Conference Call Credit Presentation

Financial Results for the Quarter Ended September 30, 2008

November 10, 2008

It should be noted that the remarks made on the conference call may contain projections concerning financial information and statements concerning future economic performance and events, plans and objectives relating to asset dispositions, liquidity, collateral posting requirements, management, operations, products and services, and assumptions underlying these projections and statements. It is possible that AIG's actual results and financial condition may differ, possibly materially, from the anticipated results and financial condition indicated in these projections and statements. Factors that could cause AIG's actual results to differ, possibly materially, from those in the specific projections and statements include developments in global credit markets and such other factors as are discussed in Item 1A. Risk Factors of AIG's Annual Report on Form 10-K for the year ended December 31, 2007, and in Item 1A. Risk Factors and Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations of AIG's Quarterly Report on Form 10-Q for the period ended September 30, 2008. AIG is not under any obligation (and expressly disclaims any such obligation) to update or alter its projections and other statements whether as a result of new information, future events or otherwise.

Remarks made on the conference call may also contain certain non-GAAP financial measures. The reconciliation of such measures to the comparable GAAP figures is included in the Third Quarter 2008 Financial Supplement available in the Investor Information section of AIG's corporate website, www.aigcorporate.com<http://www.aigcorporate.com/>.

Certain numerical information in this presentation may be slightly different from information contained in AIG's Quarterly Report on Form 10-Q for the quarter ended September 30, 2008. Such differences are the result of rounding and are not material.

OUTLINE

- Capital Markets - AIG Financial Products
- AIG Insurance Investment Portfolios
- Mortgage Insurance - United Guaranty
- Consumer Finance - American General Finance

Capital Markets –
AIG Financial Products

Summary Statistics

"Super Senior" Credit Derivatives

September 30, 2008

Transaction Type	Regulatory Capital				Arbitrage				Total	Prior Quarter
Category	**Corporate**	**Residential Mortgages**	**Other[1]**	**Subtotal**	**Corporate**	**Multi-Sector CDOs w/Subprime**	**Multi-Sector CDOs w/No Subprime**	**Subtotal**	**September 30, 2008**	**June 30, 2008**
Gross Notional ($ Billions)	$170.0	$143.6	$3.6	$317.2	$67.1	$76.5	$32.0	$175.6	$492.8	$587.5
AIGFP Net Notional Exposure ($ Billions)	$131.8	$116.6	$1.6	$250.0	$50.7	$55.1	$16.5	$122.3	$372.3[2]	$441.0[2]
Number of Transactions	32	26	1	59	28	97	12	137	196	208
Weighted Average Subordination (%) [3]	18.0%	13.4%	12.1%	15.8%	18.2%	24.3%	16.8%	20.6%	17.5%	19.6%
Weighted Average Number of Obligors / Transaction	1,636	86,289	15,399	N.M.[4]	128	197	101	N.M.[4]	N.M.[4]	N.M.[4]
Expected Maturity (Years)	1.4[5]	1.6[5]	8.0[6]	N.M.[4]	3.9[6]	5.0[6]	6.0[6]	N.M.[4]	N.M.[4]	N.M.[4]

1. *During the second quarter of 2008, a European RMBS regulatory capital relief transaction with a notional amount of $1.6 billion was not terminated as expected when it no longer provided regulatory capital benefit to the counterparty.*
2. *Excludes $5.8 billion and $5.0 billion, for the second and third quarters, respectively, on mezzanine tranches representing credit derivatives written by AIGFP on tranches below super senior on certain regulatory capital relief trades.*
3. *Weighted by Transaction Gross Notional.*
4. *Not meaningful.*
5. *Maturity shown reflects first non-regulatory call date, although majority of transactions have regulatory capital calls from January 2008.*
6. *Reflects the Weighted Average Life (WAL).*

Regulatory Capital

Corporate by Primary Jurisdiction

September 30, 2008

Exposure Portfolio	AIGFP Net Notional Exposure ($ Billions)	% of Total Exposure	Current Average Subordination (%)	Realized Losses to Date % of Pool	Weighted Average Maturity (Years)		Number of Transactions
Primarily Single Country					To First Call *	To Maturity	
Germany	$7.6	5.8%	20.7%	0.1%	3.8	10.2	4
Netherlands	$4.2	3.2%	18.4%	0.0%	1.2	45.2	1
Portugal	$4.0	3.0%	11.9%	0.1%	0.0	11.0	1
UK	$1.9	1.5%	25.3%	0.0%	0.3	13.0	1
France	$2.0	1.5%	21.1%	0.0%	0.2	0.2	1
Australia	$1.8	1.4%	9.0%	0.0%	1.0	2.5	1
Finland	$0.7	0.5%	27.3%	0.0%	0.3	6.3	1
Belgium	$1.5	1.1%	39.0%	0.0%	0.3	5.2	1
Subtotal Single Country	*$23.7*	*18.0%*	*20.4%*	*0.2%*	*1.6*	*14.7*	*11*
Regional							
Asia	$2.7	2.1%	22.8%	0.0%	0.7	2.9	2
Europe	$83.3	63.2%	17.7%	0.0%	1.3	6.1	14
North America	$22.1	16.7%	16.2%	0.0%	1.8	2.5	5
Subtotal Regional	*$108.1*	*82.0%*	*17.5%*	*0.0%*	*1.4*	*5.3*	*21*
Total	**$131.8**	**100.0%**	**18.0%**	**0.0%**	**N.M**	**N.M.**	**32**

* *The vast majority of deals have regulatory calls from January 2008. These calls are expected to be exercised within the next 2 years as the different originating banks in Europe are able to adopt the new Basel II Capital standards. The call date listed in the chart is the first non-regulatory call.*

Regulatory Capital

European Residential Mortgages

Summary by Geography

September 30, 2008

	AIGFP Net Notional Exposure ($ Billions)	% of Total Exposure	Current Average Subordination (%)	Realized Losses to Date % of Pool	Weighted Average Maturity (Years)		Number of Transactions
Country					To First Call *	To Maturity	
Denmark	$35.8	30.7%	9.4%	0.0%	0.7	31.0	3
France	$35.8	30.7%	8.4%	0.0%	1.3	31.7	7
Germany	$14.5	12.4%	24.8%	0.3%	1.6	28.5	10
Netherlands	$20.6	17.7%	17.7%	0.0%	3.2	8.7	3
Sweden	$8.3	7.2%	13.2%	0.0%	1.2	33.7	2
UK	$1.6	1.3%	10.0%	0.0%	0.5	22.4	1
Total	$116.6	100.0%	13.4%	0.0%	1.6	25.7	26

* *All of these deals have regulatory calls from January 2008. These calls are expected to be exercised within the next 2 years as the different originating banks in Europe are able to adopt the new Basel II Capital standards. The call date listed in the chart is the first non regulatory call.*

Summary Statistics

"Super Senior" Credit Derivatives
Change in Net Notional Amounts

($ Billions)	AIGFP Net Notional June 30, 2008	Applicable to: Amortizations / Replenishments	New Derivatives Written	Maturities / Early Terminations	Other[1]	AIGFP Net Notional September 30, 2008
Corporate – Regulatory Capital	**$172.7**	**($2.7)**	**$0.0**	**($25.8)**	**($12.4)**	**$131.8**
Residential Mortgages – Regulatory Capital	**132.6**	**1.5**	**0.0**	**(3.7)**	**(13.8)**	**116.6**
Other – Regulatory Capital	**1.6**	**0.2**	**0.0**	**0.0**	**(0.2)**	**1.6**
Corporate – Arbitrage	**53.8**	**(0.2)**	**0.0**	**(0.9)**	**(2.0)**	**50.7**
Multi-Sector CDOs, of which:	**80.3**	**(2.5)**	**0.0**	**0.0**	**(6.2)**	**71.6**
Transactions w/Subprime	*57.8*	*(2.2)*	*0.0*	*0.0*	*(0.5)*	*55.1*
Transactions w/No Subprime	*22.5*	*(0.3)*	*0.0*	*0.0*	*(5.7)*	*16.5*
Total	**$441.0**[2]	**($3.7)**	**$0.0**	**($30.4)**	**($34.6)**	**$372.3**[2]

1. *Other is composed primarily of foreign exchange fluctuations and transfer of 2a-7 Puts to securities.*
2. *Excludes $5.8 billion and $5.0 billion, for the second and third quarters, respectively, on mezzanine tranches representing credit derivatives written by AIGFP on tranches below super senior on certain regulatory capital relief trades.*

Rating Agency Actions on Multi-Sector CDOs with Subprime Collateral

As of October 10, 2008

($ Billions)

Original Flat Rating*		Current Flat Rating*				
Rating	**Amount**	**AAA**	**AA**	**A**	**BBB**	**Non-Investment Grade**
AAA	**$55.1**	**$16.4**	**$8.0**	**$8.4**	**$3.4**	**$18.9**
AA	**-**	**-**	**-**	**-**	**-**	**-**
A	**-**	**-**	**-**	**-**	**-**	**-**
BBB	**-**	**-**	**-**	**-**	**-**	**-**
Non-Investment Grade	**-**	**-**	**-**	**-**	**-**	**-**
AIGFP Net Notional Exposure	**$55.1**	**$16.4**	**$8.0**	**$8.4**	**$3.4**	**$18.9**

As of 10/10/08, the rating agencies have placed $41.3 billion of the portfolio on watch negative.

* *Based on lowest original and current "flat" ratings. Flat ratings exclude notches. Ratings are the "lowest of" in the event of a split rating.*
Source: Bloomberg, Moody's Investors Service, Standard & Poor's and Fitch

Process Followed for Accounting Valuation of Multi-Sector CDO Portfolio

September 30, 2008

Acquisition & Review of Third Party Prices of Collateral Securities

- Third Party prices are collected from CDO Managers;
- Obtained prices on approximately 70% of collateral securities;
- Derived final price by averaging in case of multiple quotes;
- Reviewed prices for consistency across ratings and vintages;
- Rolled forward August 31 prices to September 30 using data from a third-party pricing vendor.

Benchmark to Independent Sources

- Prices for about 74% of securities are available from IDC*;
- About 75% overlap between CDO Manager prices and IDC.

Key Inputs to Modified BET Model

- Pricing matrix for collateral securities for which no price was collected;
- WAL of securities from Bloomberg;
- Diversity scores from CDO Trustees;
- LIBOR curve for discounting cash flows;
- Recovery rates based on Moody's multi-sector CDO recovery data.

Run Modified BET Model

- Convert collateral security price to credit spread and market-implied default probabilities;
- Use key inputs to run BET model;
- Use cash-flow diversion algorithms;
- Calculate mark-to-market for each multi-sector CDO transaction.

Overlay of Super Senior Bond Quotes

- Obtained super senior bond quotes from 15 different third parties;
- Overlay super senior bond quotes to the modified BET model results.

