ 17,522**	**$ 4,182**	**$ (474)**	**$ 38,361**
AA	**14,262**	**32,188**	**(1,548)**	**(604)**	**44,298**
A	**16,288**	**37,323**	**96**	**(92)**	**53,615**
BBB	**14,635**	**63,324**	**116**	**(436)**	**77,639**
Below investment grade**	**7,015**	**14,797**	**2,023**	**(129)**	**23,706**
Not Rated	**86**	**390**	**869**	**(59)**	**1,286**
Total bonds available for sale, at fair value	**$ 69,417**	**$ 165,544**	**$ 5,738**	**$ (1,794)**	**$ 238,905**
Other Bonds Securities at Fair value					
AAA	**$ 197**	**$ 34**	**$ 1,736**	**$ (6)**	**$ 1,961**
AA	**24**	**100**	**42**	**-**	**166**
A	**17**	**131**	**-**	**-**	**148**
BBB	**6**	**58**	**233**	**-**	**297**
	38	**182**	**1,677**	**(28)**	**1,869**
Not Rated	**13**	**61**	**172**	**-**	**246**
Total Other Bonds Securities at Fair value	**$ 295**	**$ 566**	**$ 3,860**	**$ (34)**	**$ 4,687**
Total Fixed Maturities					
AAA	**$ 17,328**	**$ 17,556**	**$ 5,918**	**$ (480)**	**$ 40,322**
AA	**14,286**	**32,288**	**(1,506)**	**(604)**	**44,464**
A	**16,305**	**37,454**	**96**	**(92)**	**53,763**
BBB	**14,641**	**63,382**	**349**	**(436)**	**77,936**
Below investment grade**	**7,053**	**14,979**	**3,700**	**(157)**	**25,575**
Not Rated	**99**	**451**	**1,041**	**(59)**	**1,532**
Fortitude Re Funds Withheld Assets	**$ 3,671**	**$ 29,120**	**$ 1,610**	**$ (57)**	**$ 34,344**
Total Fixed Maturities - Total AIG	**$ 73,383**	**$ 195,230**	**$ 11,208**	**$ (1,885)**	**$ 277,936**

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

** These securities are mostly rated NAIC-1 and NAIC-2 by the NAIC. See NAIC designation table on page 61 herein.

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

	June 30, 2021				
(in millions)	General Insurance	Life & Retirement	Other Operations	Eliminations*	AIG Inc.
Bonds available for sale, at fair value					
U.S. government and government sponsored entities	**$ 1,859**	**$ 1,259**	**$ 794**	**$ -**	**$ 3,912**
AAA	1,854	1,251	794	-	3,899
AA	5	8	-	-	13
Obligations of states, municipalities and political subdivisions	**5,712**	**7,662**	**101**	**-**	**13,475**
AAA	1,141	710	21	-	1,872
AA	2,997	4,708	49	-	7,754
A	1,325	1,502	19	-	2,846
BBB	190	402	12	-	604
Below investment grade	59	17	-	-	76
Non-rated	-	323	-	-	323
Non-U.S. governments	**9,411**	**5,347**	**7**	**-**	**14,765**
AAA	3,025	150	-	-	3,175
AA	2,726	1,075	7	-	3,808
A	2,424	1,445	-	-	3,869
BBB	872	1,965	-	-	2,837
Below investment grade	364	712	-	-	1,076
Total Government and municipalities	**$ 16,982**	**$ 14,268**	**$ 902**	**$ -**	**$ 32,152**

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

	June 30, 2021				
(in millions)	**General Insurance**	**Life & Retirement**	**Other Operations**	**Eliminations***	**AIG Inc.**
Corporate debt					
Financial institutions:					
Banks	**$ 7,981**	**$ 8,362**	**$ 41**	**$ -**	**$ 16,384**
AAA	283	-	-	-	283
AA	1,249	158	-	-	1,407
A	4,785	5,031	22	-	9,838
BBB	1,592	2,918	19	-	4,529
Below investment grade	69	255	-	-	324
Non-rated	3	-	-	-	3
Insurance	**1,128**	**6,427**	**188**	**-**	**7,743**
AAA	74	-	-	-	74
AA	229	1,674	1	-	1,904
A	380	2,696	4	-	3,080
BBB	350	2,010	1	-	2,361
Below investment grade	87	47	152	-	286
Non-rated	8	-	30	-	38
Other securities firms and other financial institutions	**2,599**	**12,688**	**148**	**-**	**15,435**
AAA	(2)	-	-	-	(2)
AA	487	2,794	-	-	3,281
A	384	1,202	1	-	1,587
BBB	1,593	8,455	12	-	10,060
Below investment grade	112	237	105	-	454
Non-rated	25	-	30	-	55
Utilities	**2,227**	**16,992**	**110**	**-**	**19,329**
AAA	-	2	-	-	2
AA	173	2,436	7	-	2,616
A	715	6,174	6	-	6,895
BBB	1,237	7,839	11	-	9,087
Below investment grade	101	541	48	-	690
Non-rated	1	-	38	-	39
Communications	**1,993**	**7,370**	**275**	**-**	**9,638**
AAA	-	-	-	-	-
AA	41	299	-	-	340
A	495	1,739	3	-	2,237
BBB	1,103	4,844	1	-	5,948
Below investment grade	353	488	229	-	1,070
Non-rated	1	-	42	-	43
Consumer noncyclical	**4,176**	**16,423**	**470**	**-**	**21,069**
AAA	60	333	-	-	393
AA	221	1,094	-	-	1,315
A	1,252	4,540	6	-	5,798
BBB	1,956	8,654	34	-	10,644
Below investment grade**	686	1,802	357	-	2,845
Non-rated	1	-	73	-	74

* Eliminations are primarily related to intercompany investments in consolidated investment entities.
** These securities are mostly rated NAIC-1 and NAIC-2 by the NAIC. See NAIC designation table on page 61 herein.

