



**FOR IMMEDIATE RELEASE**

**AIG HIGHSTAR CAPITAL ENTERS INTO AGREEMENT TO PURCHASE MTC HOLDINGS FROM CHRISTOPHER REDLICH, JR.**

New York, NY – May 10, 2007 – AIG Global Investment Group (AIGGIG) and Christopher Redlich, Jr. today announced that Highstar Harbor Holdings III, Inc., a subsidiary of AIG Highstar Capital (Highstar), entered into a definitive agreement with Mr. Redlich to purchase 100% of MTC Holdings (MTCH). Terms were not disclosed.

Headquartered in San Francisco, California, MTCH is one of the largest independent terminal operators in the U.S. with extensive operations on the West Coast and growing operations on the East Coast and U.S. Gulf Coast. MTCH provides a full suite of stevedoring and other terminal operating and logistics services with operations at 32 terminals at key strategic ports, including Oakland, Los Angeles/Long Beach, Seattle/Tacoma, Baltimore and Savannah. MTCH CEO Doug Tilden and the existing MTCH management team will continue to manage the business following its acquisition by Highstar.

“Thanks to the stewardship of Chris Redlich's family, MTCH has grown to be a preeminent terminal operator and stevedore in the U.S., with significant growth potential in both the U.S. and Mexico,” said Christopher Lee, an AIGGIG Managing Director and the Managing Partner of Highstar. “MTCH also has a first rate management team, led by CEO Doug Tilden. We are pleased to have the opportunity to add MTCH to our diversified portfolio of North American port operators.”

MTCH, has been a leader in developing and deploying Terminal Operating Systems (TOS) and the process disciplines that support them. These processes and systems allow marine terminal operators to move more cargo through their terminal facilities more quickly. “With most ports in the U.S. constrained by surrounding development, the ability to move more cargo through existing terminal footprints is key to the continued growth of our economy. The Highstar team is committed to giving our port operators the capital resources necessary to allow them to continue to improve these strategic businesses,” said Lee.

MTCH has also been at the forefront of embracing new technologies that reduce the environmental impacts of marine terminals. The company was the first to participate in the testing of alternative fuel equipment through the California Carl Moyer program, and together with its joint venture partners, is now the largest operator of alternative fuel equipment in the U.S. maritime industry. The company is also committed to using the best available pollution reduction technologies wherever possible.

“MTCH has strived to be a leader in providing the best possible service to our shipping line and land-side transportation customers” said Doug Tilden, President and CEO of MTCH. “Our strong relationship with our labor union partners and our focus on ‘people, process and technology’ have enabled us to operate some of the most productive marine terminals in the U.S. Having Highstar as an investor in our business will give us the ability to continue to provide that level of service.”

Having to move more cargo through limited port and terminal space has caused some private terminal operators to feel pinched. The costs of new cranes and logistics systems can run into the hundreds of millions of dollars. As a result, terminal operations are increasingly dominated by subsidiaries of major shipping lines and large, foreign-owned operators. “This business was founded by my grandfather in 1932,” said Christopher Redlich, Chairman of the Board of MTCH. “We have brought the business a long way since that time. But, competition on a world scale requires more and more capital. We are glad that we could attract a well-capitalized investor like Highstar that wants to support this important domestic business.”

The transaction is subject to customary closing conditions including the receipt of certain government approvals. The parties currently anticipate the transaction will close during the third quarter of 2007.

Gibson Dunn & Crutcher LLP served as legal counsel to Mr. Redlich and Goldman Sachs provided financial advice. Cleary Gottlieb Steen & Hamilton LLP served as legal counsel to Highstar Harbor Holdings III.

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### **About AIG Highstar Capital**

AIG Highstar Capital (Highstar) is a group of private equity professionals within AIG Global Investment Group that makes equity investments in infrastructure assets and businesses. Since 2000, the Highstar team has led or co-led infrastructure investments totaling in excess of US \$10 billion in enterprise value, including investments in power generation, water and waste water, natural gas transmission and storage, waste management, waste-to-energy, transportation logistics and port concessions and operations. Currently, the Highstar team is managing a portfolio of assets valued in excess of US \$3 billion.

### **About AIG Global Investment Group**

AIGGIG is a worldwide leader in asset management, with extensive capabilities in equity, fixed income, multi-manager hedge funds, private equity, and real estate. AIGGIG manages more than US \$687 billion in assets, and employs over 2,000 professionals in 44 offices around the world as of March 31, 2007. Total assets under management include approximately US \$579 billion of AIG affiliated assets. AIGGIG comprises a group of international companies which provide investment advice and market asset management products and services to clients around the world. The member companies of AIGGIG are subsidiaries of American International Group, Inc. (NYSE:AIG).

For more information:

Highstar/AIGGIG Contact:  
Financial Dynamics – Jeannine Lewan: 212-850-5612

MTCH Contact:  
Colby Haines: 562-420-2782