** IDC - Interactive Data Corporation*

Stress Testing/ Sensitivity Analysis

Evolution of Illustrations of Potential Realized Credit Losses

Ratings-Based Static Stress (4Q07 & 1Q08)

- Assumed stress based on current ratings
- Assumed to result in immediate default
- Stress test differentiated by vintage of subprime RMBS
- No modeling of cash flow waterfall

Roll-Rate Sensitivity (1Q08)

- Reflected more current performance of subprime and Alt-A mortgages
- Delinquent mortgages modeled using roll rate frequency/severity assumptions
- Non-delinquent mortgages modeled using loss timing curves and severity assumptions
- Inner CDOs* modeled using ratings-based stresses
- No modeling of cash flow waterfall

Roll-Rate Scenarios (2Q & 3Q08)

- Enhanced 1Q08 methodology to:
  - i. Include prime RMBS
  - ii. Model cash flow waterfall
- Changed assumptions in view of deteriorating real estate market conditions:
  - i. Revisions to roll rate default and severity assumptions for subprime and Alt-A
  - ii. Use of current ratings to inner CDOs and higher stresses to other ABS collateral

AIG's stress testing/sensitivity incorporates all U.S. RMBS collateral pools and models the operation of the cash flow waterfall. Loss assumptions also reflect deteriorating real estate market conditions.

** Inner CDOs include other ABS, such as CMBS, credit card and auto loan ABS.*

Stress Testing – Roll Rate

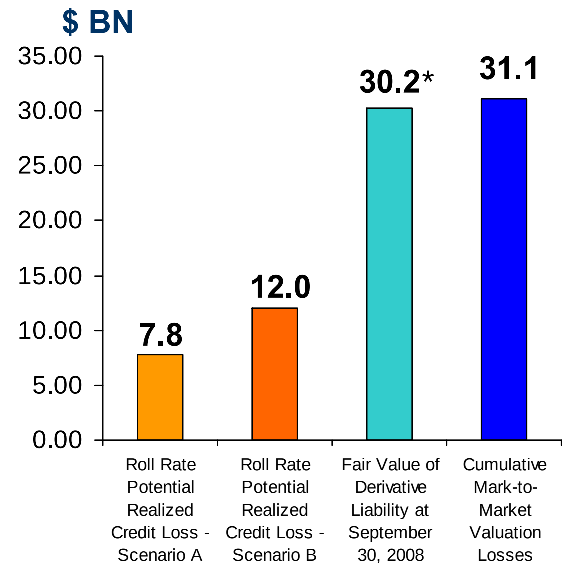
Illustration of Potential Realized Credit Losses on AIGFP's "Super Senior" Multi-Sector CDO Credit Derivative Portfolio

AIG continues to expect future realized credit losses to be significantly lower than the fair value losses recorded under GAAP as of September 30, 2008. However, there can be no assurance that the ultimate realized credit losses will not exceed the estimates of potential realized credit losses below.

Description of Potential Realized Credit Loss Scenario Analysis

- *Collateral Pools Included*: All U.S. RMBS (i.e., subprime, Alt-A and prime).
- *Delinquent Mortgages*: Modeled using data as of August 31, 2008, assuming certain percentages of such loans roll into default & foreclosure and assuming loss severities. Assumptions differentiated by delinquency status and vintage.
- *Non-Delinquent Mortgages*: Defaults estimated by using loss timing curves (differentiated by weighted average loan age) and applying loss severities.
- Inner CDOs: Modeled using ratings-based stresses differentiated by vintage with updated ratings.
- *Cash Flow Waterfall*: Modeled to capture the potential effects, both positive and negative, of cash flow diversion within each CDO.

Pre-Tax Loss Estimates



* *Excludes approximately $907 million of the cumulative unrealized market value loss that was recognized primarily as a result of the purchase during the nine month period ended September 30, 2008 of $6.6 billion of other super senior CDO securities in connection with 2a-7 Puts.*

Stress Testing – Roll Rate

Reconciliation of Change to Potential Realized Credit Losses on AIGFP's "Super Senior" Multi-Sector CDO Credit Derivative Portfolio

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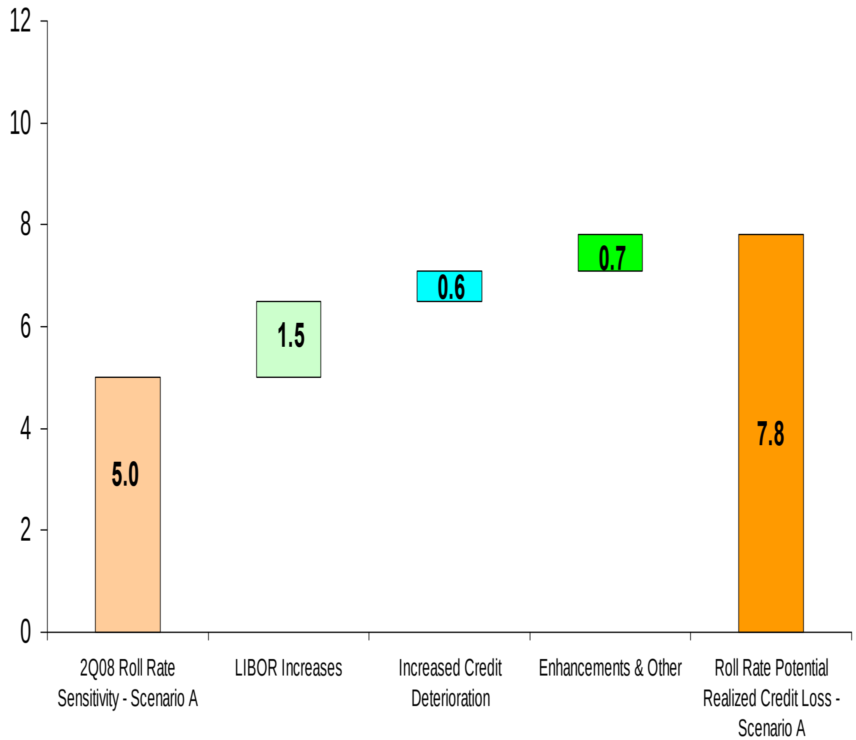
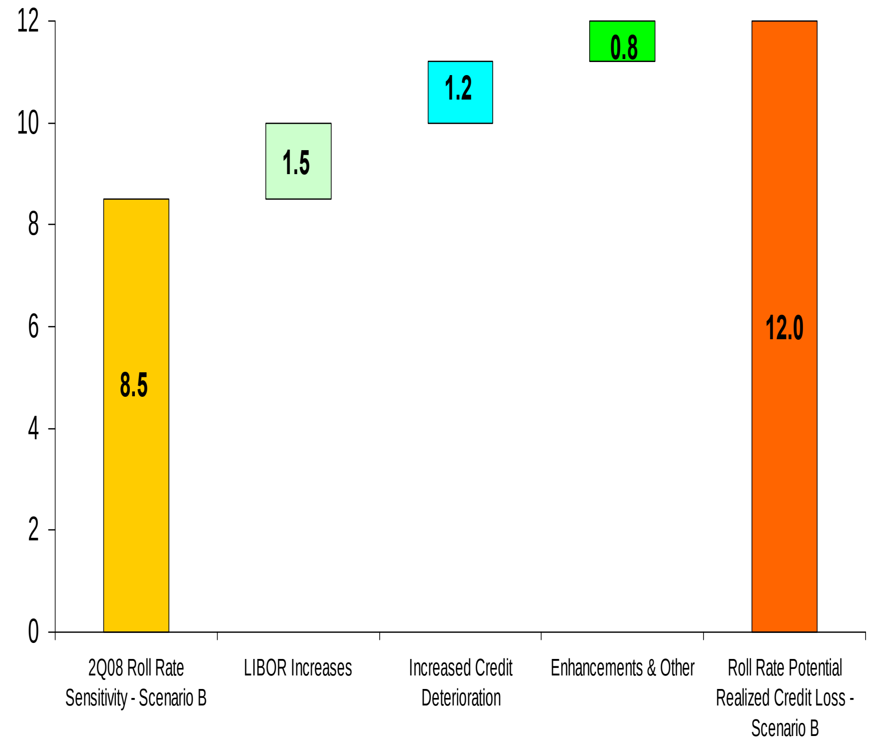




The deterioration in real estate market conditions resulted in a substantial increase in the roll rate potential realized credit loss scenarios. These conditions and other related macroeconomic effects (e.g., unemployment levels) could continue to have a material effect on estimates of ultimate realized credit losses.

Stress Testing – Roll Rate

U.S. RMBS Roll Rate Assumptions

	March 31, 2008	June 30 & September 30, 2008	
	Sensitivity Used in 1Q08 Disclosure	Scenario A	Scenario B
Subprime Delinquent Mortgages	***Assumed Percentage Rolling into Default***		
Delinquency Status:			
30+ Days	60% (Pre 2005) to 71% (2007)	60% (Pre 2005) to 80% (2007)	72% (Pre 2005) to 96% (2007)
60+ Days	70% (Pre 2005) to 83% (2007)	70% (Pre 2005) to 80% (2007)	84% (Pre 2005) to 96% (2007)
90+ Days	70% (Pre 2005) to 83% (2007)	70% (Pre 2005) to 90% (2007)	84% (Pre 2005) to 100% (2007)
Assumed Loss Severities:	40% (Pre 3Q-4Q 2005) to 60% (2007)	50% (Pre 2005) to 60% (2007)	60% (Pre 2005) to 72% (2007)
Alt-A Delinquent Mortgages	***Assumed Percentage Rolling into Default***		
Delinquency Status:			
30+ Days	48% (Pre 2005) to 48% (2007)	50% (Pre 2005) to 80% (2007)	60% (Pre 2005) to 96% (2007)
60+ Days	60% (Pre 2005) to 78% (2007)	60% (Pre 2005) to 80% (2007)	70% (Pre 2005) to 96% (2007)
90+ Days	70% (Pre 2005) to 87% (2007)	70% (Pre 2005) to 90% (2007)	84% (Pre 2005) to 100% (2007)
Assumed Loss Severities:	35% (Pre 3Q-4Q 2005) to 45% (2007)	35% (Pre 2005) to 45% (2007)	42% (Pre 2005) to 54% (2007)
Prime Delinquent Mortgages	***Assumed Percentage Rolling into Default***		
Delinquency Status:			
60+ Days	NA	60% all periods	72% all periods
90+ Days	NA	70% all periods	84% all periods
Assumed Loss Severities:	NA	25% (Pre 2005) to 35% (2007)	30% (Pre 2005) to 42% (2007)

*Inner CDOs – Ratings**	2004 & 2005	2006 & 2007
	Stress Loss Assumptions	
AAA	8%	50%
AA	43%	93%
A	64%	96%
BBB	82%	97%
BB+ or Lower	100%	100%

* *Based on lowest published current ratings of Moody's Investors Service, Standard & Poor's and Fitch*