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

(in millions)	June 30, 2021 General Insurance	Life & Retirement	Other Operations	Eliminations*	AIG Inc.
Corporate debt (Cont.)					
Consumer cyclical	$ **3,308**	$ **8,390**	$ **488**	$ **-**	$ **12,186**
AAA	4	7	-	-	11
AA	454	2,013	14	-	2,481
A	820	1,422	5	-	2,247
BBB	1,127	3,076	2	-	4,205
Below investment grade	891	1,872	329	-	3,092
Non-rated	12	-	138	-	150
Capital goods	**1,768**	**6,313**	**100**	**-**	**8,181**
AA	34	40	-	-	74
A	688	1,886	5	-	2,579
BBB	572	3,398	3	-	3,973
Below investment grade	473	989	69	-	1,531
Non-rated	1	-	23	-	24
Energy	**1,824**	**9,667**	**116**	**-**	**11,607**
AA	368	1,560	3	-	1,931
A	394	1,480	6	-	1,880
BBB	715	5,340	11	-	6,066
Below investment grade	347	1,287	79	-	1,713
Non-rated	-	-	17	-	17
Basic materials	**989**	**4,066**	**117**	**-**	**5,172**
AA	5	-	-	-	5
A	177	314	-	-	491
BBB	595	3,395	8	-	3,998
Below investment grade	203	357	76	-	636
Non-rated	9	-	33	-	42
Other	**3,789**	**17,351**	**1,076**	**-**	**22,216**
AAA	273	1,024	1	-	1,298
AA	415	3,707	2	-	4,124
A	791	3,829	11	-	4,631
BBB	1,595	7,597	2	-	9,194
Below investment grade	710	1,194	615	-	2,519
Non-rated	5	-	445	-	450
Internal transactions	**-**	**350**	**-**	**(350)**	**-**
BBB	-	350	-	(350)	-
Total Corporate debt	**$ 31,782**	**$ 114,399**	**$ 3,129**	**$ (350)**	**$ 148,960**

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

(in millions)	June 30, 2021 General Insurance	Life & Retirement	Other Operations	Eliminations*	AIG Inc.
Mortgage-backed, asset-backed and collateralized					
Investments in residential mortgage-backed securities					
Agency	**$ 4,055**	**$ 6,584**	**$ 3,293**	**$ -**	**$ 13,932**
AAA	4,055	6,416	3,293	-	13,764
AA	-	168	-	-	168
Prime jumbo non-agency	**1,268**	**1,971**	**-**	**-**	**3,239**
AAA	492	502	-	-	994
AA	324	737	-	-	1,061
A	133	146	-	-	279
BBB	41	119	-	-	160
Below investment grade	278	467	-	-	745
Other non-agency	**3,765**	**6,243**	**-**	**-**	**10,008**
AAA	831	300	-	-	1,131
AA	558	1,353	-	-	1,911
A	64	303	-	-	367
BBB	87	164	-	-	251
Below investment grade**	2,225	4,122	-	-	6,347
Non-rated	-	1	-	-	1
Internal transactions	**-**	**577**	**-**	**(577)**	**-**
AAA	-	474	-	(474)	-
AA	-	40	-	(40)	-
A	-	31	-	(31)	-
BBB	-	19	-	(19)	-
Below investment grade	-	13	-	(13)	-
Residential mortgage-backed securities	**$ 9,088**	**$ 15,375**	**$ 3,293**	**$ (577)**	**$ 27,179**

* Eliminations are primarily related to intercompany investments in consolidated investment entities.
** These securities are mostly rated NAIC-1 and NAIC-2 by the NAIC. See NAIC designation table on page 61 herein.

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

(in millions)	General Insurance	Life & Retirement	Other Operations	Eliminations*	AIG Inc.
	June 30, 2021				
Mortgage-backed, asset-backed and collateralized (Cont.)					
Investments in commercial mortgage-backed securities					
Agency	**$ 84**	**$ 1,437**	**$ -**	**$ -**	**$ 1,521**
AAA	45	651	-	-	696
AA	24	772	-	-	796
A	9	-	-	-	9
BBB	6	14	-	-	20
Non-agency (CMBS traditional and other)	**4,741**	**7,895**	**80**	**-**	**12,716**
AAA	2,801	4,368	30	-	7,199
AA	1,348	2,242	50	-	3,640
A	346	648	-	-	994
BBB	223	396	-	-	619
Below investment grade	18	230	-	-	248
Non-rated	5	11	-	-	16
Investments in commercial mortgage-backed securities	**4,825**	**9,332**	**80**	**-**	**14,237**
Investments in collateralized debt obligations (CDOs)					
Bank loans (CLO)	**3,180**	**5,276**	**(57)**	**-**	**8,399**
AAA	1,532	1,064	(57)	-	2,539
AA	1,021	2,899	-	-	3,920
A	567	1,209	-	-	1,776
BBB	60	104	-	-	164
Other	**-**	**19**	**1**	**-**	**20**
Below investment grade	-	11	1	-	12
Non-rated	-	8	-	-	8
Internal transactions	**1,309**	**1,276**	**(1,718)**	**(867)**	**-**
AAA	-	-	-	-	-
AA	1,229	1,016	(1,681)	(564)	-
A	20	41	-	(61)	-
BBB	20	47	-	(67)	-
Below investment grade	26	127	(37)	(116)	-
Non-rated	14	45	-	(59)	-
Investments in collateralized debt obligations (CDOs)	**4,489**	**6,571**	**(1,774)**	**(867)**	**8,419**
Investments in asset-backed securities (ABS)	**2,251**	**5,599**	**108**	**-**	**7,958**
AAA	663	270	100	-	1,033
AA	354	1,395	-	-	1,749
A	519	1,685	8	-	2,212
BBB	701	2,218	-	-	2,919
Below investment grade	13	29	-	-	42
Non-rated	1	2	-	-	3
Total asset-backed securities	**2,251**	**5,599**	**108**	**-**	**7,958**
Fortitude Re Funds Withheld Assets	**$ 3,601**	**$ 29,011**	**$ 1,610**	**$ (57)**	**$ 34,165**
Total Bonds available for sale, at fair value - Total AIG	**$ 73,018**	**$ 194,555**	**$ 7,348**	**$ (1,851)**	**$ 273,070**

