

# AIG's Life Insurance Division Financial Fact Sheet

Our member life insurers continue to focus on what matters—helping our partners grow their businesses with solid products that provide real solutions to customers' needs.

**Over the past five years alone, AIG's member life insurers have collectively paid out over \$40 billion in claims and benefits to customers and businesses.**

Deeply experienced, financially strong and with a balanced portfolio of products, services and distribution partners, AIG's life insurers are ideally positioned to fulfill our vision of providing financial solutions that help protect your clients from life's uncertainties. The experience, expertise and claims-paying history we offer to our **11 million customers** provide them with the peace of mind that we'll be there when they need us most.

## Investments

With respect to the investment portfolios of AIG's life insurers, as of December 31, 2016:

- Approximately **91.2% of our invested assets are in fixed income or cash.**
- Our fixed income investments are well-diversified **with 93.5% rated investment grade** (the two highest rating categories)

We have minimal exposure to:

- **Collateralized debt obligations (7.0% of invested assets)**
- **Alt-A and sub prime mortgages (4.3% of invested assets)**

## Products

We continue to offer one of the largest and most innovative product portfolios in the industry.

We understand that you need a broad array of tools to be successful, and we have worked hard to keep those products available.

We are committed to the guaranteed universal life market for the long term, and to maintaining a robust product portfolio while effectively managing products in the current interest rate environment.

We will continue to talk with our producers and customers to identify opportunities for additional product development that will help keep pace with our country's changing demographics and evolving marketplace needs.

## Service

We have a vision to lead the industry into the future and become your most valued life insurance company.

Our industry-leading technology—including e-submission and e-signature capabilities as well as our Forms Depot system—provide you with the tools you need to get business done quickly and efficiently.

For eight years in a row, American General Life Insurance Company has received the Achievement in Customer Excellence (ACE) award from Conformat, which recognizes outstanding achievement in customer excellence.

## Bottom Line

We are strong, we are experienced, and we are here to stay. And you can be confident that no one will work harder to help you serve your clients.

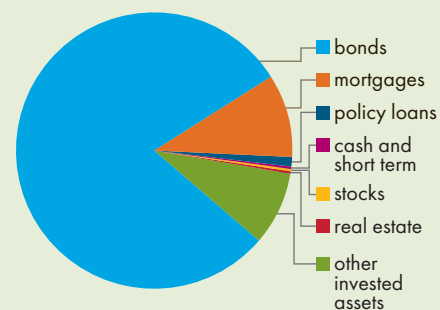
Thank you for your continued loyalty and partnership.

## AIG's Life Insurance Division

(as of December 31, 2016, in thousands)

|   |               |
|---|---------------|
| Total Admitted Assets                         | \$199,459,827 |
| Total Liabilities Including Separate Accounts | \$188,622,339 |
| Separate Accounts                             | \$51,425,142  |
| Total Adjusted Capital                        | \$12,715,127  |
| as a % of General Account Assets              | 8.59%         |

|                                |               |       |
|--------------------------------|---------------|-------|
| Total Cash and Invested Assets | \$144,067,930 |       |
| Bonds                          | \$115,269,247 | 80.0% |
| Mortgages                      | \$14,202,786  | 9.9%  |
| Policy Loans                   | \$1,566,813   | 1.1%  |
| Cash and Short Term            | \$279,134     | 0.2%  |
| Stocks                         | \$273,979     | 0.2%  |
| Real Estate                    | \$187,844     | 0.1%  |
| Other Invested Assets          | \$12,288,128  | 8.5%  |
|                                |               | 100%  |



|                 |               |
|-----------------|---------------|
| Total Bonds     | \$115,269,247 |
| Bonds Class 1-2 | 93.5%         |
| Bonds Class 3-5 | 6.2%          |
| Bonds Class 6   | 0.3%          |
|                 | 100%          |

|                                     |             |
|-------------------------------------|-------------|
| Total Revenue                       | \$8,802,200 |
| Premium and Annuity Considerations  | \$9,268,329 |
| Earnings Before Dividends and Taxes | \$2,349,115 |
| Net Operating Earnings              | \$1,097,363 |

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Policies issued by American General Life Insurance Company (AGL) except in New York, where issued by The United States Life Insurance Company in the City of New York (US Life). Issuing companies AGL and US Life are responsible for financial obligations of insurance products and are members of American International Group, Inc. (AIG).

Products may not be available in all states and product features may vary by state. Guarantees are backed by the claims-paying ability of the issuing insurance company.

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## Financial Strength Ratings for American General Life Insurance Company and The United States Life Insurance Company in the City of New York

| Agency            | Rating                     | Definition   | As of 02/14/2017 |
|-------------------|----------------------------|--|------------------|
| Standard & Poor's | A+ (Strong) <sup>1</sup>   | Companies rated A have strong financial security characteristics, but are somewhat more likely to be affected by adverse business conditions than are insurers with higher ratings.  |                  |
| Moody's           | A2 (Good) <sup>1</sup>     | Companies rated A offer good financial security. However, elements may be present that suggest a susceptibility to impairment sometime in the future.  |                  |
| A.M. Best         | A (Excellent) <sup>2</sup> | Companies rated A have an excellent ability to meet their ongoing financial obligations to policyholders.  |                  |
| Fitch             | A+ (Strong) <sup>3</sup>   | Companies rated A have low expectations of default risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings. |                  |

1. Outlook Stable    2. Outlook Under Review Negative    3. Outlook Negative

AGL and US Life have received strong financial strength ratings from independent ratings agencies, reflecting its financial stability and its ability to meet its obligations to its policy holders and others. For the most current ratings information please visit [www.aig.com/investor-relations](http://www.aig.com/investor-relations).

Ratings are current as of 02/14/2017 and subject to change at any time. Standard & Poor's 21 ratings are a measure of claims-paying ability and range from AAA (Extremely Strong) to R (Regulatory Action). Moody's Investors Service's 21 ratings are a measure of financial security and range from AAA (Exceptional) to C (Extremely Poor). A.M. Best's 15 ratings are a measure for claims-paying ability and range from A++ (Superior) to F (in Liquidation). Fitch Ratings' 21 ratings are a measure of insurer financial strength and range from AAA (Exceptionally Strong) to C (Distressed). Only the fixed account protection features, income payments, and guarantees are backed by the claims-paying ability of the issuing insurance company.