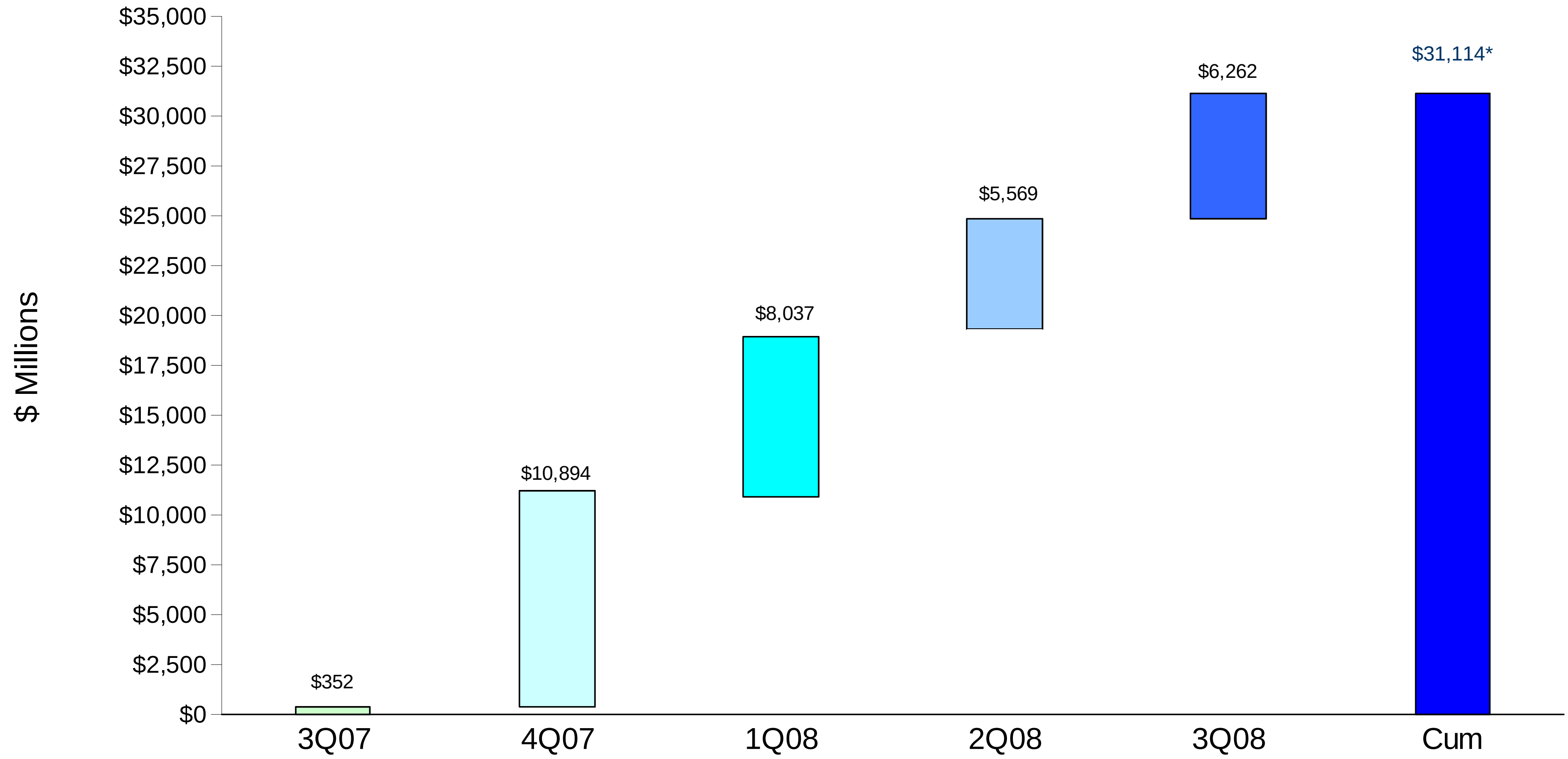
AIGFP "Super Senior" Credit Derivatives Portfolio

Accounting Valuation – Mark-to-Market

Type / $ Billions	AIGFP Notional Exposure September 30, 2008	Fair Value of Derivative Liability September 30, 2008	MTM - 3 Months Ended September 30, 2008	MTM – 9 Months Ended September 30, 2008
Corporate Arbitrage[1]	**$50.7**	**$1.5**	**$0.5**	**$1.3**
Regulatory Capital[2]	**250.0**	**0.4**	**0.3**	**0.4**
Multi-Sector CDOs, of which:	**71.6**	**30.2**	**6.3**	**19.8**
Transactions w/Subprime:				
High Grade	*40.8*	*18.2*	*4.2*	*12.0*
Mezzanine	*14.3*	*7.5*	*0.6*	*3.5*
Transactions w/No Subprime:				
High Grade	*15.7*	*4.2*	*1.4*	*4.1*
Mezzanine	*0.8*	*0.3*	*0.1*	*0.2*
Subtotal:	**372.3**	**32.1**	**7.1**	**21.5**
Mezzanine Tranches (Credit Derivatives on Tranches Below Super Senior on Certain Regulatory Capital Relief Trades)	**5.0**	**0.2**	**0.0**	**0.2**
Total:	**$377.3**	**$32.3**	**$7.1**	**$21.7**

1. *Represents Corporate Debt and CLOs.*
2. *Represents Corporate, Residential Mortgages and Other Regulatory Capital transactions.*

Multi-Sector CDO Mark-to-Market Valuation Losses



** Includes approximately $907 million of the cumulative unrealized market value loss that was recognized primarily as a result of the purchase during the nine month period ended September 30, 2008 of $6.6 billion of other super senior CDO securities in connection with 2a-7 Puts.*

AIG Insurance Investment Portfolios

AIG Insurance Investment Portfolios

RMBS Portfolio Overview

- Holdings of global residential mortgage market products total approximately $64.7 billion at September 30, 2008, or about 8.2% of AIG's total invested assets.
  - Approximately 82% of the portfolio is composed of Agency and AAA rated securities.
  - Close to 92% of the portfolio consists of AA, AAA and Agency securities.
- Within AIGI's $47.3 billion non-agency portfolio, about 76% is AAA-rated and 13% is AA-rated.
  - Holdings rated BBB or below total approximately $3.3 billion (less than 7% of the portfolio and about 0.4% of total invested assets).
  - About $4.3 billion (9%) is "wrapped" by monoline insurance.

RMBS Type	Par Value ($ Billions)	Par Value %	Amortized Cost ($ Billions)	Amortized Cost %	Fair Value ($ Billions)	Fair Value %
Agency Pass-Through and CMO Issuances	$17.8	20.6	$17.4	26.9	$17.5	28.4
Prime Non-Agency (incl. Foreign and Jumbo RMBS related securities)	18.2	21.0	15.7	24.3	13.7	22.2
Alt-A RMBS	24.0	27.7	15.0	23.2	14.0	22.7
Subprime RMBS	22.8	26.3	14.5	22.4	14.4	23.4
Other Housing-Related Paper	3.8	4.4	2.1	3.2	2.0	3.3
Total RMBS	**$86.6**	**100%**	**$64.7**	**100%**	**$61.6**	**100%**

Changes in RMBS Portfolio - Amortized Cost

($ Billions)	Amortized Cost June 30, 2008	Paydowns	OTTI 3rd Quarter	Other[1]	Amortized Cost September 30, 2008
Total RMBS, of which:	**$77.5**	**($2.1)**	**($11.3)**	**$0.6**	**$64.7**
Alt-A	*20.2*	*(0.6)*	*(4.7)*	*0.1*	*15.0*
Subprime	*20.0*	*(0.7)*	*(4.8)*	*-*	*14.5*

1. Other is comprised of sales, purchases, amortizations, accruals, etc.

AIG Insurance Investment Portfolios

RMBS Portfolio

September 30, 2008

($ Millions)

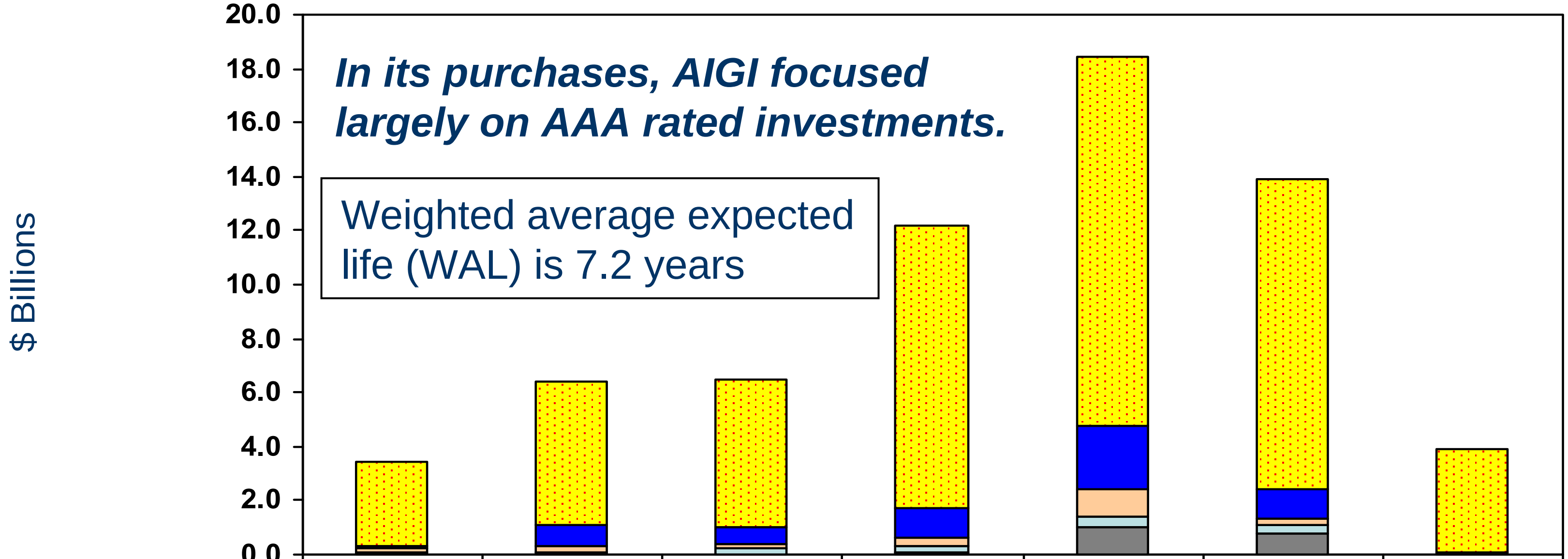
Amortized Cost	Rating						
HOLDINGS	**AGENCY***	**AAA**	**AA**	**A**	**BBB**	**BB & below**	**TOTAL**
AGENCY	$17,419	-	-	-	-	-	**$17,419**
PRIME JUMBO	-	10,866	1,246	346	175	55	**12,688**
ALT-A	-	12,224	1,507	682	189	382	**14,984**
SUBPRIME	-	10,505	1,892	714	315	1,094	**14,520**
SECOND-LIEN	-	51	753	40	138	112	**1,094**
HELOC	-	173	592	-	50	133	**948**
FOREIGN MBS	-	2,044	110	244	340	272	**3,010**
OTHER	-	32	11	14	12	-	**69**
TOTAL	**$17,419**	**$35,895**	**$6,111**	**$2,040**	**$1,219**	**$2,048**	**$64,732**

* *Agency securities are considered to be better than AAA credit quality given the explicit backing by the U.S. government.*

AIG Insurance Investment Portfolios

Total RMBS Exposure by Vintage - $64.7 Billion

September 30, 2008



	Pre 2003	2003	2004	2005	2006	2007	2008
AAA & Agency	3.1	5.3	5.5	10.5	13.6	11.5	3.8
AA	0.1	0.8	0.6	1.1	2.4	1.1	-
A	0.1	0.2	0.2	0.3	1.0	0.2	0.1
BBB	-	0.1	0.2	0.2	0.4	0.3	-
BB & below	0.1	-	-	0.1	1.0	0.8	-

Vintage

AIG Insurance Investment Portfolios

RMBS Non-Agency Ratings Migration

(January 1, 2007 – October 27, 2008)

($ Millions)

Original Lowest Flat Rating*		Current Lowest Flat Rating*				
Rating	**Amount**	**AAA**	**AA**	**A**	**BBB**	**Non-Investment Grade**
AAA	**$42,453.9**	$28,592.3	$4,252.8	$3,533.7	$2,493.2	$3,582.0
AA	**2,988.3**	3.4	2,271.0	161.4	180.6	372.0
A	**1,068.4**	3.3	28.1	851.3	98.8	86.8
BBB	**514.0**	-	3.0	1.3	489.2	20.5
Non-Investment Grade	**289.8**	-	-	-	-	289.8
Total Amortized Cost	**$47,314.4**	**$28,599.0**	**$6,555.0**	**$4,547.7**	**$3,261.8**	**$4,351.0**

As of 10/27/08, the rating agencies have placed $5.8 billion of non-Agency securities on watch negative.

