AMERICAN INTERNATIONAL GROUP INC
Form 424B5
June 26, 2012
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Filed Pursuant to Rule 424(b)(5)
Registration No. 333-160645

The information in this preliminary prospectus supplement is not complete and may be changed. Neither this preliminary prospectus supplement nor the accompanying prospectus is an offer to sell nor does it seek an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to completion. Dated June 26, 2012.

Preliminary Prospectus Supplement

(To Prospectus dated April 5, 2011)

$

American International Group, Inc.

4.875% Notes Due 2022

We are offering by this prospectus supplement $ principal amount of 4.875% Notes due 2022 (the Reopened Notes). The Reopened Notes have identical terms and are part of a single series of senior debt securities with the $750,000,000 principal amount of notes issued on May 24, 2012 (the Original Notes) at an initial public offering price of 99.077% per note, or $743,077,500 in total, at an underwriting discount of 0.450% per note, or $3,375,000 in total, and with proceeds, before expenses, to American International Group, Inc. of 98.627% per note, or $739,702,500 in total. We refer to the Reopened Notes and the Original Notes together in this prospectus supplement as the Notes.

The Notes bear interest at the rate of 4.875% per annum, accruing from May 24, 2012 and payable semi-annually in arrears on each June 1 and December 1, beginning on December 1, 2012. The Notes mature on June 1, 2022. The Notes are sold in denominations of $2,000 and integral multiples of $1,000 in excess thereof.

We may redeem some or all of the Notes at any time at the redemption price described under Description of the Notes Optional Redemption.

The Notes are our unsecured obligations and rank equally with all of our other existing and future unsecured indebtedness. The Notes are structurally subordinated to secured and unsecured debt of our subsidiaries, which is significant. We do not intend to apply for listing of the Notes on any securities exchange or for inclusion of the Notes in any automated quotation system.

Investing in the Notes involves risks. Before investing in any Notes offered hereby, you should consider carefully each of the risk factors set forth in Risk Factors beginning on page S-5 of this prospectus supplement and Item 1A. of Part I of AIG s Annual Report on Form 10-K for the fiscal year ended December 31, 2011.

Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of the Notes or passed upon the accuracy or adequacy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.

	Per Reopened Note	Total
Initial public offering price	%(1)	$
Underwriting discount and commissions	%	$
Proceeds, before expenses, to American International Group, Inc.	%	$

(1) Plus interest accrued on the Notes from May 24, 2012.

The underwriters expect to deliver the Reopened Notes to investors through the book-entry facilities of The Depository Trust Company and its direct participants, including Euroclear Bank S.A./N.V., as operator of the Euroclear System, or Clearstream Banking, société anonyme, on or about June , 2012.

Joint Book-Running Managers

Citigroup **Goldman, Sachs & Co.**

Prospectus Supplement dated June , 2012.

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We are responsible only for the information contained in this prospectus supplement, the accompanying prospectus, the documents incorporated by reference herein and therein and any related free writing prospectus issued or authorized by us. We have not, and the underwriters have not, authorized anyone to provide you with any other information, and neither we nor the underwriters take responsibility for any other information that others may give you. We are offering to sell the Notes only in jurisdictions where offers and sales are permitted. The offer and sale of the Notes in certain jurisdictions is subject to the restrictions described herein under Underwriting Selling Restrictions. The information contained in this prospectus supplement, the accompanying prospectus and the documents incorporated herein and therein by reference is accurate only as of the date on the front of those documents, regardless of the time of delivery of those documents or any sale of the Notes.

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Prospectus Supplement

Prospectus

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ABOUT THIS PROSPECTUS SUPPLEMENT

This document consists of two parts. The first part is this prospectus supplement, which describes the specific terms of this offering. The second part is the accompanying prospectus, which describes more general information regarding certain securities of American International Group, Inc. (AIG), some of which do not apply to this offering. This prospectus supplement and the accompanying prospectus are part of a registration statement that we filed with the Securities and Exchange Commission (the SEC) using the SEC s shelf registration rules. You should read both this prospectus supplement and the accompanying prospectus, together with additional information incorporated by reference herein and therein as described under the heading Where You Can Find More Information in this prospectus supplement and the accompanying prospectus.

