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AIG CLARIFIES AGENT MEETING

NEW YORK, October 8, 2008 –American International Group, Inc. (AIG) Chairman and Chief Executive Officer Edward M. Liddy sent a letter today to U.S. Treasury Secretary Henry M. Paulson to clarify the circumstances of a business event held by an AIG subsidiary, discussed during an October 7, 2008 hearing by the House Committee on Oversight and Government Reform.

The event, mischaracterized as an “Executive Retreat,” was held by one of AIG’s insurance subsidiaries for independent life insurance agents, not for AIG employees. These agents were top business producers for the company, and of the more than 100 attendees, only 10 were employees of the AIG subsidiary who were there to represent their company. No AIG executives from headquarters attended. The meeting was planned months before the Federal Reserve Bank of New York’s loan to AIG.

In his letter, Mr. Liddy assured Secretary Paulson that AIG now faces very different challenges, and “that we owe our employees and the American public new standards and approaches.” Mr. Liddy assured Secretary of the Treasury Paulson that AIG is “reevaluating the costs of all aspects of our operations in light of the new circumstances in which we are all operating.”

Mr. Liddy concluded, that “AIG is focused on doing what is necessary to address our capital structure, repay the Fed credit facility and emerge as a healthy global insurer. In the meantime, our insurance businesses continue to operate normally and satisfy the needs of our policy holders.”

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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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