* *Based on lowest original and current "flat" ratings. Flat ratings exclude notches. Ratings are the "lowest of" in the event of a split rating.*
Source: Bloomberg, Moody's Investors Service, Standard & Poor's and Fitch

AIG Insurance Investment Portfolios

RMBS – Summary Statistics*

Type of RMBS/Enhancements**	Vintage			WAL (Years)	% Rated AAA or AA
	2005	2006	2007		
Subprime RMBS ($ Billions)	**$3.7**	**$6.6**	**$3.1**	**5.1 (6.5 in 2Q08)**	**85.4%**
Original Credit Enhancement (AAA)	24.0%	21.7%	24.7%		
Current Credit Enhancement (AAA)	52.9%	35.5%	28.9%		
Original Credit Enhancement (AA+ and lower)	10.8%	19.7%	20.7%		
Current Credit Enhancement (AA+ and lower)	34.1%	28.4%	23.9%		
ALT-A ($ Billions)	**$3.3**	**$5.6**	**$4.1**	**6.4 (7.6 in 2Q08)**	**91.6%**
Original Credit Enhancement (AAA)	17.4%	20.0%	19.2%		
Current Credit Enhancement (AAA)	27.7%	22.9%	20.2%		
Original Credit Enhancement (AA+ and lower)	4.8%	15.3%	19.2%		
Current Credit Enhancement (AA+ and lower)	7.9%	18.0%	20.1%		
Prime Jumbo ($ Billions)	**$1.8**	**$3.1**	**$2.2**	**8.7 (8.6 in 2Q08)**	**95.5%**
Original Credit Enhancement (AAA)	8.0%	9.9%	12.1%		
Current Credit Enhancement (AAA)	9.2%	11.5%	12.6%		
Original Credit Enhancement (AA+ and lower)	1.6%	1.6%	5.2%		
Current Credit Enhancement (AA+ and lower)	2.2%	2.1%	5.1%		

* *Source: Intex*

** *Current credit enhancement reflects prepayments/waterfall benefits net of realized losses on foreclosed homes that have been sold. It does not take into consideration real estate owned (REO) and defaulted mortgages in process of foreclosure.*

AIG Insurance Investment Portfolios

Subprime RMBS

- Approximately 92% of AIGI's subprime exposure is in the 2005 through 2007 vintages.
- In the poor performing 2006/2007 vintages, about 82% of AIGI's exposure is currently rated AAA or AA.
- The weighted average life of the portfolio is 5.1 years.

2006 Vintage Credit Enhancement for AIGI*

Rating	Original Credit Enhancement	Current Credit Enhancement
AAA	21.7%	35.5%
AA+ and lower	19.7%	28.4%

2007 Vintage Credit Enhancement for AIGI*

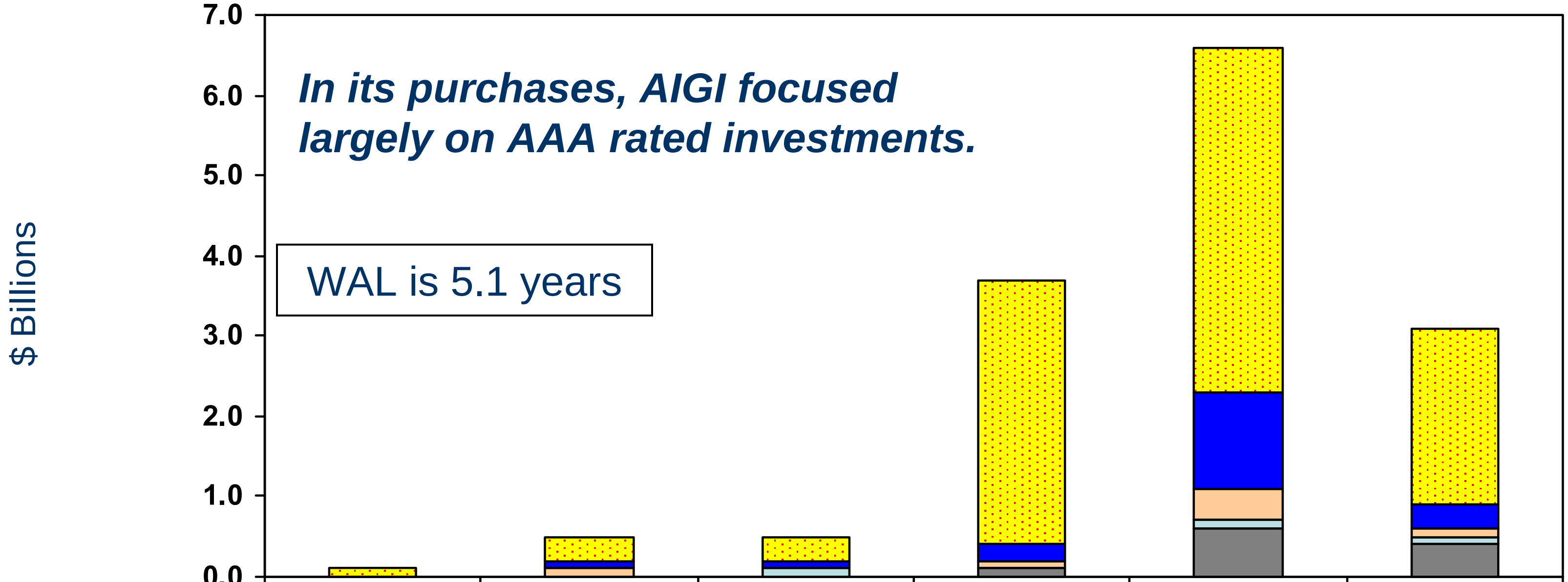
Rating	Original Credit Enhancement	Current Credit Enhancement
AAA	24.7%	28.9%
AA+ and lower	20.7%	23.9%

* *Source: Intex*

AIG Insurance Investment Portfolios

Subprime RMBS Exposure by Vintage - $14.5 Billion

September 30, 2008



	Pre 2003	2003	2004	2005	2006	2007
AAA	0.1	0.3	0.3	3.3	4.3	2.2
AA	-	0.1	0.1	0.2	1.2	0.3
A	-	0.1	-	0.1	0.4	0.1
BBB	-	-	0.1	-	0.1	0.1
BB & below	-	-	-	0.1	0.6	0.4

Vintage

AIG Insurance Investment Portfolios

Alt-A RMBS

- Approximately 87% of the Alt-A portfolio is in the 2005 through 2007 vintages.
- About 92% of AIGI's Alt-A exposure is currently rated AAA or AA.
- The weighted average life of the portfolio is 6.4 years.

2006 Vintage Credit Enhancement for AIGI*		
Rating	**Original Credit Enhancement**	**Current Credit Enhancement**
AAA	20.0%	22.9%
AA+ and lower	15.3%	18.0%

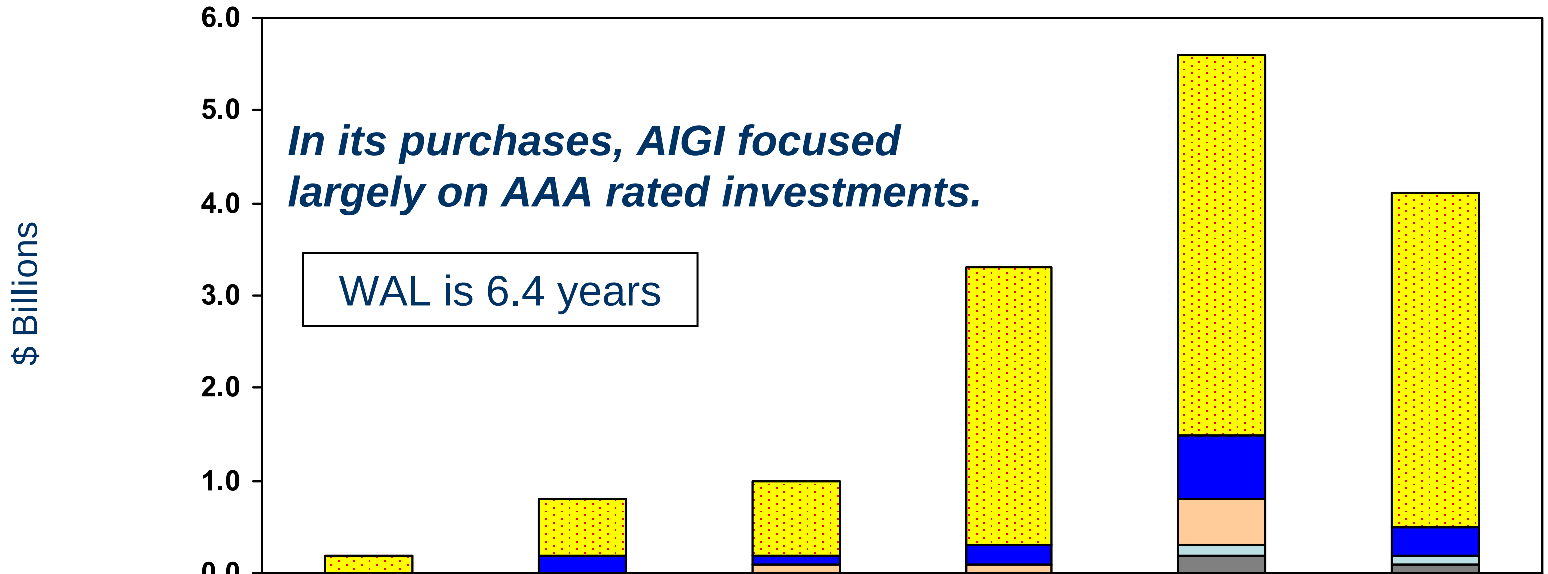
2007 Vintage Credit Enhancement for AIGI*		
Rating	**Original Credit Enhancement**	**Current Credit Enhancement**
AAA	19.2%	20.2%
AA+ and lower	19.2%	20.1%

* *Source: Intex*

AIG Insurance Investment Portfolios

ALT-A RMBS Exposure by Vintage - $15.0 Billion

September 30, 2008



	Pre 2003	2003	2004	2005	2006	2007
AAA	0.2	0.6	0.8	3.0	4.1	3.6
AA	-	0.2	0.1	0.2	0.7	0.3
A	-	-	0.1	0.1	0.5	-
BBB	-	-	-	-	0.1	0.1
BB & below	-	-	-	-	0.2	0.1

Vintage

AIG Insurance Investment Portfolios

Prime Jumbo RMBS

- Approximately 56% of AIGI's prime jumbo portfolio is in the 2005 – 2007 vintages.
- Over 95% of AIGI's exposure to the prime jumbo market is currently AAA or AA rated.
- The weighted average life of the prime jumbo exposure is 8.7 years.