Unless otherwise mentioned or unless the context requires otherwise, all references in this prospectus supplement to AIG, we, us, our or similar references mean American International Group, Inc. and not its subsidiaries.

If the information set forth in this prospectus supplement differs in any way from the information set forth in the accompanying prospectus, you should rely on the information set forth in this prospectus supplement. The information contained in this prospectus supplement or the accompanying prospectus or in the documents incorporated by reference herein and therein is only accurate as of their respective dates.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This prospectus supplement and the accompanying prospectus and other publicly available documents, including the documents incorporated herein and therein by reference, may include, and AIG s officers and representatives may from time to time make, 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 AIG s belief regarding future events, many of which, by their nature, are inherently uncertain and outside AIG s control. These projections, goals, assumptions and statements may address, among other things:

- the timing of the disposition of the ownership position of the United States Department of the Treasury (Treasury) in AIG;
- the cash flow projections and fair value for AIG s interest in Maiden Lane III LLC (ML III);
- the monetization of AIG s interests in International Lease Finance Corporation (ILFC);
- AIG s exposures to subprime mortgages, monoline insurers, the residential and commercial real estate markets, state and municipal bond issuers and sovereign bond issuers;
- AIG s exposure to European governments and European financial institutions;
- AIG s strategy for risk management;
- AIG s ability to retain and motivate its employees;
- AIG s generation of deployable capital;
- AIG s return on equity and earnings per share long-term aspirational goals;

AIG s strategies to grow net investment income, efficiently manage capital and reduce expenses;

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AIG s strategies for customer retention, growth, product development, market position, financial results and reserves; and

the revenues and combined ratios of AIG s subsidiaries.

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:

actions by credit rating agencies;

changes in market conditions;

the occurrence of catastrophic events;

significant legal proceedings;

concentrations in AIG s investment portfolios, including its municipal bond portfolio;

judgments concerning casualty insurance underwriting and reserves;

judgments concerning the recognition of deferred tax assets;

judgments concerning deferred policy acquisition costs recoverability;

judgments concerning the recoverability of aircraft values in ILFC s fleet; and

such other factors as are discussed throughout the Risk Factors section of this prospectus supplement, throughout Part I, 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 quarterly period ended March 31, 2012 and in Part I, Item 1A. Risk Factors and throughout Part II, Item 7. Management s Discussion and Analysis of Financial Condition and Results of Operations of AIG s Annual Report on Form 10-K for the year ended December 31, 2011, as amended by Amendment No. 1 and Amendment No. 2 on Form 10-K/A filed on February 27, 2012 and March 30, 2012, respectively and throughout Exhibit 99.2, Management s Discussion and Analysis of Financial Condition and Results of Operations of AIG s Current Report on Form 8-K dated May 4, 2012.

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.

Unless the context otherwise requires, the term AIG in this Cautionary Statement Regarding Forward-Looking Information section means American International Group, Inc. and its consolidated subsidiaries.

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WHERE YOU CAN FIND MORE INFORMATION

AIG is subject to the informational requirements of the Securities Exchange Act of 1934, as amended (the Exchange Act), and files with the SEC proxy statements, Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, as required of a U.S. publicly listed company. You may read and copy any document AIG files at the SEC s public reference room in Washington, D.C. at 100 F Street, N.E., Room 1580, Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference rooms. AIG s SEC filings are also available to the public through:

The SEC s website at *www.sec.gov*; and

The New York Stock Exchange, 20 Broad Street, New York, New York 10005

AIG s common stock is listed on the NYSE and trades under the symbol AIG.