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

American International Group, Inc.
Fixed Maturity Security Portfolio by NAIC Designation and Composite AIG Credit Rating, at Fair Value
Excluding Fortitude Re Funds Withheld Assets

(in millions)	June 30, 2021								
NAIC Designation	1	2	Total Investment Grade	3	4	5	6	Total Below Investment Grade	Total
Other fixed maturity securities:									
General Insurance	$ 29,213	$ 15,286	**$ 44,499**	$ 2,188	$ 1,659	$ 387	$ 43	**$ 4,277**	**$ 48,776**
Life & Retirement	56,735	61,935	**118,670**	5,833	3,289	779	82	**9,983**	**128,653**
Other Operations	2,764	118	**2,882**	239	2,634	54	-	**2,927**	**5,809**
Eliminations*	-	(350)	**(350)**	-	-	-	-	**-**	**(350)**
Total Other fixed maturity securities	$ 88,712	$ 76,989	**$ 165,701**	$ 8,260	$ 7,582	$ 1,220	$ 125	**$ 17,187**	**$ 182,888**
Mortgage-backed, asset-backed and collateralized:									
General Insurance	$ 19,685	$ 970	**$ 20,655**	$ 165	$ 47	$ 46	$ 23	**$ 281**	**$ 20,936**
Life & Retirement	33,943	2,900	**36,843**	237	49	86	228	**600**	**37,443**
Other Operations	1,743	405	**2,148**	-	-	-	1,641	**1,641**	**3,789**
Eliminations*	(1,193)	(130)	**(1,323)**	(65)	(4)	(86)	-	**(155)**	**(1,478)**
Total Mortgage-backed, asset-backed and collateralized	$ 54,178	$ 4,145	**$ 58,323**	$ 337	$ 92	$ 46	$ 1,892	**$ 2,367**	**$ 60,690**
Total**	$ 142,890	$ 81,134	**$ 224,024**	$ 8,597	$ 7,674	$ 1,266	$ 2,017	**$ 19,554**	**$ 243,578**

*Eliminations are primarily related to intercompany investments in consolidated investment entities.
**Excludes $14 million of fixed maturity securities for which no NAIC Designation is available.

(in millions)	June 30, 2021							
Composite AIG credit rating	AAA/AA/A	BBB	Total Investment Grade	BB	B	CC and Lower	Total Below Investment Grade	Total
Other fixed maturity securities:								
General Insurance	$ 30,758	$ 13,497	**$ 44,255**	$ 2,237	$ 1,859	$ 425	**$ 4,521**	**$ 48,776**
Life & Retirement	58,303	60,243	**118,546**	5,615	3,299	1,193	**10,107**	**128,653**
Other Operations	2,765	116	**2,881**	302	1,705	921	**2,928**	**5,809**
Eliminations*	-	(350)	**(350)**	-	-	-	**-**	**(350)**
Total Other fixed maturity securities	$ 91,826	$ 73,506	**$ 165,332**	$ 8,154	$ 6,863	$ 2,539	**$ 17,556**	**$ 182,888**
Mortgage-backed, asset-backed and collateralized:								
General Insurance	$ 17,161	$ 1,144	**$ 18,305**	$ 139	$ 81	$ 2,411	**$ 2,631**	**$ 20,936**
Life & Retirement	28,995	3,139	**32,134**	475	249	4,585	**5,309**	**37,443**
Other Operations	1,743	233	**1,976**	-	-	1,813	**1,813**	**3,789**
Eliminations*	(1,176)	(86)	**(1,262)**	(67)	(4)	(145)	**(216)**	**(1,478)**
Total Mortgage-backed, asset-backed and collateralized	$ 46,723	$ 4,430	**$ 51,153**	$ 547	$ 326	$ 8,664	**$ 9,537**	**$ 60,690**
Total**	$ 138,549	$ 77,936	**$ 216,485**	$ 8,701	$ 7,189	$ 11,203	**$ 27,093**	**$ 243,578**

*Eliminations are primarily related to intercompany investments in consolidated investment entities.
**Excludes $14 million of fixed maturity securities for which no NAIC Designation is available.

American International Group, Inc.
Commercial Mortgage Loan Exposure by Location and Class of Loan Based on Amortized Cost
Excluding Fortitude Re Funds Withheld Assets

June 30, 2021

(dollars in millions)	Number of Loans	Class: Apartments	Offices	Retail	Industrial	Hotel	Others	Total	Percent of Total
New York	93	$ 2,160	$ 4,736	$ 273	$ 436	$ 103	$ -	**$ 7,708**	23 %
California	58	752	1,308	219	517	734	32	**3,562**	11
Texas	47	633	1,112	151	111	143	-	**2,150**	7
New Jersey	42	1,692	31	325	94	12	33	**2,187**	7
Massachusetts	11	533	197	544	24	-	-	**1,298**	4
Florida	61	405	152	304	214	217	-	**1,292**	4
Illinois	18	549	316	10	17	-	21	**913**	3
Pennsylvania	21	79	128	473	72	25	-	**777**	2
Washington, D.C.	9	423	67	-	-	19	-	**509**	2
Connecticut	13	344	-	-	74	-	-	**418**	1
Other states	148	1,579	513	989	498	375	-	**3,954**	12
Foreign	82	4,051	1,004	1,027	1,237	465	376	**8,160**	25
Total Commercial Mortgages*	**603**	**$ 13,200**	**$ 9,564**	**$ 4,315**	**$ 3,294**	**$ 2,093**	**$ 462**	**$ 32,928**	100 %

*Does not reflect allowance for credit losses.