2006 Vintage Credit Enhancement for AIGI*		
Rating	**Original Credit Enhancement**	**Current Credit Enhancement**
AAA	9.9%	11.5%
AA+ and lower	1.6%	2.1%

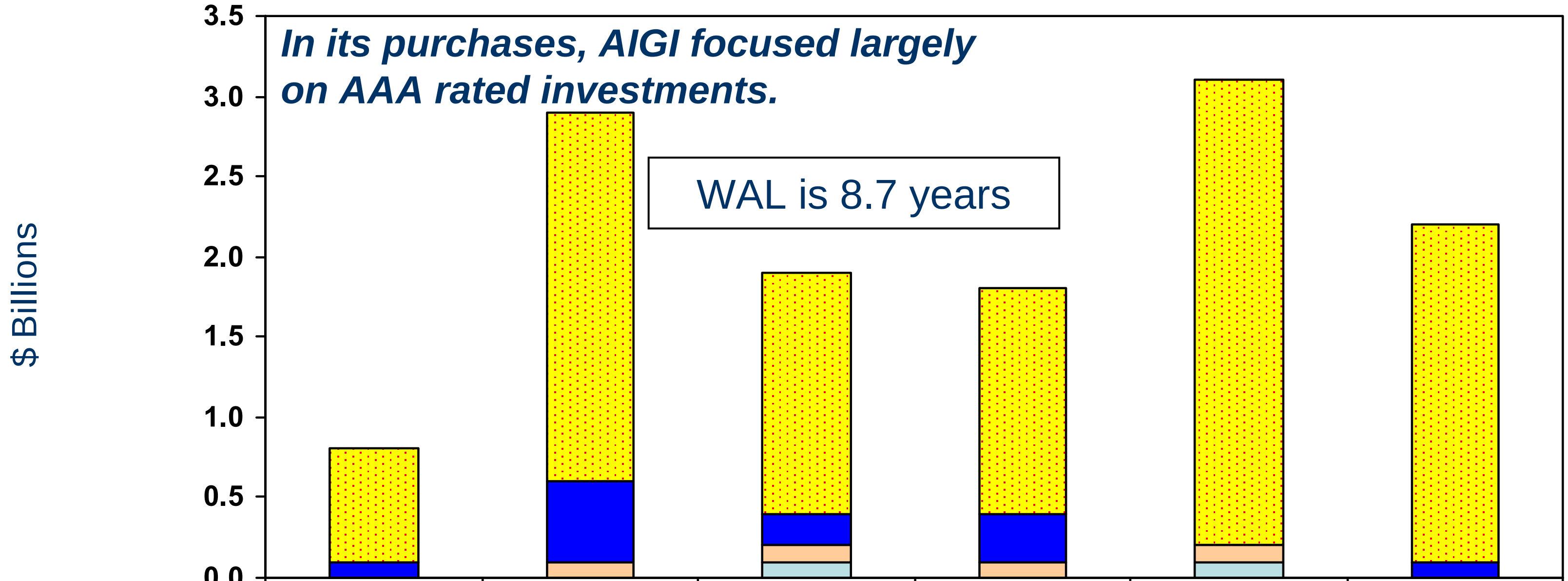
2007 Vintage Credit Enhancement for AIGI*		
Rating	**Original Credit Enhancement**	**Current Credit Enhancement**
AAA	12.1%	12.6%
AA+ and lower	5.2%	5.1%

* *Source: Intex*

AIG Insurance Investment Portfolios

Prime Jumbo RMBS Exposure by Vintage - $12.7 Billion

September 30, 2008



	Pre 2003	2003	2004	2005	2006	2007
AAA	0.7	2.3	1.5	1.4	2.9	2.1
AA	0.1	0.5	0.2	0.3	-	0.1
A	-	0.1	0.1	0.1	0.1	-
BBB	-	-	0.1	-	0.1	-
BB & below	-	-	-	-	-	-

Vintage

AIG Insurance Investment Portfolios

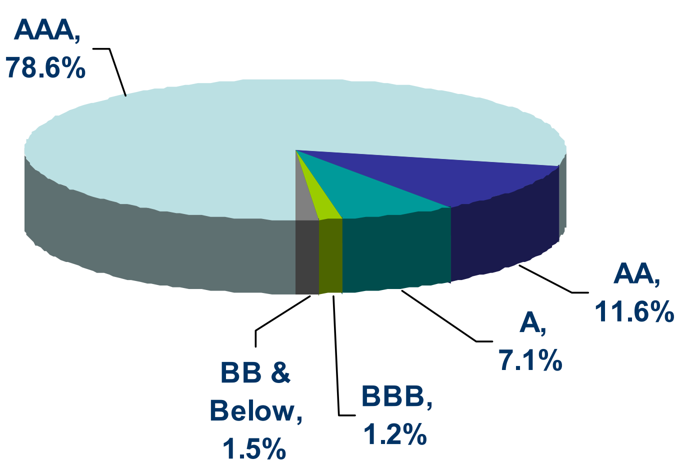
CMBS Portfolios

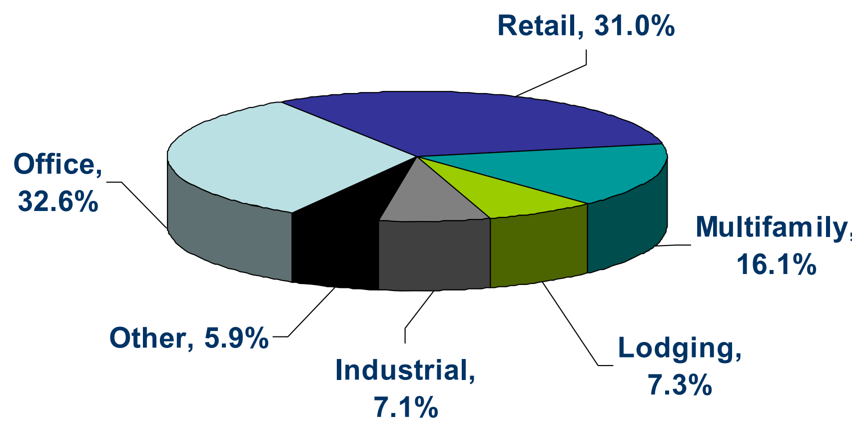
September 30, 2008

Description	Amortized Cost ($ Millions)	%
CMBS (traditional)	18,263	91.2%
ReREMIC/ CRE CDO	1,164	5.8%
Agency	202	1.0%
Other	392	2.0%
TOTAL	**$20,021**	**100.0%**

Top 10 States	%
NY	17.1%
CA	13.4%
TX	6.7%
FL	6.0%
IL	3.3%
VA	3.2%
NJ	3.1%
PA	2.8%
MD	2.6%
GA	2.3%
	60.5%

Vintage	%
2008	1.2%
2007	24.3%
2006	13.8%
2005	18.8%
2004	17.2%
2003	5.5%
2002 & Older	19.2%
	100.0%





AIG Insurance Investment Portfolios
CMBS Portfolios

AIGI Traditional CMBS Portfolio Historical Delinquencies*

	September 30, 2007	December 31, 2007	March 31, 2008	June 30, 2008	September 30, 2008
60 Days	0.08%	0.02%	0.04%	0.03%	0.04%
90+ Days	0.07%	0.12%	0.10%	0.12%	0.11%
Foreclosure	0.02%	0.02%	0.10%	0.11%	0.13%
REO	0.10%	0.07%	0.08%	0.07%	0.07%
AIGI	**0.27%**	**0.23%**	**0.32%**	**0.33%**	**0.35%**
Market Levels	**0.30%**	**0.50%**	**0.51%**	**0.43%**	**0.52%**

**Source: Trepp, LLC*

The quarterly figures are based on the most recent available delinquency data for each quarter.

AIG Insurance Investment Portfolios

CMBS Ratings Migration

(January 1, 2007 – October 27, 2008)

($ Millions)

Original Flat Rating*		Current Flat Rating*				
Rating	**Amount**	**AAA**	**AA**	**A**	**BBB**	**Non-Investment Grade**
AAA	**$14,137**	$14,006	$81	$20	$30	-
AA	**3,204**	1,134	2,024	22	23	1
A	**2,007**	353	224	1,291	23	116
BBB	**459**	170	10	88	177	14
Non-Investment Grade	**214**	-	-	-	-	214
Total Amortized Cost	**$20,021**	**$15,663**	**$2,339**	**$1,421**	**$253**	**$345**

Five securities held in the AIGI CMBS portfolio are on negative watch, with an amortized cost of $74.0 million (0.4% of portfolio).

* *Based on original and current "flat" ratings. Flat ratings exclude notches. Ratings are the "lowest of" in the event of a split rating.*
Source: Bloomberg, Moody's Investors Service, Standard & Poor's and Fitch

AIG Insurance Investment Portfolios

Consolidated Summary of Gains & Losses

Financial Effect of Market Disruption

Realized and Unrealized Gains / Losses (Pre-tax) ($ Millions) – For the quarter ended / year to date September 30, 2008	Total AIG* (QTR)	Total AIG* (YTD)	Attributable to RMBS Portfolio (QTR)	Attributable to RMBS Portfolio (YTD)	Attributable to CMBS Portfolio (QTR)	Attributable to CMBS Portfolio (YTD)
Net realized capital gains (losses)	($18,312)	($30,482)	($11,340)	($19,663)	($1,009)	($1,952)
of which, Securities Sales Activity	($480)	($170)	($11)	($19)	($45)	($45)
OTTI	($19,876)	($32,246)	($11,329)	($19,644)	($964)	($1,907)
Other**	$2,044	$1,934	$0	$0	$0	$0
Unrealized (depreciation) appreciation of investments (included in Other comprehensive income)	($6,620)	($20,874)	$6,508	$1,946	($738)	($1,551)
of which, AAA-rated RMBS/CMBS (depreciation)	($2,234)	($10,366)	($1,200)	($8,961)	($1,034)	($1,405)
AA-rated RMBS/CMBS (depreciation)	($343)	($940)	($167)	($613)	($176)	($327)
Lower than AA-rated RMBS/CMBS (depreciation)	($370)	($779)	($178)	($617)	($192)	($162)
RMBS/CMBS appreciation	$8,717	$12,480	$8,053	$12,137	$664	**$343**

- The other-than-temporary impairments and unrealized losses result primarily from the capital market disruption.
  - In the third quarter, severity charges account for 41% and 49% of the RMBS and CMBS OTTI losses, respectively. For the nine-month period, severity charges account for 60.4% and 72.3% of the RMBS and CMBS OTTI losses, respectively.
  - In the third quarter, intent charges account for 47% and 50% of the RMBS and CMBS OTTI losses, respectively. For the nine-month period, intent charges account for 27% for each of the RMBS and CMBS OTTI losses.