AIG has filed with the SEC a registration statement on Form S-3 relating to the Notes. This prospectus supplement is part of the registration statement and does not contain all the information in the registration statement. Whenever a reference is made in this prospectus supplement to a contract or other document, please be aware that the reference is not necessarily complete and that you should refer to the exhibits that are part of the registration statement for a copy of the contract or other document. You may review a copy of the registration statement at the SEC s public reference room in Washington, D.C. as well as through the SEC s internet site noted above.

The SEC allows AIG to incorporate by reference the information AIG files with the SEC (other than information that is deemed furnished to the SEC) which means that AIG can disclose important information to you by referring to those documents, and later information that AIG files with the SEC will automatically update and supersede that information as well as the information contained in this prospectus supplement. AIG incorporates by reference the documents listed below and any filings made with the SEC under Section 13(a), 13(c), 14, or 15(d) of the Exchange Act until all the Notes to which this prospectus supplement relates are sold or the offering is otherwise terminated (except for information in these documents or filings that is deemed furnished to the SEC):

(1) Annual Report on Form 10-K for the year ended December 31, 2011 filed on February 23, 2012, Amendment No. 1 on Form 10-K/A filed on February 27, 2012 and Amendment No. 2 on Form 10-K/A filed on March 30, 2012 (collectively, our Annual Report on Form 10-K).

(2) Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2012 filed on May 3, 2012.

(3) The definitive proxy statement on Schedule 14A filed on April 5, 2012, and the definitive additional materials on Schedule 14A filed on May 10, 2012.

(4) Current Reports on Form 8-K filed on January 11, 2012, February 23, 2012, March 5, 2012, March 6, 2012, March 8, 2012, March 13, 2012, March 13, 2012, March 22, 2012, March 22, 2012, April 10, 2012, May 3, 2012, May 4, 2012, May 10, 2012, May 10, 2012, May 16, 2012, May 24, 2012 and June 21, 2012.

AIG will provide without charge to each person, including any beneficial owner, to whom this prospectus supplement is delivered, upon his or her written or oral request, a copy of any or all of the reports or documents referred to above that have been incorporated by reference into this prospectus supplement excluding exhibits to those documents unless they are specifically incorporated by reference into those documents. You can request those documents from AIG s Investor Relations

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Department, 180 Maiden Lane, New York, New York 10038, telephone 212-770-6293, or you may obtain them from AIG s corporate website at *www.aig.com*. Except for the documents specifically incorporated by reference into this prospectus supplement, information contained on AIG s website or that can be accessed through its website is not incorporated into and does not constitute a part of this prospectus supplement. AIG has included its website address only as an inactive textual reference and does not intend it to be an active link to its website.

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SUMMARY

This summary highlights information contained elsewhere in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference herein and therein. As a result, it does not contain all of the information that may be important to you or that you should consider before investing in the Notes. You should read carefully this entire prospectus supplement and the accompanying prospectus, including the Risk Factors section of this prospectus supplement, Part I, Item 1A. Risk Factors of our Annual Report on Form 10-K for the year ended December 31, 2011, and the documents incorporated by reference into this prospectus supplement and the accompanying prospectus, which are described under Where You Can Find More Information in this prospectus supplement and the accompanying prospectus.

American International Group, Inc.

AIG, a Delaware corporation, is a leading international insurance organization serving customers in more than 130 countries. AIG companies serve commercial, institutional and individual customers through one of the most extensive worldwide property-casualty networks of any insurer. In addition, AIG companies are leading providers of life insurance and retirement services in the United States. AIG s principal executive offices are located at 180 Maiden Lane, New York, New York 10038, and its main telephone number is (212) 770-7000. AIG s internet address for its corporate website is *www.aig.com*. Except for the documents referred to under Where You Can Find More Information in this prospectus supplement and the accompanying prospectus which are specifically incorporated by reference into this prospectus supplement and the accompanying prospectus, information contained on AIG s website or that can be accessed through its website is not incorporated into and does not constitute a part of this prospectus supplement or the accompanying prospectus. AIG has included its website address only as an inactive textual reference and does not intend it to be an active link to its website.

