



AIG AND GLOBAL INFRASTRUCTURE PARTNERS AGREE ON THE ACQUISITION OF LONDON CITY AIRPORT

LONDON – 11 October, 2006 -- AIG Financial Products Corp. (AIG-FP), a wholly owned subsidiary of American International Group, Inc., world leaders in insurance and financial services, and Global Infrastructure Partners (GIP), the infrastructure joint venture between Credit Suisse and GE Infrastructure, announced today that they have signed a definitive agreement to acquire 100% of the share capital of the company that owns and operates the business known as London City Airport ("the Airport") from Airport Management and Investment Limited, an entity owned by Mr. Dermot Desmond. Based on the terms of the deal, AIG-FP and GIP will each own 50% of the equity interests of the company that owns the Airport.

The Airport is located in the Royal Docks, in the London Borough of Newham in East London. The management of the Airport believes that the Airport will handle 2.4 million passengers in 2006, representing a growth rate of 20% over the previous year. The Airport is unique in that it predominantly serves business travelers to and from London, given its convenient location. The Airport is less than three miles from Canary Wharf, six miles from the City of London and 10 miles from the West End. It offers easy access to 27 destinations within the United Kingdom and across Europe and has achieved annual passenger growth rates of 14.4% and 18.6% in each of the past two years, according to the management of the Airport. The Airport also ranks as the third largest and one of the fastest growing corporate aviation facilities in the United Kingdom, with 10,202 total corporate aviation movements in 2005.

The transaction remains subject to EU merger clearance and is expected to close in November 2006.

"I am extremely pleased that AIG Financial Products and Global Infrastructure Partners have been successful in their bid for London City Airport," said Joseph Cassano, President of AIG-FP. "The airport has tremendous potential, and this transaction is a very tangible example of the breadth and capabilities of the AIG Financial Products platform."

Adebayo Ogunlesi, Chairman and Managing Partner of Global Infrastructure Partners, said "We are pleased that London City Airport is our first investment as it is a very high quality asset which serves one of the world's most important aviation markets. We are delighted to have AIG FP as our partner in this investment."

Notes to Editors:

The financial terms of the transaction have not been disclosed. Credit Suisse acted as financial adviser to AIG-FP and GIP. Linklaters acted as legal adviser.

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About AIG Financial Products Corp.

AIG Financial Products Corp. (AIG-FP) is a wholly-owned subsidiary of American International Group, Inc., world leaders in insurance and financial services. Founded in 1987, AIG-FP was one of the first companies focused principally on the derivatives markets in the United States. AIG-FP is active in a full spectrum of OTC derivative and structured products markets, including commodities, credit, energy, equities, foreign exchange, and rates. As leading participants in the capital and derivatives markets, AIG-FP provides clients with corporate finance, investment, and financial risk management solutions. AIG-FP's clients include many of the world's top corporations, investment managers, pension funds, banks, investment banks, sovereigns, hedge funds, foundations and endowments, as well as select high-net-worth individuals. With group offices in London, Paris, Tokyo, Houston, and Hong Kong, and Wilton, Connecticut, AIG-FP has extensive global reach.

About American International Group, Inc.

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 in the U.S. on the New York Stock Exchange as well as the stock exchanges in London, Paris, Switzerland and Tokyo.

About Global Infrastructure Partners

Global Infrastructure Partners (GIP) is a USD 1bn private equity joint venture formed by Credit Suisse and GE Infrastructure that invests in global infrastructure assets across both OECD and select emerging market countries. GIP targets investments in single assets and portfolios of assets in the energy, transport and water sectors - including power generation and transmission, gas storage and pipelines, water assets, airports, air traffic control, ports, railroads and toll roads. GIP has offices in New York and London.

The limited partnership interests in the GIP fund will not be registered under the Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from such registration requirements. This press release is not an offer of securities for sale in the United States. Such securities may not be offered or sold in the United States absent registration or an exemption from registration.

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