June 30, 2021

(dollars in millions)	Number of Loans	Class: Apartments	Offices	Retail	Industrial	Hotel	Others	Total[(c)]	Percent of Total
In good standing	592	$ 13,200	$ 9,407	$ 4,209	$ 3,294	$ 1,956	$ 462	**$ 32,528**	**99 %**
Restructured[(a)]	8	-	88	49	-	137	-	**274**	**1**
90 days or less delinquent	-	-	-	-	-	-	-	**-**	**-**
>90 days delinquent or in process of foreclosure	3	-	69	57	-	-	-	**126**	**-**
Total Commercial Mortgages[(b)]	**603**	**$ 13,200**	**$ 9,564**	**$ 4,315**	**$ 3,294**	**$ 2,093**	**$ 462**	**$ 32,928**	**100 %**

(a) Loans that have been modified in troubled debt restructurings and are performing according to their restructured terms.
(b) Does not reflect allowance for credit losses.
(c) As of June 30, 2021 and in all presented periods there were no significant amounts of nonperforming commercial mortgages (defined as those loans where payment of contractual principal or interest is more than 90 days past due).

American International Group, Inc.
Commercial Mortgages - Debt Service Coverage Ratios and Loan-to-Value Ratios by Vintage Year
Excluding Fortitude Re Funds Withheld Assets

(in millions)	June 30, 2021			
	Debt Service Coverage Ratios[1]			
Loan-to-Value Ratios[2]	>1.20x	1.00x - 1.20x	<1.00x	Total
Less than 65%	$ 17,439	$ 3,108	$ 1,549	**$ 22,096**
65% to 75%	8,518	542	347	**9,407**
76% to 80%	264	28	-	**292**
Greater than 80%	859	9	265	**1,133**
Total commercial mortgages*	$ 27,080	$ 3,687	$ 2,161	**$ 32,928**

(in millions)	June 30, 2021						
Loan-to-Value Ratios[2]	Vintage Year						
	2021	2020	2019	2018	2017	Prior	Total
Less than 65%	$ 523	$ 2,167	$ 3,549	$ 4,331	$ 2,293	$ 9,233	**$ 22,096**
65% to 75%	290	334	2,159	1,939	1,009	3,676	**9,407**
76% to 80%	-	-	19	-	65	208	**292**
Greater than 80%	339	-	-	-	264	530	**1,133**
Total commercial mortgages*	$ 1,152	$ 2,501	$ 5,727	$ 6,270	$ 3,631	$ 13,647	**$ 32,928**

* Does not reflect allowance for credit losses.

(1) The debt service coverage ratio compares a property's net operating income to its debt service payments, including principal and interest. Our weighted average debt service coverage ratio was 2.0X at June 30, 2021.
(2) The loan-to-value ratio compares the current unpaid principal balance of the loan to the estimated fair value of the underlying property collateralizing the loan. Our weighted average loan-to-value ratio was 58 percent at June 30, 2021.

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

(in millions)	Quarterly					Six Months Ended June 30,	
GAAP Basis:	**2Q21**	**1Q21**	**4Q20**	**3Q20**	**2Q20**	**2021**	**2020**
Numerator for EPS:							
Income from continuing operations	$ 150	$ 3,930	$ (16)	$ 294	$ (7,765)	$ 4,080	$ (6,111)
Less: Net income from continuing operations attributable to noncontrolling interests	51	54	37	11	162	105	67
Less: Dividends declared on preferred stock	8	7	7	7	8	15	15
Income attributable to AIG common shareholders from continuing operations	91	3,869	(60)	276	(7,935)	3,960	(6,193)
Income from discontinued operations, net of income tax expense	-	-	-	5	(1)	-	(1)
Net income attributable to AIG common shareholders	$ 91	$ 3,869	$ (60)	$ 281	$ (7,936)	$ 3,960	$ (6,194)
Denominator for EPS:							
Weighted average common shares outstanding - basic*	862.9	868.1	868.4	867.7	867.0	865.5	870.6
Dilutive **	10.0	8.2	-	5.4	-	9.1	-
Weighted average common shares outstanding - diluted	872.9	876.3	868.4	873.1	867.0	874.6	870.6
Income per common share attributable to AIG common shareholders:							
Basic:							
Income from continuing operations	$ 0.11	$ 4.45	$ (0.07)	$ 0.31	$ (9.15)	$ 4.58	$ (7.11)
Income from discontinued operations	-	-	-	0.01	-	-	-
Net income attributable to AIG common shareholders	$ 0.11	$ 4.45	$ (0.07)	$ 0.32	$ (9.15)	$ 4.58	$ (7.11)
Diluted:							
Income from continuing operations	$ 0.11	$ 4.41	$ (0.07)	$ 0.31	$ (9.15)	$ 4.53	$ (7.11)
Income from discontinued operations	-	-	-	0.01	-	-	-
Net income attributable to AIG common shareholders	$ 0.11	$ 4.41	$ (0.07)	$ 0.32	$ (9.15)	$ 4.53	$ (7.11)

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

** For the three months ended December 31 and June 30, 2020, since we reported a net loss attributable to AIG common shareholders from continuing operations, all common stock equivalents are anti-dilutive and are therefore excluded from the calculation of diluted shares and diluted per share amounts. The shares excluded from the diluted EPS calculation were 8,309,281 shares and 3,226,882 shares in the same periods respectively.