Recent Developments

On May 10, 2012, as part of the sale by Treasury of approximately $5.75 billion of AIG common stock in a registered offering, AIG purchased approximately $2.0 billion of its common stock. As a result of Treasury s sale and AIG s purchase, Treasury currently owns approximately 61 percent of AIG s outstanding common stock. AIG initially funded this purchase of shares from cash and short-term investments. AIG has since received approximately $1.6 billion in distributions from subsidiaries, consisting of approximately $1.2 billion in distributions from AIG s insurance company subsidiaries and $400 million in dividends from AIA Aurora LLC, representing the proceeds from the sale of shares of AIA Group Limited held by AIA Aurora LLC to an AIG insurance company subsidiary. In addition, AIG expects to receive approximately $150 million in additional distributions from subsidiaries by the end of the quarterly period ending June 30, 2012. Subject to corporate and regulatory approvals, AIG expects to further replenish its liquidity through additional distributions from its insurance company subsidiaries.

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Summary of the Offering

The following summary contains basic information about the Notes and is not intended to be complete. It does not contain all of the information that may be important to you. For a more detailed description of the Notes, please refer to the section entitled Description of the Notes in this prospectus supplement and the section entitled Description of Debt Securities AIG May Offer in the accompanying prospectus.

The Reopened Notes have identical terms and are part of a single series of senior debt securities with the Original Notes we issued on May 24, 2012 under our Indenture, dated as of October 12, 2006, between us and The Bank of New York Mellon, as trustee, as supplemented by the Fourth Supplemental Indenture, dated as of April 18, 2007, and the Eighth Supplemental Indenture, dated as of December 3, 2010, and as further supplemented by the Eighteenth Supplemental Indenture, dated May 24, 2012. In this prospectus supplement, the term Notes means the Reopened Notes we are initially offering on the date of this prospectus supplement and the Original Notes we issued on May 24, 2012, unless the context otherwise requires.

Issuer	American International Group, Inc.
Reopened Notes Offered	$ principal amount of 4.875% Reopened Notes due 2022.
Total Aggregate Principal Amount of Notes Outstanding Upon Completion of this Offering	$ principal amount of 4.875% Notes due 2022 (of this total, $750,000,000 was issued on May 24, 2012).
Maturity Date	The Notes mature on June 1, 2022.
Interest Rate and Payment Dates	The Notes bear interest at the rate of 4.875% per annum payable semi-annually in arrears on each June 1 and December 1, beginning on December 1, 2012, and ending at maturity.
Form and Denomination	The Notes are issued in fully registered form in denominations of $2,000 and integral multiples of $1,000 in excess thereof.
Ranking	The Notes are unsecured obligations of American International Group, Inc. and rank equally with all of our other existing and future unsecured indebtedness. See Risk Factors The Notes are unsecured debt and are effectively subordinated to any secured obligations we may incur. for a further discussion of those obligations.
	In addition, the Notes are structurally subordinated to the secured and unsecured debt of our subsidiaries, which is significant. See Risk Factors We and our subsidiaries have significant leverage and debt obligations, payments on the Notes will depend on receipt of dividends and distributions from our subsidiaries, and the Notes are structurally subordinated to the existing and future indebtedness of our subsidiaries.
Optional Redemption	We may redeem the Notes, in whole or in part, at any time at our option prior to maturity at a price equal to the greater of (i)

