

Contact: David Monfried
Restructuring Communications
212-770-7205

**AIG ANNOUNCES AGREEMENT TO SELL AIG PRIVATE BANK LTD
TO AABAR INVESTMENTS PJSC**

NEW YORK and ABU DHABI, UNITED ARAB EMIRATES, December 1, 2008 - American International Group, Inc. (AIG) announced today an agreement to sell AIG Private Bank Ltd. (AIG Private Bank), a wholly-owned subsidiary of AIG, to Aabar Investments PJSC (Aabar), a global investment company based in Abu Dhabi.

Under its new ownership, AIG Private Bank will become an independent financial institution, headquartered in Switzerland along with branches and representative offices in Hong Kong, Shanghai, Singapore and Dubai. AIG Private Bank will conduct its business under a new name and will continue to focus on providing wealth management services to high net worth individuals in Switzerland, Western and Eastern Europe, Asia and the Middle East.

“We have looked very thoroughly at AIG Private Bank and are impressed by the professionalism and dedication of the management team and staff. This transaction represents a great opportunity to leverage AIG Private Bank’s expertise in wealth management and to further develop it in our region. AIG Private Bank provides us with a platform with the potential for significant long-term growth and value creation,” said H.E. Khadem Al Qubaisi, Chairman of Aabar and future designated Chairman of the bank.

“We are proud and delighted that we have found a strong and internationally renowned investor such as Aabar to support the future development of our bank. This sends a clear message to our customers that we will continue to be a trustworthy, reliable and competent partner for them,” said Eduardo Leemann, CEO of AIG Private Bank. “It also offers us new opportunities to expand our operations, especially in the Middle East,” Mr. Leemann added. He and his senior management team will remain with the bank.

The transaction is subject to satisfaction of certain conditions, including approvals by appropriate regulatory authorities.

Blackstone Advisory Services provided financial advice to AIG in connection with AIG’s global restructuring program. UBS Investment Bank acted as financial advisor and Lenz & Staehelin served as legal counsel to AIG on this transaction.

#

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.

Aabar Investments PJSC is a global investment company listed on the Abu Dhabi Securities Exchange. Aabar Investment’s mandate is to invest across industry sectors in attractive opportunities with significant long-term growth potential.

#