* *Excludes AIGFP's super senior credit default swap portfolio.*

** *Consists predominantly of foreign exchange and derivative activity related gains and losses.*

Mortgage Insurance – United Guaranty

United Guaranty (UGC)

- UGC operates in a cyclical business that is highly correlated to the performance of the housing market.
- UGC's underwriting and eligibility adjustments, along with more rigorous underwriting standards applied by UGC's lender customers, are aimed at improving the quality of new business.

First-Lien Risk Mix	Loans > 95% LTV*	FICO > 660	Interest Only	Option ARMs	Fixed Rate
New Risk 3Q2007	44.1%	69.7%	12.5%	2.9%	80.5%
New Risk 2Q2008	6.4%	92.3%	3.9%	0.0%	92.1%
New Risk 3Q2008	1.1%	97.1%	3.1%	0.0%	90.8%

** Loan-to-value*

United Guaranty

Total Portfolio*

($ Billions)	June 30, 2007	September 30, 2007	December 31, 2007	March 31, 2008	June 30, 2008	September 30, 2008
Domestic Mortgage Net Risk-in-Force 60+ Day Delinquency	**$25.9** **2.5%**	**$28.2** **3.0%**	**$29.8** **3.7%**	**$31.5** **4.0%**	**$31.8** **4.9%**	**$30.9** **6.0%**
2008 Vintage 60+ Day Delinquency	NA	NA	NA	$2.1 0.0%	$3.8 0.7%	$4.3 1.7%
2007 Vintage 60+ Day Delinquency	$3.7 0.7%	$6.5 1.4%	$8.9 2.5%	$9.3 3.4%	$9.0 5.0%	$8.8 7.0%
2006 Vintage 60+ Day Delinquency	$6.8 2.3%	$6.7 3.3%	$6.5 4.5%	$6.2 5.0%	$5.9 6.3%	$5.5 7.6%
2005 Vintage 60+ Day Delinquency	$5.4 2.2%	$5.3 2.9%	$5.1 3.7%	$5.0 4.2%	$4.8 5.0%	$4.5 5.9%
LTV > 95% 60+ Day Delinquency	$3.5 2.6%	$9.6 3.4%	$10.4 4.3%	$10.8 4.4%	$10.6 5.4%	$10.2 6.6%
Low Documentation 60+ Day Delinquency	$4.2 2.2%	$5.2 2.8%	$5.6 3.9%	$6.1 4.7%	$6.3 6.0%	$6.3 7.4%
Interest Only & Option ARMs 60+ Day Delinquency	$2.3 4.1%	$2.7 5.7%	$2.9 8.8%	$3.0 12.4%	$3.0 17.0%	$2.9 21.5%

** This table is for informational purposes only. Column totals include earlier vintages (pre-2005).*
Net Risk-in-Force (RIF) = Insurance risk on mortgages net of risk sharing and reinsurance.
Delinquency figures are based on number of policies (not dollar amounts), consistent with mortgage insurance industry practice.
Loans categorized as Low Documentation include loans approved by GSE and other automated underwriting (AU) systems under "doc waiver" programs with historical and expected delinquency rates consistent with Full Documentation loans. UGC estimates that Low Documentation loans of this type were approximately 10% of RIF as of 9/30/08 and are currently the only form of Low Documentation insured by UGC.

United Guaranty

September 30, 2008

Real Estate Portfolio*	Total Portfolio	FICO (≥ 660)	FICO (620- 659)	FICO (<620)
Domestic Mortgage Net Risk-in-Force 60+ Day Delinquency	**$30.9 Billion** **6.0%**	**$22.5 Billion** **3.9%**	**$6.1 Billion** **10.2%**	**$2.3 Billion** **21.1%**
2008 Vintage 60+ Day Delinquency	$4.3 Billion 1.7%	$3.8 Billion 1.3%	$409 Million 4.4%	$73 Million 9.2%
2007 Vintage 60+ Day Delinquency	$8.8 Billion 7.0%	$6.1 Billion 4.3%	$1.9 Billion 11.0%	$835 Million 24.0%
2006 Vintage 60+ Day Delinquency	$5.5 Billion 7.6%	$3.8 Billion 5.3%	$1.2 Billion 11.9%	$571 Million 24.3%
2005 Vintage 60+ Day Delinquency	$4.5 Billion 5.9%	$3.3 Billion 4.4%	$951 Million 10.3%	$271 Million 18.3%
LTV > 95% 60+ Day Delinquency	$10.2 Billion 6.6%	$6.6 Billion 3.4%	$2.6 Billion 11.6%	$1.0 Billion 23.0%
Low Documentation 60+ Day Delinquency	$6.3 Billion 7.4%	$5.7 Billion 6.8%	$457 Million 11.1%	$101 Million 24.2%
Interest Only & Option ARMs 60+ Day Delinquency	$2.9 Billion 21.5%	$2.4 Billion 20.4%	$411 Million 26.0%	$73 Million 29.6%

** This table is for informational purposes only. Column totals include earlier vintages (pre-2005).*
Net Risk-in-Force (RIF) = Insurance risk on mortgages net of risk sharing and reinsurance.
Loans with unknown FICO scores are included in the FICO (620-659) based on similar performance characteristics.
Delinquency figures are based on number of policies (not dollar amounts), consistent with mortgage insurance industry practice.
Loans categorized as Low Documentation include loans approved by GSE and other automated underwriting (AU) systems under "doc waiver" programs with historical and expected delinquency rates consistent with Full Documentation loans. UCG estimates that Low Documentation loans of this type were approximately 10% of RIF as of 9/30/08 and is currently the only form of Low Documentation insured by UGC.

United Guaranty

In-Force Summary

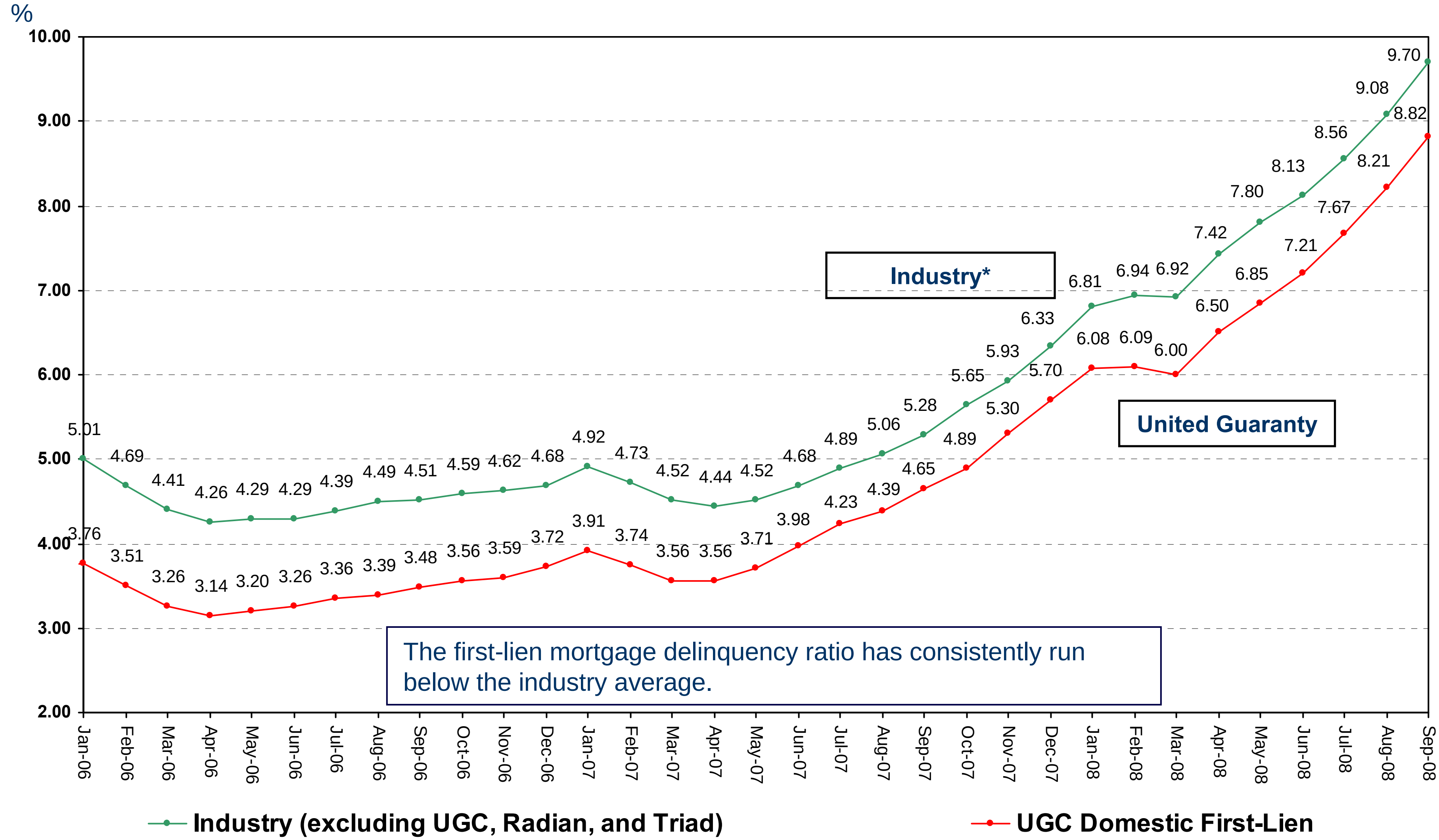
September 30, 2008

	First-Lien Portfolio	Second-Lien Portfolio
Net Risk-in-Force **($ Billions)**	$27.8	$3.1
Policies in Force	889,815	550,169
Average FICO Score	698	718
Delinquent Loans	75,855	10,212
Delinquency Ratio	8.5%*	1.9%

** Comprised of primary and pool insurance.*

United Guaranty

Delinquency Rates – UGC vs. Industry (First-Lien Primary)



**Source: Mortgage Insurance Companies of America (MICA)*
Figures (for UGC and industry) are based on primary insurance and do not include pool insurance.