	the principal amount thereof and (ii) the sum of the present values of the remaining scheduled payments of principal and interest in respect of the Notes to be redeemed discounted to the date of redemption as described on page S-10 under Description of the Notes Optional Redemption, plus, in each case, accrued and unpaid interest to but excluding the date of the redemption.
Covenants	The terms of the Notes and the indenture governing the Notes limit our ability and the ability of certain of our subsidiaries to incur certain liens without equally and ratably securing the Notes. See Description of the Notes Limitation on Liens Covenant for a further discussion. Other than this covenant, the terms of the Notes contain limited protections for holders of the Notes. In particular, the Notes do not place any restrictions on our or our subsidiaries ability to: • engage in a change of control transaction; • subject to the covenant discussed under Description of the Notes Limitation on Liens Covenant, issue secured debt or secure existing unsecured debt; • issue debt securities or otherwise incur additional unsecured indebtedness or other obligations; • purchase or redeem or make any payments in respect of capital stock or other securities ranking junior in right of payment to the Notes; • sell assets; or • enter into transactions with related parties.
Use of Proceeds	Net proceeds to us from the offering of the Reopened Notes will be approximately $ after deducting underwriting discounts and commissions and estimated offering expenses payable by us. We intend to use the net proceeds from this offering for general corporate purposes, which are currently expected to include the repayment of debt maturing in 2013. See Use of Proceeds.
Further Issuances	We may create and issue further notes ranking equally and ratably with the Notes in all respects, on the same terms and conditions (except that the issue price and issue date may vary), so that such further notes will constitute and form a single series with the Notes being offered by this prospectus supplement.
Listing	We are not applying to list the Notes on any securities exchange or to include the Notes in any automated quotation system.

Trustee and Paying Agent	The trustee and paying agent for the Notes is The Bank of New York Mellon.

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Governing Law	The indenture and the supplemental indentures under which the Notes are being issued and the Notes are governed by the laws of the State of New York.
Risk Factors	Investing in the Notes involves risks. You should consider carefully all of the information in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference herein and therein. In particular, you should consider carefully the specific risk factors described in Risk Factors beginning on page S-5 of this prospectus supplement and Item 1A. of Part I of AIG s Annual Report on Form 10-K for the year ended December 31, 2011, before purchasing any Notes.

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RISK FACTORS

An investment in the Notes involves certain risks. You should carefully consider the risks described below and in Item 1A. of Part I of AIG s Annual Report on Form 10-K for the year ended December 31, 2011, as well as other information included, or incorporated by reference, in this prospectus supplement and the accompanying prospectus, before purchasing any Notes. Events relating to any of the following risks, or other risks and uncertainties, could seriously harm our business, financial condition and results of operations. In such a case, the trading value of the Notes could decline, or we may be unable to meet our obligations under the Notes, which in turn could cause you to lose all or part of your investment.

The Notes are unsecured debt and are effectively subordinated to any secured obligations we may incur.

The Notes are our unsecured obligations and rank effectively junior to any secured obligations we may incur, to the extent of the collateral securing those obligations. For example, if we were unable to repay indebtedness or meet other obligations under our secured debt, the holders of that secured debt may have the right to foreclose upon and sell the assets that secure that debt. In such an event, it is likely that we would not have sufficient funds to pay amounts due on the Notes.

In addition, if we are declared bankrupt, become insolvent or are liquidated or reorganized, holders of our secured debt will be entitled to exercise the remedies available to a secured lender under applicable law and pursuant to the instruments governing such debt, and any of our secured indebtedness will be entitled to be paid in part or in full, to the extent of our pledged assets or the pledged assets of the guarantors securing that indebtedness before any payment may be made with respect to the Notes from such pledged assets. Secured lenders not paid in full from pledged assets shall be entitled to an unsecured claim for the balance of their debt (or such lesser amount as any applicable limited recourse may provide). Holders of the Notes will participate ratably in our remaining assets with all holders of any unsecured indebtedness that does not rank junior to the Notes, based upon the respective amounts owed to each holder or creditor. In any of the foregoing events, there may not be sufficient assets to pay amounts due on the Notes. As a result, holders of the Notes would likely receive less, ratably, than holders of secured indebtedness.

