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AIG PAYS DOWN IN FULL PREFERRED INTERESTS IN AIA SPV; TOTAL U.S. GOVERNMENT INVESTMENT IN AIG CUT BY 75 PERCENT SINCE 2008

NEW YORK, March 22, 2012 – American International Group, Inc. (NYSE: AIG) announced today that it has made a final \$1.5 billion payment to the United States Treasury Department (the Treasury) to retire the Treasury’s interest in AIA Aurora LLC (AIA SPV) – a special purpose vehicle created to hold ordinary shares of American International Assurance Company, Ltd. (AIA). The payment was made one year ahead of schedule.

“This \$1.5 billion payment is a milestone– it retires the Treasury’s interest in the AIA SPV and it reduces total outstanding assistance more than 75 percent,” said Robert H. Benmosche, AIG President and Chief Executive Officer. “We promised the taxpayers they would be paid back at a profit, and so far we have met that goal. To date, AIG has paid the AIA SPV preferred interests, the Federal Reserve Bank of New York (FRBNY) Credit Facility, and the American Life Insurance Company (ALICO) SPV preferred interests in full. The Maiden Lane II loan has been fully repaid, the Maiden Lane III (ML III) loan has been significantly reduced, and the Treasury’s stake in AIG common stock has been reduced to 70 percent.”

The maximum support to AIG authorized by the U.S. government reached \$182 billion, of which \$21 billion was unused or expired. Through repayments, withdrawals, exchanges, sales, and other actions, total outstanding assistance has decreased to approximately \$9 billion of the FRBNY’s interest in ML III* and approximately \$36 billion worth of shares of AIG common stock owned by the Treasury.

The preferred interests in the AIA SPV were originally held by the FRBNY and were transferred to the Treasury in January 2011 when AIG executed its recapitalization plan with the Treasury, the FRBNY, and the AIG Credit Facility Trust. As a result of today’s payment, the security interests in other AIG assets that previously supported repayment of its AIA SPV Preferred Interests, including AIG’s interests in ML III and the escrow holding the remaining proceeds from AIG’s sale of ALICO to MetLife, Inc., have been released.

* The ML III loan is non-recourse to AIG, and is being repaid with the cash flows from the interest and principal payments and liquidation of the assets in the facility.

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American International Group, Inc. (AIG) is a leading international insurance organization serving customers in more than 130 countries. AIG companies serve commercial, institutional, and individual customers through one of the most extensive worldwide property-casualty networks of any insurer. In addition, AIG companies are leading providers of life insurance and retirement services in the United States. AIG common stock is listed on the New York Stock Exchange and the Tokyo Stock Exchange.



American International Group, Inc. - U.S. Government Support

