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AIG GENERAL INSURANCE COMPANY CHINA LIMITED

RECEIVES APPROVAL TO ESTABLISH BRANCH IN BEIJING

NEW YORK and BEIJING, CHINA, July 7, 2008 – American International Group, Inc. (AIG), has announced that its wholly owned subsidiary, AIG General Insurance Company China Limited (AIG General), headquartered in Shanghai, Peoples Republic of China, has been granted approval by the China Insurance Regulatory Commission (CIRC) to establish a branch in Beijing.

This marks the first step in AIG General's geographic expansion across China following its incorporation as a wholly owned foreign enterprise (WFOE) in September 2007. Prior to establishing AIG General last year, its parent company AIU Insurance Company had operated branches in Shanghai, Guangdong, and Shenzhen, which were subsequently consolidated into AIG General at the time of its incorporation.

AIG Chairman and Chief Executive Officer Robert B. Willumstad said approval of a Beijing branch of AIG General is an important step forward in AIG's international growth strategy. "We are very excited to have the opportunity to play a larger role in the economic growth of China, a dynamic market that is so closely tied to AIG's heritage," Mr. Willumstad said.

AIG General President and Chief Executive Officer Peter H. Flint said, "Beijing is a strategically important market for AIG General. As the country's political center and seat of the central government, it offers significant growth potential. Beijing is one of the world's largest cities. In terms of Gross Domestic Product, Beijing's economy would rank among the 60 most economically developed countries in the world. We look forward to serving our local and international customers in Beijing with our expanded network, and we are proud to continue our pioneering role in product innovation and industry standards."

Olin L. Wethington, Chairman of AIG Companies in China added: "The approval to establish AIG General Beijing Branch is another historic milestone for AIG Companies in China. In the tradition of AIG, the newly approved AIG General Beijing Branch will play an active role in contributing to the growth of the insurance industry in the region."

AIG traces its roots to China, where its earliest predecessor companies were founded by Cornelius Vander Starr in Shanghai in 1919. In 1992, AIG became the first foreign insurance organization to receive a license to operate general and life insurance business in the People's Republic of China. AIG General will join several other AIG Companies with operations in Beijing, including AIG Business Consulting Company Limited (AIGBC) and its life operation American International Assurance Company Limited (AIA), which has expanded to 17 locations across Beijing since establishing its Beijing Branch in 2002.

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American International Group, Inc. (AIG), a world leader 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 Ireland and Tokyo.

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