Treasury is our controlling shareholder and may have interests inconsistent with the holders of the Notes.

As of May 10, 2012, Treasury held approximately 61% of our outstanding common stock. Treasury is able, to the extent permitted by law, to control a vote of our shareholders on substantially all matters, including:

- approval of mergers or other business combinations;
- a sale of all or substantially all of our assets;
- amendments to our restated certificate of incorporation; and
- other matters that might be favorable to Treasury, but not to our other shareholders or the holders of the Notes.

The interests of Treasury may not be the same as those of the holders of the Notes. Treasury may take actions to protect its interests that adversely affect the interest of the holders of the Notes.

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Treasury may also, subject to applicable securities laws and applicable transfer restrictions, transfer all, or a portion of, our common stock to another person or entity and, in the event of such a transfer, that person or entity could become our controlling shareholder. The terms of the Notes do not prevent Treasury from transferring control of us to another person. See The terms of the Notes contain limited protection for holders of the Notes for a further discussion of the limited protection provided to holders of the Notes.

The terms of the Notes contain limited protection for holders of the Notes.

The indenture under which the Notes are issued and the terms of the Notes offer limited protection to holders of the Notes. In particular, the terms of the indenture and the Notes do not place any restrictions on our or our subsidiaries ability to:

- engage in a change of control transaction;
- subject to the covenant discussed under Description of the Notes Limitation on Liens Covenant, issue secured debt or secure existing unsecured debt;
- issue debt securities or otherwise incur additional unsecured indebtedness or other obligations;
- purchase or redeem or make any payments in respect of capital stock or other securities ranking junior in right of payment to the Notes;
- sell assets; or
- enter into transactions with related parties, including Treasury.

Furthermore, the terms of the indenture and the Notes do not protect holders of the Notes in the event that we experience changes (including significant adverse changes) in our financial condition or results of operations, as they will not require that we or our subsidiaries adhere to any financial tests or ratios or specified levels of net worth, revenues, income, cash flow or liquidity. In addition, the Notes do not provide for a step-up in interest on, or any other protection against, a decline in our credit ratings.

Our ability to incur additional debt and take a number of other actions that are not limited by the terms of the indenture or the Notes could negatively affect the value of the Notes.

In addition, our existing credit facilities include more protections for their lenders than the Notes. For example, subject to certain exceptions, our existing credit facilities restrict our ability and the ability of certain of our subsidiaries to, among other things, incur certain types of liens, merge, consolidate, sell all or substantially all assets and engage in transactions with affiliates. Our existing credit facilities also require us to maintain a specified total consolidated net worth, consolidated total debt to consolidated total capitalization, and consolidated priority debt (defined as debt of our subsidiaries and our secured debt) to consolidated total capitalization. If we fail to comply with those covenants and are unable to obtain a waiver or amendment, an event of default would result and the lenders under those credit facilities could, among other things, declare any outstanding borrowings under those credit facilities immediately due and payable. However, because the Notes do not contain similar covenants, such events may not constitute an event of default under the Notes and the holders of the Notes would not be able to accelerate the payment under the Notes. As a result, holders of the Notes may be effectively subordinated to the lenders of the existing credit facility, and to new lenders or note holders, to the extent the instruments they hold include similar protections.

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We and our subsidiaries have significant leverage and debt obligations, payments on the Notes will depend on receipt of dividends and distributions from our subsidiaries, and the Notes are structurally subordinated to the existing and future indebtedness of our subsidiaries.

We are a holding company and we conduct substantially all of our operations through subsidiaries. We are also permitted, subject to certain limitations under our existing indebtedness, to obtain additional long-term debt and working capital lines of credit to meet future financing needs. This would have the effect of increasing our total leverage. Furthermore, subject to the covenant discussed under Description of the Notes Limitation on Liens Covenant, the indenture relating to the Notes does not prohibit us or our subsidiaries from incurring additional secured or unsecured indebtedness. As of March 31, 2012, after giving effect to the offering of the Original Notes of $750,000,000 and the offering of the Reopened Notes of $, we would have had approximately $ billion of consolidated debt (including approximately $26.9 billion of subsidiary debt obligations not guaranteed by us).