American International Group, Inc.
Reconciliation of Book Value Per Common Share
(in millions, except per common share data)

Book Value Per Common Share	Quarterly 2Q21	1Q21	4Q20	3Q20	2Q20	As of June 30, 2021	2020
Total AIG shareholders' equity	$ 66,083	$ 62,679	$ 66,362	$ 64,108	$ 62,234	$ 66,083	$ 62,234
Less: Preferred equity	485	485	485	485	485	485	485
Total AIG common shareholders' equity (a)	65,598	62,194	65,877	63,623	61,749	65,598	61,749
Less: Accumulated other comprehensive income (AOCI)	10,209	6,466	13,511	10,978	9,169	10,209	9,169
Add: Cumulative unrealized gains and losses related to Fortitude Re funds withheld assets	3,341	2,246	4,657	4,392	4,215	3,341	4,215
Less: Deferred tax assets (DTA)*	7,374	7,539	7,907	8,123	8,643	7,374	8,643
Total adjusted common shareholders' equity (b)	$ 51,356	$ 50,435	$ 49,116	$ 48,914	$ 48,152	$ 51,356	$ 48,152
Total common shares outstanding (c)	854.9	859.4	861.6	861.4	861.4	854.9	861.4
Book value per common share (a÷c)	$ 76.73	$ 72.37	$ 76.46	$ 73.86	$ 71.68	$ 76.73	$ 71.68
Adjusted book value per common share (b÷c)	60.07	58.69	57.01	56.78	55.90	60.07	55.90

Tangible Book Value Per Common Share	Quarterly 2Q21	1Q21	4Q20	3Q20	2Q20	As of June 30, 2021	2020
Total AIG common shareholders' equity (a)	$ 65,598	$ 62,194	$ 65,877	$ 63,623	$ 61,749	$ 65,598	$ 61,749
Less Intangible Assets:							
Goodwill	4,083	4,079	4,074	4,026	3,983	4,083	3,983
Value of business acquired	121	123	126	122	121	121	121
Value of distribution channel acquired	477	487	497	507	517	477	517
Other intangibles	305	309	319	322	323	305	323
Total intangibles assets	4,986	4,998	5,016	4,977	4,944	4,986	4,944
Less: Accumulated other comprehensive income (AOCI)	10,209	6,466	13,511	10,978	9,169	10,209	9,169
Add: Cumulative unrealized gains and losses related to Fortitude Re funds withheld assets	3,341	2,246	4,657	4,392	4,215	3,341	4,215
Less: Deferred tax assets (DTA)*	7,374	7,539	7,907	8,123	8,643	7,374	8,643
Total adjusted tangible common shareholders' equity (b)	$ 46,370	$ 45,437	$ 44,100	$ 43,937	$ 43,208	$ 46,370	$ 43,208
Total common shares outstanding (c)	854.9	859.4	861.6	861.4	861.4	854.9	861.4
Adjusted tangible book value per common share (b÷c)	$ 54.24	$ 52.87	$ 51.18	$ 51.01	$ 50.16	54.24	50.16

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

(in millions, except per common share data)

	Quarterly					June 30,	
Return On Common Equity Computations	**2Q21**	**1Q21**	**4Q20**	**3Q20**	**2Q20**	**2021**	**2020**
Actual or Annualized net income (loss) attributable to AIG common shareholders (a)	$ 364	$ 15,476	$ (240)	$ 1,124	$ (31,744)	$ 7,920	$ (12,388)
Actual or Annualized adjusted after-tax income attributable to AIG common shareholders (b)	$ 5,324	$ 3,692	$ 3,308	$ 2,832	$ 2,244	$ 4,508	$ 1,332
Average AIG Common Shareholders' equity (c)	$ 63,896	$ 64,036	$ 64,750	$ 62,686	$ 60,719	$ 64,556	$ 62,209
Less: Average AOCI	8,338	9,989	12,245	10,074	4,088	10,062	4,386
Add: Average cumulative unrealized gains and losses related to Fortitude Re funds withheld assets	2,794	3,452	4,525	4,304	2,108	3,415	1,405
Less: Average DTA*	7,457	7,723	8,015	8,383	8,589	7,607	8,718
Average adjusted common shareholders' equity (d)	$ 50,895	$ 49,776	$ 49,015	$ 48,533	$ 50,150	$ 50,302	$ 50,510
ROCE (a÷c)	0.6%	24.2%	(0.4%)	1.8%	NM**	12.3%	NM**
Adjusted return on common equity (b÷d)	10.5%	7.4%	6.7%	5.8%	4.5%	9.0%	2.6%

	Quarterly					June 30,	
Return On Tangible Common Equity Computations	**2Q21**	**1Q21**	**4Q20**	**3Q20**	**2Q20**	**2021**	**2020**
Actual or Annualized adjusted after-tax income attributable to AIG common shareholders (a)	$ 5,324	$ 3,692	$ 3,308	$ 2,832	$ 2,244	$ 4,508	$ 1,332
Average AIG Common Shareholders' equity	$ 63,896	$ 64,036	$ 64,750	$ 62,686	$ 60,719	$ 64,556	$ 62,209
Less: Average intangible assets	4,992	5,007	4,997	4,961	5,043	5,000	5,103
Less: Average AOCI	8,338	9,989	12,245	10,074	4,088	10,062	4,386
Add: Average cumulative unrealized gains and losses related to Fortitude Re funds withheld assets	2,794	3,452	4,525	4,304	2,108	3,415	1,405
Less: Average DTA*	7,457	7,723	8,015	8,383	8,589	7,607	8,718
Average adjusted tangible common shareholders' equity (b)	45,903	44,769	44,018	43,572	45,107	$ 45,302	$ 45,407
Adjusted return on tangible common equity (a÷b)	11.6%	8.2%	7.5%	6.5%	5.0%	10.0%	2.9%

