



FOR IMMEDIATE RELEASE

**AIG GLOBAL INVESTMENT GROUP ANNOUNCES AN INVESTMENT IN
BLUE FINANCIAL SERVICES**

NEW YORK—July 5, 2006—AIG Global Investment Group today announced that AIG Capital Partners, Inc., a member company, will invest up to \$15 million to acquire a significant minority interest in Blue Financial Services, a leading pan African micro-finance company focused on providing micro lending products to people with limited access to formal banking. The investment was made from the AIG Global Emerging Markets Fund II, L.P. (GEM II), and the transaction will support Blue Financial Services' expansion strategy in southern Africa.

Based in Pretoria, South Africa, Blue Financial Services is led by Mr. Dave Van Niekerk and Mr. Riaan Swart, founding shareholders, who saw an opportunity in 2002 to expand the model of micro-finance from South Africa into other underserved countries in southern Africa. Blue Financial Services' net revenues grew by 100% in 2005 and the company has successfully established 33 branches in three countries (South Africa, Botswana and Zambia) and has also obtained regulatory approvals required to start businesses in three additional African countries (Kenya, Uganda and Tanzania).

It has been estimated that millions of people worldwide have no access to formal banking for reasons that include the lack of traditional collateral, high costs of small transactions, and geographic isolation. Today, a more specialized micro-finance industry has gradually emerged and institutions that provide micro-finance are diverse, including non-governmental organizations (NGO), credit unions, non-bank financial intermediaries and commercial banks. The loans and credit extended are typically small ("micro") and are provided in varying contexts, either to individuals or groups, ranging from personal micro-credit, to small enterprise support and rural finance.

"We are pleased to partner with Blue Financial Services and are excited about the company's model, its team and the business opportunity in Africa" said David Yeung, President and CEO of AIG Capital Partners. "Micro-finance is a high growth industry in Africa and we feel that Blue Financial Services is leader in expanding the micro-finance model beyond South Africa. This transaction further demonstrates the breadth and depth of AIG Capital Partners expertise in private equity transactions in worldwide emerging markets." Andre Steyn, Tony Couloubis, Amit Mahajan and John Leone of AIG Capital Partners were primarily responsible for the transaction.

"We are excited to have AIG Capital Partners as an investor," said Dave Van Niekerk, CEO of Blue Financial Services. "We further believe that besides being a strong financial supporter, AIG Capital Partners will also play a key role in guiding our expansion strategy through board participation."

As a member company of AIG Global Investment Group, AIG Capital Partners is a leading private equity investor in emerging markets. With 100 investment professionals located in 19 offices worldwide, as of March 31, 2006, AIG Capital Partners and its affiliates manage over US \$8.0 billion in emerging market private equity funds, based on original capital commitments.

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AIG Global Investment Group

AIG Global Investment Group (AIGGIG) comprises a group of international companies which provide investment advice and market asset management products and services to clients around the world. AIGGIG is a worldwide leader in asset management, with extensive capabilities in equity, fixed income, hedge funds, private equity, and real estate. AIGGIG manages approximately US \$532.9 billion in assets, and employs more than 1,600 professionals in 44 offices around the world as of March 31, 2006. Total assets under management include approximately US \$449.6 billion of AIG affiliated assets, including those managed by joint ventures, but do not include assets sub-advised to third party managers. The member companies of AIGGIG are subsidiaries of American International Group, Inc. (NYSE:AIG).

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