



**PRESS RELEASE**

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**AIG Europe announces full year results for 2017**

18 May 2018 – AIG Europe Limited (AEL) reported a 7% increase in Net Premiums Written for the year ended 30 November 2017, supported by underlying business growth as well as favourable currency movements. The high level of natural catastrophes and adverse prior year development led to a full year loss.

Net Premium Written improved to £3,919.7 million (2016: £3,661.3) million. A strong performance came from Personal Insurance as well as Financial Lines, offset partly by market conditions in Property as well as the decision to step away from less profitable business.

During 2017, the natural catastrophes in the Caribbean and North America impacted AEL's Property business. There was also a larger than expected number of severe losses. A number of large loss developments from prior underwriting years across a number of lines, notably Casualty and Financial lines, also affected the loss ratio.

These events together with lower levels of investment performance due to the low interest rate environment resulted in a loss before tax of £431.5 million (2016: £171.1 million). Total equity at 30 November 2017 remains robust at £3.2 billion (2016: £3.4 billion). Following the approval of the Company's Internal Model during the year, the regulatory capital surplus was 145.7% (2016: 108.4%).

Anthony Baldwin, Chief Executive of AIG Europe Limited, commented:

*"2017 was a challenging year. Alongside our peers, our performance was impacted by a combination of natural catastrophes, continued competitive pressure and low investment returns.*

*These challenges validate our strategy to focus on underwriting discipline and on more profitable business lines and I'm pleased to report that we continued to improve our business mix towards these lines.*

*In the last few months we have taken various steps to reduce future volatility and improve our performance. We have greater protection from natural catastrophes going forward thanks to a Group wide catastrophe programme and have added reinsurance to smooth volatility. We have reduced our exposures by lowering net limits on certain lines and have continued to improve risk selection through our focus on profitable business.*

*Although the trading environment remains challenging, we view 2018 with confidence."*

The AEL 2017 annual report can be found [here](#).

**Ends**

**Notes to editors**

American International Group, Inc. (AIG) is a leading global insurance organization. Founded in 1919, today AIG member companies provide a wide range of property casualty insurance, life insurance, retirement products, 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 and the Tokyo Stock Exchange.

Additional information about AIG can be found at [www.aig.com](http://www.aig.com) | YouTube: [www.youtube.com/aig](http://www.youtube.com/aig) | Twitter: [@AIGinsurance](https://twitter.com/AIGinsurance) [www.twitter.com/AIGinsurance](http://www.twitter.com/AIGinsurance) | LinkedIn: [www.linkedin.com/company/aig](http://www.linkedin.com/company/aig). These references with additional information about AIG have been provided as a convenience, and the information contained on such websites is not incorporated by reference into this press release.

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