

For Immediate Release

AIG, CapitaLand and Lai Sun Celebrate AIG Tower Topping Out

Building will be the last to offer new office space in Hong Kong's prime business district for next two years

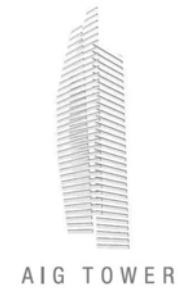
Hong Kong, December 9, 2004 – Leading international insurer, American International Group, Inc. (AIG); leading listed property group in Asia, CapitaLand Group (CapitaLand); and Hong Kong-listed property company, Lai Sun Development Company Limited (Lai Sun), today celebrated the topping out of AIG Tower.

The new Grade A prime commercial building in Central, Hong Kong will debut in the market in March 2005. It will be the last development to offer new office space in the heart of Hong Kong's prime business district for the next two years. Grade A office space vacancy is currently below 10 per cent.

AIG Tower is a joint venture project of affiliates of AIG, CapitaLand and Lai Sun. Senior executives of the three joint venture partners officiated at the ceremony. They were:

- Mr. Edmund Tse, Senior Vice Chairman, Life Insurance, AIG, and Chairman and Chief Executive Officer, American International Assurance Company, Limited
- Mr. Cesar C. Zalamea, Senior Vice President, Investments, AIG, and President and Chief Executive Officer, AIG Global Investment Corporation (Asia) Ltd.
- Dr. Richard Hu, Chairman, CapitaLand
- Mr. Liew Mun Leong, President and Chief Executive Officer, CapitaLand
- Mr. Peter Lam, President and Chairman, Lai Sun
- Mr. Julius Lau, Executive Director, Lai Sun

Mr. Edmund Tse said, "AIG companies have been operating in Asia for over 80 years and this site has special significance for us. It was the location of our first office in Hong

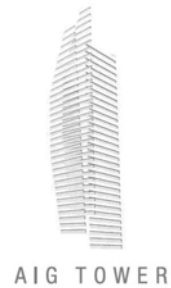


Kong, which was established in the 1930s, and we are proud to be returning to our original home. AIG Tower is a significant addition to our property portfolio. It underlines our long-term commitment to China and the region, and our belief in Hong Kong as a regional financial hub."

Mr. Liew Mun Leong said, "As a Singapore multinational with properties in gateway cities around the world, a major investment in Hong Kong is a natural fit. AIG Tower, a world-class property with world-class management, will make a major impact on Hong Kong's skyline. Today's topping out event reaffirms our confidence in the business opportunities in the city. The CapitaLand Group has been active in the Hong Kong and China market since the mid 1990s, investing and developing both residential and commercial properties. Looking ahead, CapitaLand Group's involvement as a strategic partner in The Link Reit by the Hong Kong Housing Authority, means increasing our presence in the Hong Kong real estate sector through new areas such as real estate financial products."

Mr. Peter Lam said, "As the original owner of the site we always wanted to see a great building on it. We wanted a 'trophy' building with 'trophy' partners, and we are delighted to be fulfilling that dream. This is a world-class property that does justice to the site, which has been steeped in history since the early days of Hong Kong's commerce and business".

AIG Tower stands at 1 Connaught Road Central, commanding harbour views from the site formerly occupied by The Furama Hotel, between The Ritz Carlton and Hutchison House. It will provide some 450,000 square feet of prime office space and is described as a 'pure' office building with prestigious street-level entrances and a 'porte-cochere' covered drive-in. AIG will be the anchor-tenant in the property, occupying six of the 26 office floors, each of between 13,000 -16,000 square feet.



The building is owned and developed by Bayshore Development Group Limited; a consortium formed by affiliates of AIG, CapitaLand and Lai Sun, and is designed by international architects Skidmore, Owings & Merrill LLP (SOM), whose other projects include Jin Mao Tower in Shanghai, Sears Tower in Chicago, Canary Wharf in London, and the Hong Kong Convention and Exhibition Centre.

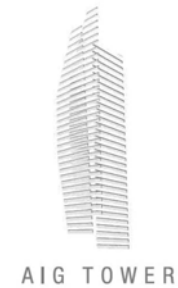
SOM's design of AIG Tower is inspired by two traditional icons of Hong Kong, namely the Chinese junk and the lantern. During the day, the Chinese junk image is represented by the high-rise profile of the building with its sail like form. This allusion also accounts for aspects of the design such as the detailing of the horizontal 'struts' on the curtain wall. At night, the lantern image dominates by inspiring a unique lighting concept captured in the curtain wall that gently illuminates the building and reinforces the transparency of its 'skin' like a lantern.

Vertical fins rise from the curtain wall base facing Murray Road that lead up to the roof where powerful searchlights will project beams of light into the night sky. The overall design stands as a new landmark and icon on Hong Kong's spectacular skyline.

CB Richard Ellis' Mr. Rob Blain, Chairman and Chief Executive Officer, Asia Pacific expects the strong leasing market witnessed in 2004 to continue. "This coupled with the limited supply coming on stream in Core Central strongly suggest a supply shortage in 2005. With the limited available Grade A stock in Central diminishing rapidly, we expect office rents will continue to trend upwards by a further 20% during 2005."

About AIG

American International Group, Inc. (AIG) is the world's leading international insurance and financial services organization, with operations in more than 130 countries and jurisdictions. AIG member companies serve commercial, institutional and individual customers through the most extensive worldwide property-casualty and life insurance



networks of any insurer. AIG's global businesses also include retirement services, financial services, real estate and asset management. AIG Global Real Estate Investment Corp., a subsidiary of AIG, invests in and actively manages real estate around the world. AIG Global Real Estate's property portfolio included all major property types and comprised approximately 53 million square feet owned, managed or under development in more than 50 countries around the world as of December 31, 2003.

About CapitaLand

CapitaLand Limited is one of the largest listed property companies in Asia. Headquartered in Singapore, the multinational company's core businesses in property, hospitality, property services and real estate financial services are focused in key cities in Asia, Australia, Europe and the Americas. The company's property and hospitality portfolio spans more than 75 cities around the world. CapitaLand also leverages on its significant real estate asset base and market knowledge to develop fee-based products and services in Singapore and the region.

The listed subsidiaries and associates of CapitaLand include Raffles Holdings, The Ascott Group, CapitaMall Trust, CapitaCommercial Trust and Australand Property Group, which is listed both in Singapore and Australia.

About Lai Sun

Lai Sun Development Company Limited is a member of the Lai Sun Group, which obtained its first listing on the Hong Kong stock exchange in 1972. Lai Sun Development Company Limited is well diversified with four business areas: property development and investment, hotel investment and management, media and entertainment and strategic investments. The Company was listed on The Stock Exchange of Hong Kong Limited in 1988 following a reorganization of the Group.

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AIG TOWER

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