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LEXINGTON INSURANCE COMPANY ESTABLISHES
UNDERWRITING OFFICE IN BERMUDA

NEW YORK — April 25, 2007 – Lexington Insurance Company, a member company of American International Group, Inc. (AIG), today announced it has opened a property and casualty insurance underwriting office in Hamilton, Bermuda.

“Establishing this new office reflects Lexington’s commitment to providing ready access to top-quality products and coverage limits. Risk managers and brokers on Bermuda will now have local access to Lexington’s industry-leading property capacity and flexible casualty solutions,” said Kevin H. Kelley, Chairman and Chief Executive Officer of Lexington Insurance Company.

The new Bermuda office provides access to Lexington’s entire portfolio of property insurance coverages, including: Lexington’s full domestic property capacity, together with property terrorism coverage; earthquake and hurricane catastrophe coverage; and specialized property endorsements addressing risks that range from property damage arising from biological and chemical terrorist attacks to losses of digital assets. In addition, Lexington Bermuda will offer primary employment practices liability (EPL) insurance program. Other Lexington casualty insurance products will be underwritten in Bermuda later in 2007.

For more information, contact George Dragonetti, General Manager, Lexington Insurance Company, at 441- 295-2121 or george.dragonetti@aig.com.

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American International Group, Inc. (AIG), world leaders in insurance and financial services, is the leading international insurance organization with operations in more than 130 countries and jurisdictions. AIG companies serve commercial, institutional and individual customers through the most extensive worldwide property-casualty and life insurance networks of any insurer. In addition, AIG companies are leading providers of retirement services, financial services and asset management around the world. AIG's common stock is listed on the New York Stock Exchange, as well as the stock exchanges in London, Paris, Switzerland and Tokyo.

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