Consumer Finance –
American General Finance

American General Finance

September 30, 2008

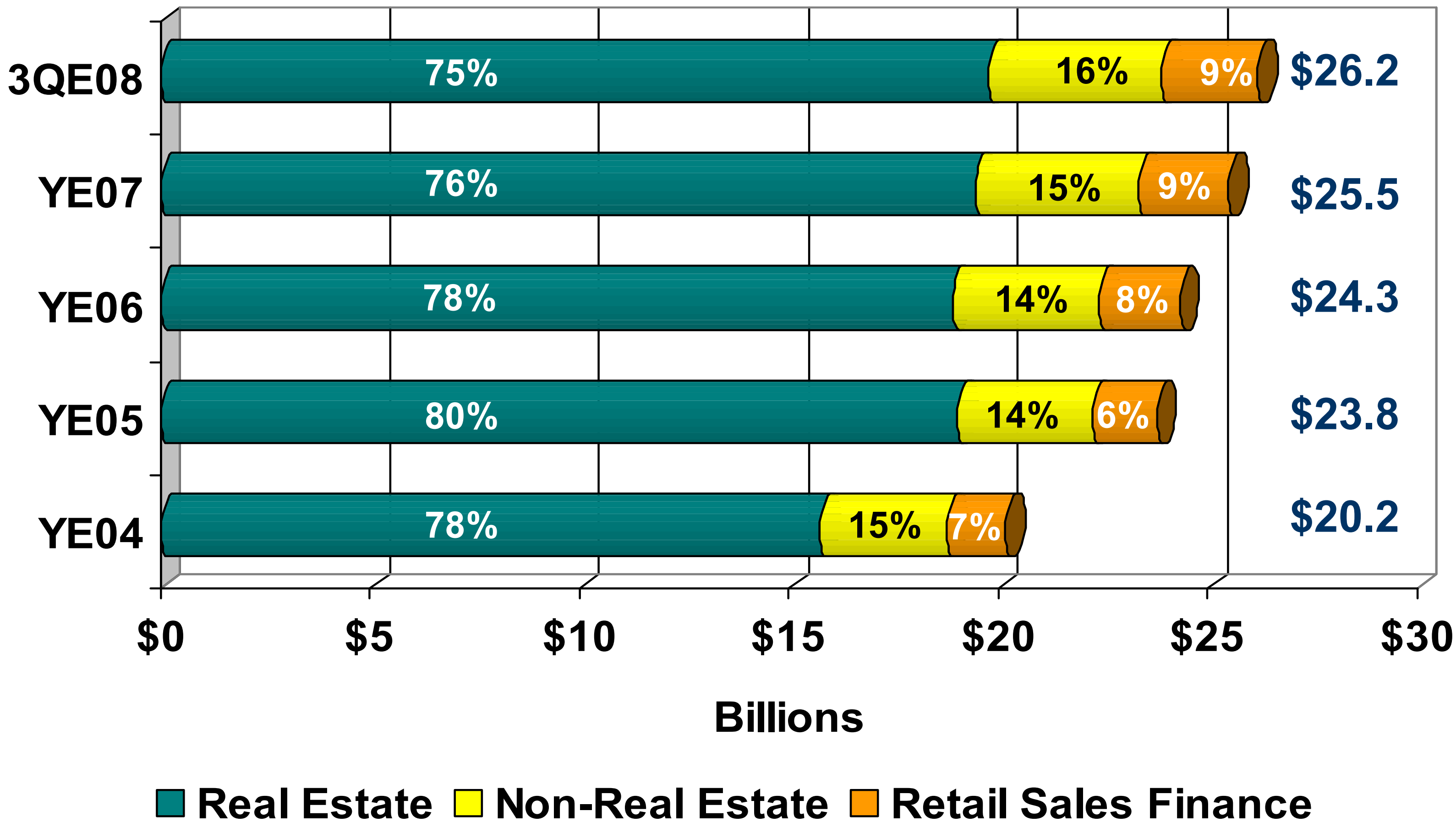
Real Estate Portfolio*	Total Portfolio	FICO (≥ 660)	FICO (620 – 659)	FICO (< 620)
Outstandings	**$19.8 Billion**	**$9.5 Billion**	**$3.5 Billion**	**$6.7 Billion**
LTV	80%	83%	80%	75%
60+ %	4.19%	2.51%	5.29%	6.01%
2007 Vintage	**$4.2 Billion**	**$1.3 Billion**	**$913.2 Million**	**$1.9 Billion**
LTV	78%	82%	80%	75%
60+ %	4.83%	2.89%	5.26%	5.97%
2006 Vintage	**$3.2 Billion**	**$1.2 Billion**	**$645.8 Million**	**$1.4 Billion**
LTV	81%	87%	81%	76%
60+ %	5.69%	3.60%	6.06%	7.24%
2005 Vintage	**$4.4 Billion**	**$2.7 Billion**	**$787.4 Million**	**$945.8 Million**
LTV	82%	85%	82%	76%
60+ %	4.53%	3.14%	6.63%	6.71%
2004 Vintage	**$4.2 Billion**	**$3.2 Billion**	**$514.3 Million**	**$459.8 Million**
LTV	81%	83%	80%	74%
60+ %	2.75%	1.83%	5.34%	6.26%
LTV Greater than 95.5%	**$3.4 Billion**	**$2.7 Billion**	**$402.9 Million**	**$213.5 Million**
LTV	99%	99%	99%	98%
60+ %	4.29%	3.59%	7.07%	8.02%
Low Documentation	**$492.7 Million**	**$257.4 Million**	**$155.6 Million**	**$79.6 Million**
LTV	76%	78%	76%	71%
60+ %	9.71%	8.95%	9.70%	12.22%
Interest Only	**$1.5 Billion**	**$1.2 Billion**	**$248.8 Million**	**$21.5 Million**
LTV	88%	89%	88%	79%
60+ %	6.93%	5.79%	11.48%	17.79%

** This table is for informational purposes only. AGF's loan underwriting process does not use FICO scores as a primary determinant for credit decisions. AGF uses proprietary risk scoring models in making credit decisions. Delinquency figures are shown as a percentage of outstanding loan balances, consistent with mortgage lending practice. Any account which is 60 or more days past due, regardless of foreclosure, bankruptcy or other condition, is included in the AGF 60+ delinquency statistics. Differences in totals by columns and rows are due to rounding.*

American General Finance

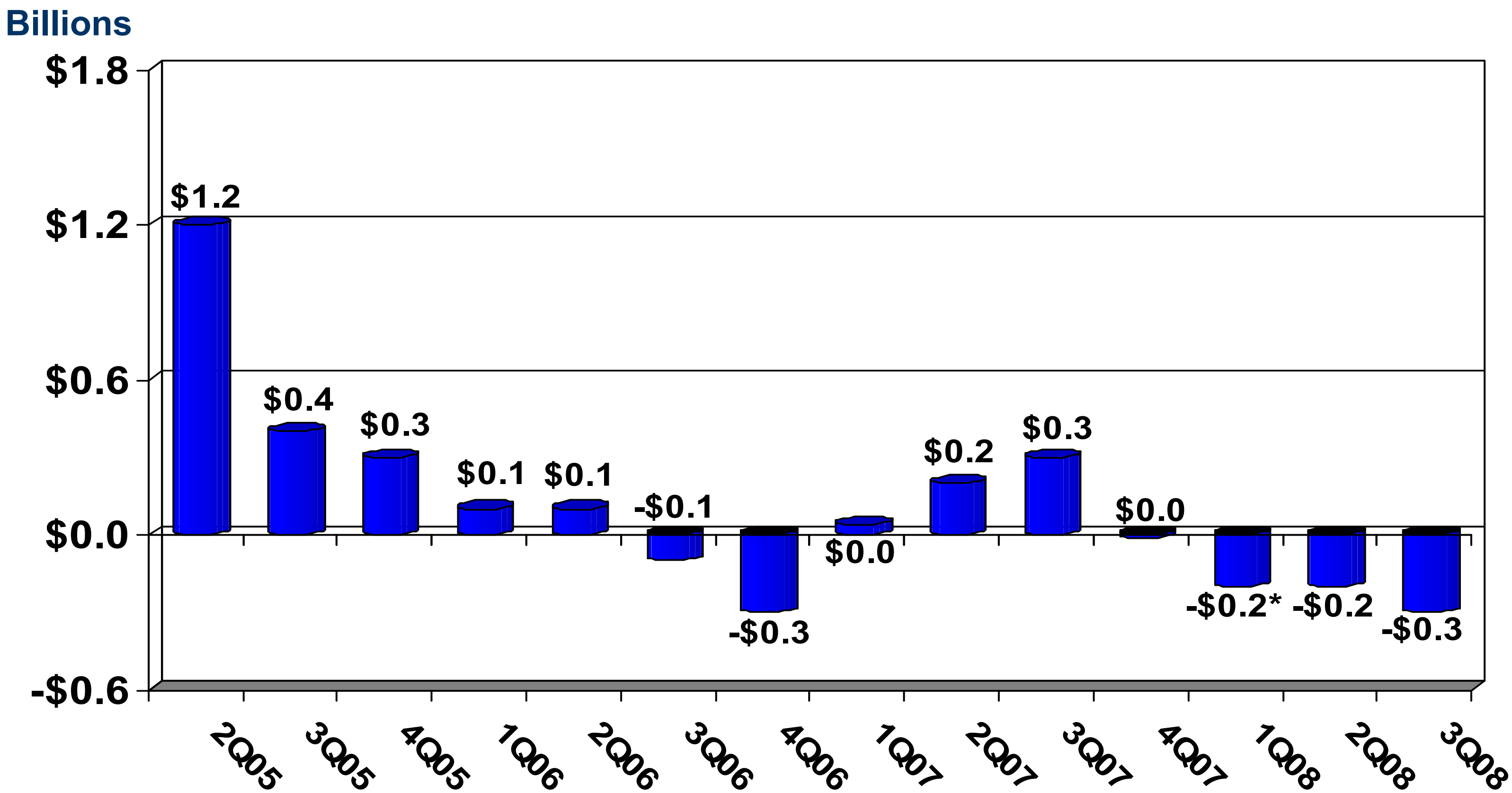
Portfolio Mix

Total Net Receivables Before Allowance



American General Finance
Net Real Estate Loan Growth

AGF has maintained its underwriting discipline despite experiencing lower volume and growth.