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

** Not Meaningful.

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

(in millions)	Quarterly					Six Months Ended June 30,	
	2Q21	1Q21	4Q20	3Q20	2Q20	2021	2020
Pre-tax income (loss) from continuing operations	$ 147	$ 4,728	$ (558)	$ 368	$ (9,661)	$ 4,875	$ (7,103)
Adjustments to arrive at Adjusted pre-tax income (loss)							
Changes in fair value of securities used to hedge guaranteed living benefits	(13)	(22)	(17)	(15)	(16)	(35)	(9)
Changes in benefit reserves and DAC, VOBA and SIA related to net realized gains (losses)	(120)	203	(217)	(78)	(255)	83	283
Changes in the fair value of equity securities	13	(22)	(216)	(119)	(56)	(9)	135
Loss (gain) on extinguishment of debt	106	(8)	(3)	(2)	-	98	17
Net investment income on Fortitude Re funds withheld assets (a)	(507)	(486)	(479)	(458)	(116)	(993)	(116)
Net realized gains on Fortitude Re funds withheld assets (a)	(173)	(173)	(335)	(32)	(96)	(346)	(96)
Net realized (gains) losses on Fortitude Re funds withheld embedded derivative (a)	2,056	(2,382)	1,152	656	837	(326)	837
Net realized (gains) losses (b)	59	(627)	1,472	512	1,607	(568)	(1,887)
(Income) loss from divested businesses	1	(7)	(127)	24	8,412	(6)	8,628
Non-operating litigation reserves and settlements	-	-	(16)	1	-	-	(6)
Favorable prior year development and related amortization changes ceded under retroactive reinsurance agreements	(65)	(19)	(150)	(30)	(33)	(84)	(41)
Net loss reserve discount (benefit) charge	22	(32)	475	(31)	16	(10)	72
Integration and transaction costs associated with acquiring or divesting businesses	35	9	5	1	4	44	6
Restructuring and other costs	126	74	111	100	134	200	224
Non-recurring costs related to regulatory or accounting changes	21	20	19	19	14	41	27
Adjusted pre-tax income	**$ 1,708**	**$ 1,256**	**$ 1,116**	**$ 916**	**$ 791**	**$ 2,964**	**$ 971**

(a) Represents activity subsequent to the deconsolidation of Fortitude Re on June 2, 2020.
(b) Includes all net realized gains and losses except earned income (periodic settlements and changes in settlement accruals) on derivative instruments used for non-qualifying (economic) hedging or for asset replication and net realized gains and losses on Fortitude Re funds withheld assets.

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

(in millions)	Quarterly					Six Months Ended June 30,	
	2Q21	1Q21	4Q20	3Q20	2Q20	2021	2020
After-tax net income (loss), including noncontrolling interests	**$ 150**	**$ 3,930**	**$ (16)**	**$ 299**	**$ (7,766)**	**$ 4,080**	**$ (6,112)**
Noncontrolling interests (income) loss	(51)	(54)	(37)	(11)	(162)	(105)	(67)
Net income (loss) attributable to AIG	**$ 99**	**$ 3,876**	**$ (53)**	**$ 288**	**$ (7,928)**	**$ 3,975**	**$ (6,179)**
Dividends on preferred stock	**8**	7	7	7	8	15	15
Net income (loss) attributable to AIG common shareholders	**$ 91**	**$ 3,869**	**$ (60)**	**$ 281**	**$ (7,936)**	**$ 3,960**	**$ (6,194)**
Adjustments to arrive at Adjusted after-tax income (loss) (amounts net of tax, at U.S. statutory tax rate for each respective period, except where noted):							
Changes in uncertain tax positions and other tax adjustments (a)	35	(901)	(336)	(7)	206	(866)	211
Deferred income tax valuation allowance (releases) charges (b)	(25)	686	(157)	(8)	(183)	661	100
Changes in fair value of securities used to hedge guaranteed living benefits	(11)	(17)	(13)	(12)	(12)	(28)	(7)
Changes in benefit reserves and DAC, VOBA and SIA related to net realized gains (losses)	(95)	160	(171)	(61)	(202)	65	223
Changes in the fair value of equity securities	10	(17)	(171)	(94)	(44)	(7)	107
Loss (gain) on extinguishment of debt	83	(6)	(2)	(1)	-	77	13
Net investment income on Fortitude Re funds withheld assets(c)	(400)	(384)	(378)	(362)	(92)	(784)	(92)
Net realized (gains) losses on Fortitude Re funds withheld assets(c)	(136)	(137)	(264)	(25)	(76)	(273)	(76)
Net realized (gains) losses on Fortitude Re funds withheld embedded derivative (c)	1,625	(1,883)	910	519	661	(258)	661
Net realized (gains) losses (d)(e)	42	(482)	1,141	423	1,240	(440)	(1,489)
(Income) loss from discontinued operations and divested businesses (e)	1	(6)	(21)	5	6,756	(5)	6,927
Non-operating litigation reserves and settlements	-	-	(13)	1	-	-	(5)
Unfavorable (favorable) prior year development and related amortization changes ceded under retroactive reinsurance agreements	(51)	(15)	(119)	(24)	(26)	(66)	(32)
Net loss reserve discount (benefit) charge	17	(25)	375	(25)	13	(8)	57
Integration and transaction costs associated with acquiring or divesting businesses	28	7	4	-	3	35	5
Restructuring and other costs	100	58	88	79	106	158	177
Non-recurring costs related to regulatory or accounting changes	17	16	15	15	11	33	21
Noncontrolling interests primarily related to net realized gains (losses) of Fortitude Holdings' standalone results (f)	-	-	(1)	4	136	-	59
Adjusted after-tax income (loss) attributable to AIG common shareholders	**$ 1,331**	**$ 923**	**$ 827**	**$ 708**	**$ 561**	**$ 2,254**	**$ 666**
Calculation of Effective Tax Rates							
Adjusted pre-tax income (loss) (g)	$ 1,708	$ 1,256	$ 1,116	$ 916	$ 791	$ 2,964	$ 971
Income tax benefit (expense) (h)	(318)	(272)	(244)	(194)	(196)	(590)	(282)
Dividends on preferred stock	(8)	(7)	(7)	(7)	(8)	(15)	(15)
Noncontrolling interests	(51)	(54)	(38)	(7)	(26)	(105)	(8)
Adjusted after-tax income (loss) attributable to AIG common shareholders	**$ 1,331**	**$ 923**	**$ 827**	**$ 708**	**$ 561**	**$ 2,254**	**$ 666**
Effective tax rates on adjusted pre-tax income (loss) (h÷g)	**18.6%**	**21.7%**	**21.9%**	**21.2%**	**24.8%**	**19.9%**	**29.0%**

(a) 1Q21 and 4Q20 include the recent completion of audit activity by the IRS.