We depend on dividends, distributions and other payments from our subsidiaries to fund payments on the Notes. Further, the majority of our investments are held by our regulated subsidiaries. Our subsidiaries may be limited in their ability to make dividend payments or advance funds to us in the future because of the need to support their own capital levels.

Our right to participate in any distribution of assets from any subsidiary upon the subsidiary s liquidation or otherwise is subject to the prior claims of any preferred equity interest holders and creditors of that subsidiary, except to the extent that we are recognized as a creditor of that subsidiary. To the extent that we are a creditor of a subsidiary, our claims would be subordinated to any security interest in the assets of that subsidiary and/or any indebtedness of that subsidiary senior to that held by us. As a result, the Notes are structurally subordinated to all existing and future liabilities of our subsidiaries. You should look only to our assets as the source of payment for the Notes, and not those of our subsidiaries.

The trading market for the Notes may be limited and you may be unable to sell your Notes at a price that you deem sufficient.

We do not intend to list the Notes on any securities exchange or include the Notes in any automated quotation system. The underwriters currently intend, but are not obligated, to continue to make a market for the Notes. As a result, an active trading market may not be sustained. If an active trading market cannot be sustained, you may not be able to resell your Notes at their fair market value or at all.

Whether or not a trading market for the Notes is sustained, neither we nor the underwriters can provide any assurance about the market price of the Notes. Several factors, many of which are beyond our control, might influence the market value of the Notes, including:

- actions by Treasury;
- our creditworthiness and financial condition;
- actions by credit rating agencies;
- the market for similar securities;
- prevailing interest rates; and

- economic, financial, geopolitical, regulatory and judicial events that affect us, the industries and markets in which we are doing business, and the financial markets generally, such as adverse European economic and financial conditions related to sovereign debt issues in certain countries, and concerns regarding the European Union or geopolitical or military crises.

Financial market conditions and prevailing interest rates have fluctuated in the past and are likely to fluctuate in the future. Such fluctuations could have an adverse effect on the price of the Notes.

As a result of one or more of those factors, Notes that an investor purchases, whether in this offering or in the secondary market, may trade at a discount to the price that the investor paid for such Notes.

There are potential conflicts of interest between investors in the Notes and the quotation agent.

AIG Markets, Inc., our subsidiary, serves as the quotation agent in connection with any redemption of the Notes. The quotation agent will determine the redemption price of the Notes. The quotation agent will exercise discretion and judgment in performing these duties. Absent manifest error, all determinations the quotation agent will be final and binding on investors, without any liability on our part. The exercise of this discretion by the quotation agent could adversely affect the redemption price of the Notes. Investors will not be entitled to any compensation from us for any loss suffered as a result of any determinations by the quotation agent, even though the quotation agent may have a conflict of interest at the time of such determinations.

If we cannot maintain our current credit and financial strength ratings, it could have an adverse effect on our business, financial condition, results of operations and liquidity.

Adverse ratings actions regarding our long-term debt ratings by the major rating agencies would require us to post additional collateral payments pursuant to, and/or permit the termination of, derivative transactions to which we and AIG Financial Products Corp. and AIG Trading Group Inc. and their respective subsidiaries (collectively, AIGFP) are a party, which could adversely affect our business, our consolidated results of operations in a reporting period or our liquidity. Credit ratings estimate a company s ability to meet its obligations and may directly affect the cost and availability to that company of financing. In the event of further downgrades of two notches to our long-term senior debt ratings, as of March 31, 2012, we and AIGFP would be required to post additional collateral of approximately $274 million, and certain of our and AIGFP s counterparties would be permitted to elect early termination of contracts.