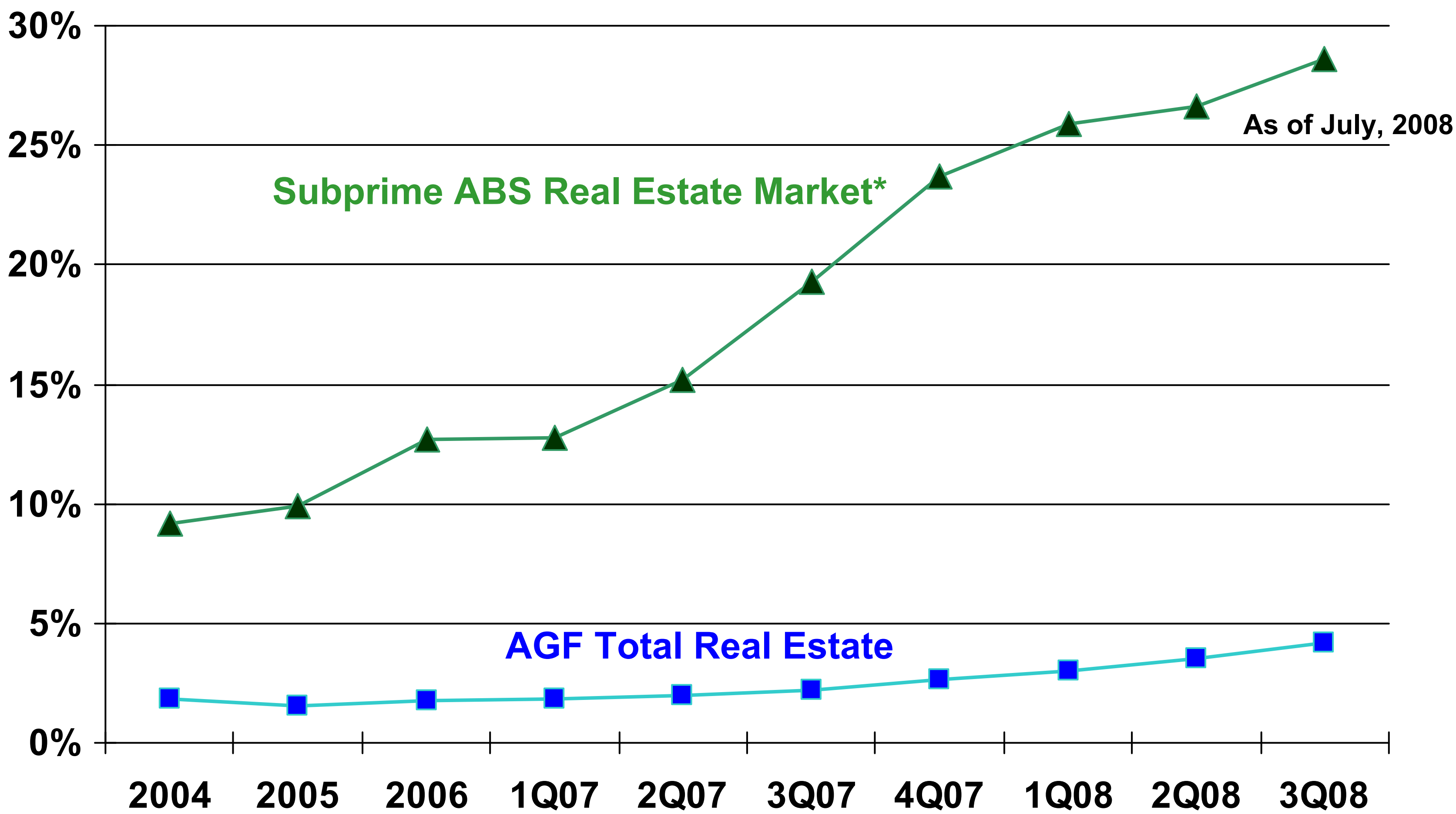


* *Excludes Equity One portfolio acquisition. 1Q08 net growth including Equity One is $0.8 billion.*

American General Finance

AGF vs. Subprime ABS Market

60+ Day Delinquency

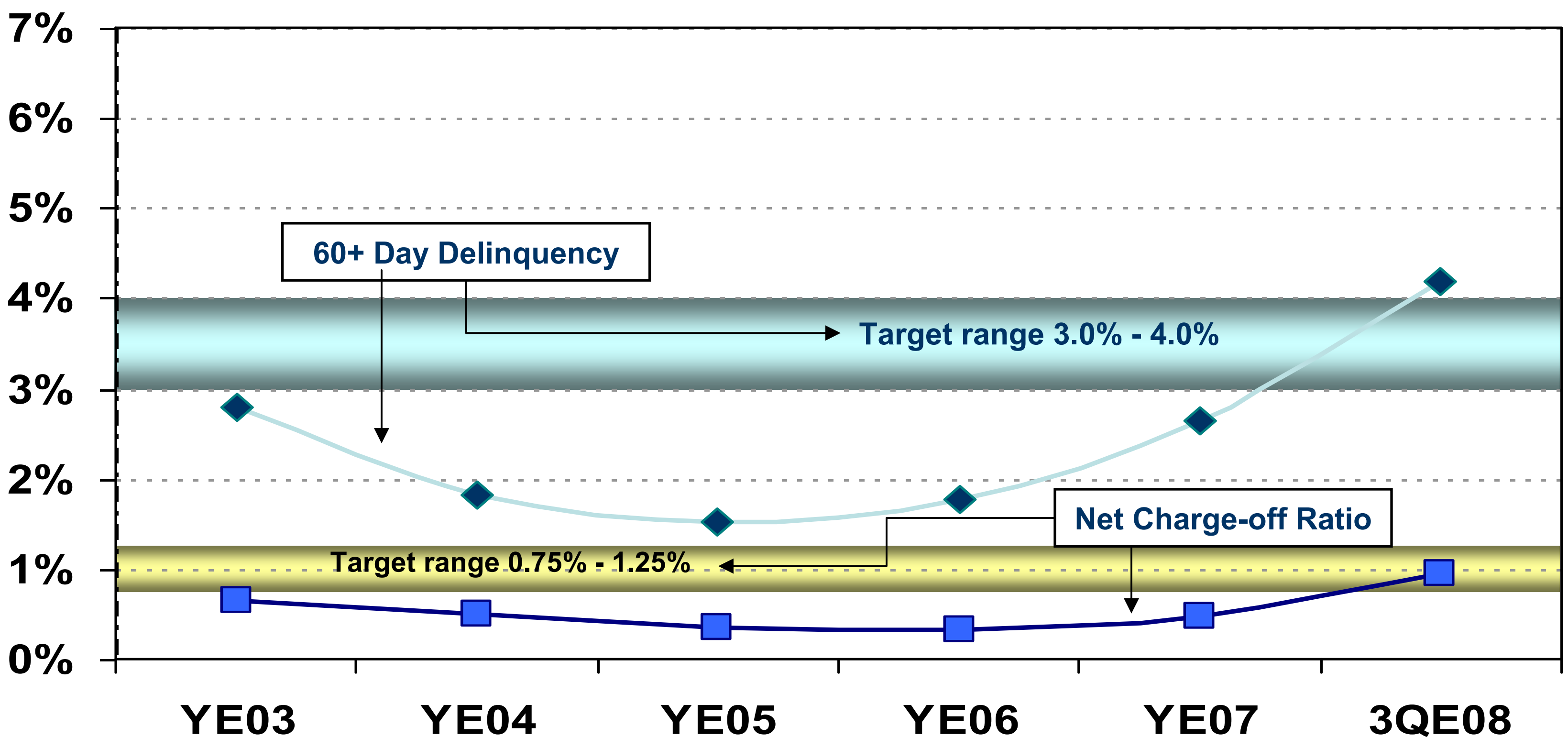


** Source: First American CoreLogic, LoanPerformance*

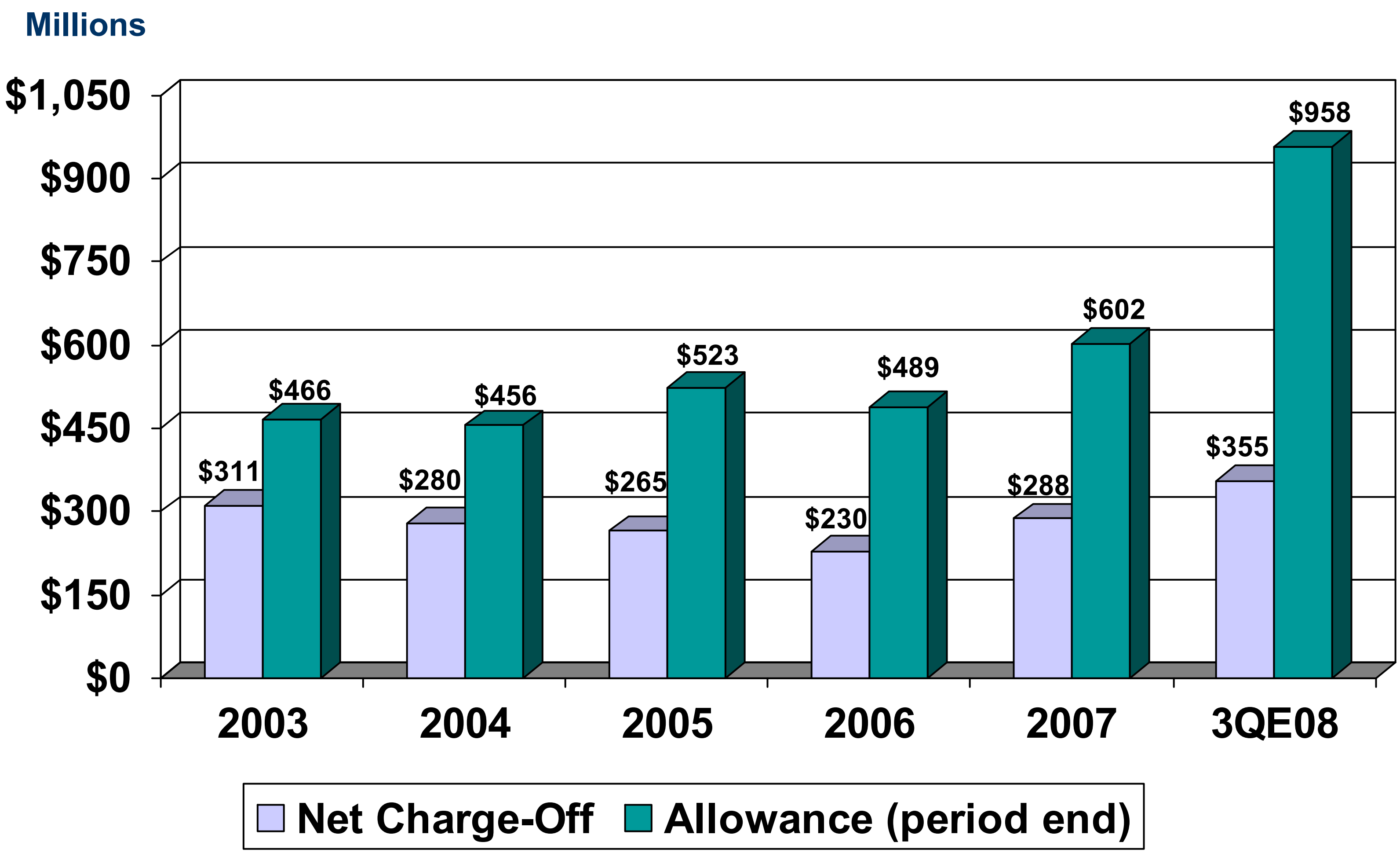
American General Finance

Real Estate Credit Quality

With continued weakness in the economy and mortgage markets, AGF's delinquency and losses have risen from all-time lows.



American General Finance
Charge-Off and Allowance History



AIG