(b) Three months ended March 31, 2021 includes an increase in the valuation allowance against a portion of certain tax attribute carryforwards of AIG's U.S. federal consolidated income tax group, as well as net valuation allowance release in certain foreign jurisdictions.

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

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

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

(f) See note (6) on page 14.

American International Group, Inc.
Reconciliation of Adjusted Segment Common Equity

(in millions)

General Insurance	Quarterly 2Q21	1Q21	4Q20	3Q20	2Q20	Six Months Ended June 30, 2021	2020
Total segment shareholder's equity	$ 26,308	$ 26,039	$ 26,214	$ 25,800	$ 25,403	$ 26,308	$ 25,403
Less: Preferred equity	197	196	192	193	194	197	194
Total segment common equity	26,111	25,843	26,022	25,607	25,209	26,111	25,209
Less: Accumulated other comprehensive income (AOCI)	849	728	1,319	828	309	849	309
Add: Cumulative unrealized gains and losses related to Fortitude Re funds withheld assets	211	150	341	306	295	211	295
Total adjusted segment common equity	$ 25,473	$ 25,265	$ 25,044	$ 25,085	$ 25,195	$ 25,473	$ 25,195

Life and Retirement	Quarterly 2Q21	1Q21	4Q20	3Q20	2Q20	Six Months Ended June 30, 2021	2020
Total segment shareholder's equity	$ 29,558	$ 26,568	$ 29,688	$ 27,937	$ 26,712	$ 29,558	$ 26,712
Less: Preferred equity	139	136	128	129	127	139	127
Total segment common equity	29,419	26,432	29,560	27,808	26,585	29,419	26,585
Less: Accumulated other comprehensive income (AOCI)	11,860	8,366	14,613	12,425	11,332	11,860	11,332
Add: Cumulative unrealized gains and losses related to Fortitude Re funds withheld assets	3,130	2,160	4,225	4,038	3,848	3,130	3,848
Total adjusted segment common equity	$ 20,689	$ 20,226	$ 19,172	$ 19,421	$ 19,101	$ 20,689	$ 19,101

Other Operations	Quarterly 2Q21	1Q21	4Q20	3Q20	2Q20	Six Months Ended June 30, 2021	2020
Total segment shareholder's equity	$ 10,217	$ 10,072	$ 10,460	$ 10,371	$ 10,119	$ 10,217	$ 10,119
Less: Preferred equity	149	153	165	163	164	149	164
Total segment common equity	10,068	9,919	10,295	10,208	9,955	10,068	9,955
Less: Accumulated other comprehensive income (AOCI)	(2,500)	(2,628)	(2,421)	(2,275)	(2,472)	(2,500)	(2,472)
Add: Cumulative unrealized gains and losses related to Fortitude Re funds withheld assets	-	(64)	91	48	72	-	72
Less: Deferred tax assets (DTA)*	7,374	7,539	7,907	8,123	8,643	7,374	8,643
Total adjusted segment common equity	$ 5,194	$ 4,944	$ 4,900	$ 4,408	$ 3,856	$ 5,194	$ 3,856

* 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.

As of June 30, 2021, approximately $30.1 billion of reserves from AIG's Life and Retirement Run-Off Lines and approximately $4.0 billion of reserves from AIG's General Insurance Run-Off Lines, related to business written by multiple wholly-owned AIG subsidiaries, had been ceded to Fortitude Re under reinsurance transactions. As of closing of the Majority Interest Fortitude Sale, these reinsurance transactions are no longer considered affiliated transactions and Fortitude Re is the reinsurer of the majority of AIG's Run-off Portfolio. Below lists selected Balance Sheet data (in millions) from our life insurance and general insurance subsidiaries related to the business ceded to Fortitude:

	June 30, 2021	March 31, 2021	December 31, 2020	September 30, 2020	June 30, 2020
Funds withheld assets	$ 40,882	$ 39,704	$ 42,502	$ 42,024	$ 41,541
Reinsurance assets - Fortitude Re	34,092	34,342	34,578	34,707	34,556
Fortitude Re funds withheld payable	41,403	40,181	43,060	42,543	42,033
General Insurance run-off reserves*	3,952	4,022	4,093	4,093	4,125
Life and Retirement run-off reserves	30,140	30,320	30,486	30,614	30,431

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

There is a diverse pool of assets supporting the funds withheld arrangements with Fortitude Re. The following summarizes the composition of the pool of assets as of June 30, 2021:

	June 30, 2021		
	Carrying Value	Fair Value	Corresponding Accounting Policy
Fixed maturity securities - available for sale (a)	$ 34,165	$ 34,165	Fair value through other comprehensive income
Fixed maturity securities - fair value option	179	179	Fair value through net investment income
Commercial mortgage loans	3,706	3,978	Amortized cost
Real estate investments	304	553	Amortized cost
Private equity funds / hedge funds	1,356	1,356	Fair value through net investment income
Policy loans	395	395	Amortized cost
Short-term investments	94	94	Fair value through net investment income
Funds withheld investment assets	40,199	40,720	
Derivative assets, net (b)	51	51	Fair value through net realized gains (losses)
Other (c)	632	632	Amortized cost
Total	$ 40,882	$ 41,403	

(a) The change in the net unrealized gains (losses) on available for sale securities related to the Fortitude Re funds withheld assets was $(1.6) billion ($(1.3) billion after-tax) for the six months ended June 30, 2021.
(b) The derivative assets and liabilities have been presented net of cash collateral. The derivative assets and liabilities supporting the Fortitude Re funds withheld arrangements had a fair market value of $308 million and $10 million, respectively, as of June 30, 2021. These derivative assets and liabilities are fully collateralized either by cash or securities.
(c) Primarily comprised of Cash and Accrued investment income.