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USE OF PROCEEDS

The net proceeds to us from the sale of the Reopened Notes, after deduction of underwriting discounts and commissions and estimated offering expenses payable by us, are anticipated to be approximately $. We intend to use the net proceeds from this offering for general corporate purposes, which are currently expected to include the repayment of debt maturing in 2013. Our notes and bonds maturing in 2013 bear interest at rates of 3.75% to 4.25% per annum.

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CAPITALIZATION

The following table sets forth our cash and cash equivalents and our consolidated capitalization as of March 31, 2012:

on an actual basis;

as adjusted to give effect to the offering of the Original Notes of $750,000,000 and of the Reopened Notes of $, see Use of Proceeds ; and

does not reflect other transactions subsequent to March 31, 2012, see Summary Recent Developments.

You should read the information in this table together with our consolidated financial statements and the related notes in our Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2012, which is incorporated by reference in this prospectus supplement and the accompanying prospectus.

	At March 31, 2012	
	Actual	As Adjusted for the Issuance of the Notes
	(In millions, except share data)	
Cash	$ 1,315	$
Debt:		
Debt issued or guaranteed by AIG:		
Notes and bonds payable	13,095	
Junior subordinated debt	9,409	9,409
Other	1,562	1,562
Borrowings supported by assets:		
MIP notes payable	10,853	10,853
Series AIGFP matched notes and bonds payable	3,702	3,702
Other	10,579	10,579
Debt not guaranteed by AIG:		
International Lease Finance	24,637	24,637
Other	2,259	2,259
Total debt	76,096	
Shareholders equity:		
Common stock, $2.50 par value; 5,000,000,000 shares authorized; shares issued: 1,906,614,552	4,766	4,766
Treasury stock, at cost; 113,167,239 shares of common stock	(3,942)	(3,942)
Additional paid-in capital	81,772	81,772
Retained earnings	13,982	13,982
Accumulated other comprehensive income	6,873	6,873
Total AIG shareholders equity	103,451	103,451
Non-redeemable noncontrolling interests	893	893
Total equity	104,344	104,344
Total capitalization	$ 180,440	$

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DESCRIPTION OF THE NOTES

We have summarized below certain terms of the Reopened Notes we are initially offering on the date of this prospectus supplement and the Original Notes we issued on May 24, 2012, which we refer to in this prospectus supplement as the Notes. This summary supplements and amends the general description of the Notes contained in the accompanying prospectus. Any information regarding the Notes contained in this prospectus supplement that is inconsistent with information in the accompanying prospectus will apply and will supersede any inconsistent information in the accompanying prospectus.

You should refer to the Indenture, dated as of October 12, 2006, between us and The Bank of New York Mellon, as trustee, as supplemented by the Fourth Supplemental Indenture, dated as of April 18, 2007, and the Eighth Supplemental Indenture, dated as of December 3, 2010, and as further supplemented by the Eighteenth Supplemental Indenture dated May 24, 2012. The Indenture, as so supplemented, is referred to as the Indenture in this prospectus supplement. The Indenture, including these supplemental indentures, has been filed as an exhibit to the registration statement, an exhibit to our Current Report on Form 8-K filed on December 6, 2010, and an exhibit to our Current Report on Form 8-K filed on May 24, 2012. The following summary, together with the descriptions in the accompanying prospectus, of certain provisions of the Notes and the Indenture does not purport to be complete and is subject, and qualified in its entirety by reference, to all of the provisions of the Notes and the Indenture, including the definitions of terms therein. See Where You Can Find More Information in this prospectus supplement and the accompanying prospectus for details on how you may obtain a copy of the Indenture from us.

The Reopened Notes have identical terms and are part of a single series of senior debt securities with the Original Notes we issued on May 24, 2012 under the Indenture, as described herein and in the accompanying prospectus.