

AIG Financial Products Corp.

50 Danbury Road,
Wilton, CT 06897-4444



For Immediate Release

**AIG FINANCIAL PRODUCTS CORP. ANNOUNCES STRATEGIC
INVESTMENT IN THE REX GROUP**

WILTON, CT – May 8, 2007 -- AIG Financial Products Corp. (AIG-FP), a member company of American International Group, Inc. (AIG), today announced that it has taken a significant minority equity stake in The REX Group, a group of San Francisco-based home finance companies, including Real Estate Equity Exchange, Inc. and Odin Investment Management LLC.

The REX Group has built a scaleable business platform, enabling homeowners to access the equity in their owner occupied residential real estate. The company's first product, the REX Agreement, is not a loan, but a real estate equity purchase agreement that gives the homeowner a portion of the home's equity in cash today, in exchange for the right of The REX Group to share in a specified percentage of the future value of the home. The REX Agreement helps U.S. homeowners convert equity into cash without selling their home, and with no additional debt, no interest, and no monthly payments.

AIG-FP's strategic investment in The REX Group represents its commitment to develop U.S. residential real estate equity as an important new asset class. U.S. residential real estate is one of the country's largest asset classes by valuation, with the total value estimated to be on the order of \$20 trillion (source: Federal Reserve Z1 Report).

"AIG Financial Products has played a leading role in developing commodities as an asset class, including through the Dow Jones - AIG Commodity IndexSM (DJ-AIGCISM) and related products," said Joseph Cassano, President of AIG-FP. "Our goal is to replicate this model for residential real estate equity with The REX Group --- they are leaders in their emerging field."

"The REX Group resolves the economic imbalance in home investment that previously offered consumers only debt and more debt. Now consumers can choose the right balance between debt and equity," said Thomas Sponholtz, The REX Group's co-founder and chief executive officer. "Many baby boomers are already realizing that they are equity-rich but still relatively cash poor. REX allows homeowners to unleash that stored asset without making monthly payments for the privilege. AIG Financial Products is a truly unique force in the financial markets, and we are pleased to be teaming up with them. Our joint efforts will enable millions of homeowners to make safer and smarter decisions around their single largest asset and to plan better for their financial futures."

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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, Hong Kong, and Wilton, Connecticut, AIG-FP has extensive global reach. For additional information please refer to <http://www.aigfp.com>.

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 The REX Group.

Founded in 2004, The REX Group is a group of financial services companies that originates equity investments in residential real estate. Through its family of companies, The REX Group allows homeowners to convert their equity into cash with no additional debt, no interest, and no monthly payments in exchange for granting The REX Group the right to receive a pre-designated percentage of the future value of the home. For additional information, please refer to <http://www.rexagreement.com>.

Media Contacts:

AIG-FP -- Whit Clay
Sloane & Company
wclay@sloanepr.com
(212) 446-1864

The REX Group – Wade Randlett
wade.randlett@rexandco.com
(415) 235-0700