The impact of the funds withheld arrangements with Fortitude Re for the period post deconsolidation (June 2, 2020) was as follows:

	Quarterly					Six Months Ended June 30,	
	2Q21	1Q21	4Q20	3Q20	2Q20	2021	2020
Net underwriting income (a)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net investment income - Fortitude Re funds withheld assets	507	486	479	458	116	993	116
Net realized gains (losses) on Fortitude Re funds withheld assets:							
Net realized gains - Fortitude Re funds withheld assets	173	173	335	32	96	346	96
Net realized gains (losses) - Fortitude Re embedded derivatives	(2,056)	2,382	(1,152)	(656)	(837)	326	(837)
Net realized gains (losses) on Fortitude Re funds withheld assets	(1,883)	2,555	(817)	(624)	(741)	672	(741)
Income (loss) from continuing operations before income tax expense (benefit)	(1,376)	3,041	(338)	(166)	(625)	1,665	(625)
Income tax expense (benefit) (b)	(289)	639	(71)	(35)	(131)	350	(131)
Net income (loss)	(1,087)	2,402	(267)	(131)	(494)	1,315	(494)
Change in unrealized appreciation (depreciation) of all other investments (b)	1,055	(2,340)	242	132	438	(1,285)	438
Comprehensive income (loss)	$ (32)	$ 62	$ (25)	$ 1	$ (56)	$ 30	$ (56)

(a) Effective in the second quarter of 2021, an amendment was made to the purchase agreement to finalize the post-closing purchase price adjustment for adverse reserve development and as a result, during the three months ended June 30, 2021, AIG recognized a $21 million benefit through Policyholder benefits and losses incurred.
(b) The income tax expense (benefit) and the tax impact in accumulated other comprehensive income was computed using the U.S. statutory tax rate of 21 percent.

Various assets supporting the Fortitude Re funds withheld arrangements are reported at amortized cost, and as such, changes in the fair value of these assets are not reflected in the financial statements. However, changes in the fair value of these assets are included in the embedded derivative in the Fortitude Re funds withheld arrangements and the appreciation of these assets is the primary driver of the comprehensive income (loss) reflected above.

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

(in millions)	Quarterly					Six Months Ended June 30,	
Individual Retirement:	**2Q21**	**1Q21**	**4Q20**	**3Q20**	**2Q20**	**2021**	**2020**
Premiums	$ 32	$ 25	$ 37	$ 35	$ 38	$ 57	$ 79
Deposits	3,949	3,349	2,720	2,670	1,759	7,298	4,838
Other	(3)	(1)	1	(3)	(3)	(4)	(7)
Premiums and deposits	**$ 3,978**	**$ 3,373**	**$ 2,758**	**$ 2,702**	**$ 1,794**	**$ 7,351**	**$ 4,910**
Individual Retirement (Fixed Annuities):							
Premiums	$ 32	$ 25	$ 38	$ 36	$ 39	$ 57	$ 80
Deposits	909	615	522	914	362	1,524	978
Other	(3)	(2)	(1)	(8)	(14)	(5)	(24)
Premiums and deposits	**$ 938**	**$ 638**	**$ 559**	**$ 942**	**$ 387**	**$ 1,576**	**$ 1,034**
Individual Retirement (Variable Annuities):							
Premiums	$ -	$ -	$ (1)	$ (1)	$ (1)	$ -	$ (1)
Deposits	1,427	1,197	931	666	532	2,624	1,385
Other	-	1	2	5	11	1	17
Premiums and deposits	**$ 1,427**	**$ 1,198**	**$ 932**	**$ 670**	**$ 542**	**$ 2,625**	**$ 1,401**
Individual Retirement (Index Annuities):							
Premiums	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Deposits	1,514	1,388	1,128	942	680	2,902	2,026
Other	-	-	-	-	-	-	-
Premiums and deposits	**$ 1,514**	**$ 1,388**	**$ 1,128**	**$ 942**	**$ 680**	**$ 2,902**	**$ 2,026**
Individual Retirement (Retail Mutual Funds):							
Premiums	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Deposits	99	149	139	148	185	248	449
Other	-	-	-	-	-	-	-
Premiums and deposits	**$ 99**	**$ 149**	**$ 139**	**$ 148**	**$ 185**	**$ 248**	**$ 449**
Group Retirement:							
Premiums	$ 4	$ 4	$ 5	$ 5	$ 3	$ 8	$ 9
Deposits	2,251	1,814	2,194	1,767	1,667	4,065	3,516
Other	-	-	-	-	-	-	-
Premiums and deposits	**$ 2,255**	**$ 1,818**	**$ 2,199**	**$ 1,772**	**$ 1,670**	**$ 4,073**	**$ 3,525**
Life Insurance:							
Premiums	$ 532	$ 532	$ 491	$ 470	$ 491	$ 1,064	$ 954
Deposits	409	397	430	394	421	806	824
Other	220	202	235	212	207	422	403
Premiums and deposits	**$ 1,161**	**$ 1,131**	**$ 1,156**	**$ 1,076**	**$ 1,119**	**$ 2,292**	**$ 2,181**
Institutional Markets:							
Premiums	$ 1,077	$ 39	$ 417	$ 275	$ 1,090	$ 1,116	$ 1,847
Deposits	559	34	864	1,167	39	593	250
Other	5	7	6	6	6	12	14
Premiums and deposits	**$ 1,641**	**$ 80**	**$ 1,287**	**$ 1,448**	**$ 1,135**	**$ 1,721**	**$ 2,111**
Total Life and Retirement:							
Premiums	$ 1,645	$ 600	$ 950	$ 785	$ 1,622	$ 2,245	$ 2,889
Deposits	7,168	5,594	6,208	5,998	3,886	12,762	9,428
Other	222	208	242	215	210	430	410
Premiums and deposits	**$ 9,035**	**$ 6,402**	**$ 7,400**	**$ 6,998**	**$ 5,718**	**$ 15,437**	**$ 12,727**

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

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