

Contact: David Monfried, AIG, Inc.
Office: (212) 770-7205

Jana Martin, Tenaska
Office: (402) 691-9595
Mobile: (402) 203-0748
Email: jmartin@tenaska.com

TENASKA TO REACQUIRE SOLE OWNERSHIP OF TENASKA MARKETING VENTURES FROM AIG

NEW YORK and OMAHA, Neb. –December 3, 2008 – American International Group, Inc. (AIG) and Tenaska, Inc. (Tenaska) today announced that Tenaska will repurchase the interest in Tenaska Marketing Ventures, Tenaska Gas Storage and Tenaska Marketing Canada (collectively TMV) currently owned by affiliates of AIG.

Since April 1, 2007, 50 percent of TMV's holding companies have been owned by affiliates of Tenaska and the other 50 percent by affiliates of AIG Financial Products Corp. (AIG-FP). Tenaska serves as manager of TMV and Tenaska personnel operate the business. Tenaska proposed to AIG that Tenaska reacquire AIG's interest in TMV after AIG announced that it was winding down the AIG-FP division as part of AIG's restructuring of certain of its assets.

Before AIG acquired its interest in TMV in April 2007, Tenaska was sole owner of TMV for many years. After completion of this repurchase, Tenaska's employee owners will again own 100 percent of TMV, which was formed in 1991. AIG and Tenaska anticipate closing on or about January 2, 2009, subject to the timing of certain regulatory approvals. The terms of the transaction were not disclosed.

Paula Reynolds, AIG Vice Chairman and Chief Restructuring Officer, said AIG's decision to sell its interest in TMV is consistent with its restructuring. "AIG has benefited from its investment in TMV. That investment, however, does not fit with our strategic insurance focus and the businesses in which we intend to remain as we restructure," said Reynolds.

"Tenaska is a strong and viable company and TMV's business model is sound despite the current conditions in U.S. financial markets," said TMV President Fred Hunzeker. "Thanks to Tenaska's conservative approach to business, Tenaska is well positioned to repurchase AIG's interest and assume full ownership of TMV. Our cash and committed revolver facilities are more than adequate to support our current business commitments. We will continue to operate TMV with substantial liquidity, maintaining total maximum exposure to counterparties at or below the amount of available TMV and Tenaska resources."

Tenaska Chief Financial Officer Jerry Crouse said that in early 2009 Tenaska plans again to solicit interest in a new partnership arrangement. "Our business plan remains the same, combining TMV's marketing expertise with added financial strength to promote growth and continue its expansion plans."

Blackstone Advisory Services provided financial advice to AIG in connection with AIG's global restructuring program.

-more-

Tenaska to Reacquire Sole Ownership of Tenaska Marketing Ventures from AIG

December 3, 2008

Page two

About Tenaska Marketing Ventures

Tenaska Marketing Ventures, Tenaska Marketing Ventures Canada, and Tenaska Gas Storage (collectively TMV) are affiliates of Omaha-based Tenaska Energy, one of the leading independent power producers in the U.S. and ranked in 2008 by Forbes magazine as the 24th largest private company in the U.S., based on 2007 revenues. Founded in 1991, TMV is regarded as one of the top 10 natural gas marketers in North America, and provides natural gas commodity, volume management, hedging and asset management products and services.

About American International Group, Inc.

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.

#