

**EXECUTION COPY**

Final Terms dated 25 June 2007  
**AMERICAN INTERNATIONAL GROUP, INC.**

Issue of EUR 600,000,000 5.000 per cent. notes due 2017 (the "Notes")  
under the U.S.\$10,000,000,000 Euro Medium Term Note Programme of American International  
Group, Inc.

This document constitutes the Final Terms relating to the issue of Notes described herein.

**PART A – CONTRACTUAL TERMS**

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Prospectus dated 2 April 2007 and supplements to the Prospectus dated 19 April 2007, 16 May 2007 and 29 May 2007 which together constitute a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the "**Prospectus Directive**"). This document constitutes the Final Terms of the Notes described herein for purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Prospectus as so supplemented. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Prospectus.

1. (i) Series Number: 29  
(ii) Tranche 1
2. Specified Currency or Currencies: Euros ("**EUR**")
3. Aggregate Nominal Amount of Notes admitted to trading:  
(i) Series: EUR 600,000,000  
(ii) Tranche: EUR 600,000,000
4. Issue Price: 99.038 per cent. of the Aggregate Nominal Amount
5. Specified Denominations: EUR 50,000 and integral multiples of EUR 50,000 thereafter
6. (i) Issue Date: 26 June 2007  
(ii) Interest Commencement Date: 26 June 2007
7. Maturity Date: 26 June 2017
8. Exercise Date/Final Reference Date: Not Applicable
9. Interest Basis: 5.000 per cent. Fixed Rate

10.	Redemption/Payment Basis:	Redemption at par
11.	Change of Interest or Redemption/Payment Basis:	Not Applicable
12.	Put/Call Options:	Not Applicable
13.	(i) Status of the Notes:	Senior
	(ii) Date Board approval for issuance of Notes obtained:	21 September 2005
14.	Method of distribution:	Syndicated

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

15.	<b>Fixed Rate Note Provisions</b>	Applicable
	(i) Rate of Interest:	5.000 per cent. per annum payable annually in arrear
	(ii) Interest Payment Date(s):	26 June in each year, from, and including, 26 June 2008 to, and including, the Maturity Date (subject to adjustment in accordance with the Following Business Day Convention) (Relevant Financial Centres for the definition of "Business Day" being London and a TARGET Business Day)
	(iii) Fixed Coupon Amount:	EUR 2,500 per EUR 50,000 in Nominal Amount
	(iv) Broken Amount(s):	Not Applicable
	(v) Day Count Fraction (Condition 5(j)):	Actual/Actual ICMA
	(vi) Determination Dates (Condition 5(j)):	26 June in each year, from, and including, 26 June 2008 to, and including, 26 June 2017
	(vii) Other terms relating to the method of calculating interest for Fixed Rate Notes:	Not Applicable
16.	<b>Floating Rate Note Provisions</b>	Not Applicable
17.	<b>Zero Coupon Note Provisions</b>	Not Applicable
18.	<b>Index-Linked Interest Note/other variable-linked interest Note Provisions</b>	Not Applicable

19. **Dual Currency Note Provisions** Not Applicable

**PROVISIONS RELATING TO REDEMPTION**

20. **Call Option** Not Applicable

21. **Put Option** Not Applicable

22. **Final Redemption Amount of each Note** EUR 50,000 per Note of EUR 50,000 Specified Denomination

23. **Early Redemption Amount**

Early Redemption Amount(s) of each Note payable on redemption for taxation reasons (Condition 6(c)) or on Event of Default (Condition 10) or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions): Yes, as described in Condition 6(c)

Redemption for taxation reasons permitted on days other than Interest Payment Dates (Condition 6(c)): No

Unmatured Coupons to become void upon early redemption (Condition 7(f)): No

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

24. **Form of Notes:** Bearer Notes

(i) **Temporary or Permanent Global Note:** Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the circumstances specified in the Permanent Global Note

(ii) **Whether TEFRA D rules applicable or TEFRA D not applicable:** TEFRA D

25. **Financial Centre(s) (Condition 7(h)) or other special provisions relating to payment dates:** London and TARGET

26. **Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):** No.

- |     |  |                   |
|-----|--|-------------------|
| 27. | Details relating to Partly Paid Notes:<br>amount of each payment comprising<br>the Issue Price and date on which<br>each payment is to be made and<br>consequences (if any) of failure to<br>pay, including any right of the Issuer<br>to forfeit the Notes and interest due<br>on late payment: | Not Applicable    |
| 28. | Details relating to Instalment Notes:<br>amount of each instalment, date on<br>which each payment is to be made:   | Not Applicable    |
| 29. | Redenomination, renominatisation<br>and reconventioning provisions:  | Not Applicable    |
| 30. | Consolidation provisions:  | Not Applicable    |
| 31. | Additional steps that may only be<br>taken following approval by an<br>Extraordinary Resolution in<br>accordance with Condition 12(a):   | Not Applicable    |
| 32. | The aggregate principal amount of<br>Notes issued has been translated into<br>U.S. dollars at the rate of USD 1.341<br>for each EUR1, producing a sum of<br>(for Notes not denominated in U.S.<br>dollars):  | U.S.\$804,600,000 |
| 33. | Other final terms:   | Not Applicable    |

#### **DISTRIBUTION**

- |     |  |   |
|-----|--|---|
| 34. | (i) If syndicated, names and<br>addresses of Managers and<br>underwriting commitments: | EUR 158,040,000:<br>Barclays Bank PLC   |
|     |  | EUR 157,980,000:<br>BNP Paribas<br>HSBC Bank plc  |
|     |  | EUR 30,000,000<br>Banco Santander Central Hispano, S.A.<br>CALYON Crédit Agricole CIB<br>ING Direct |
|     |  | EUR 12,000,000:<br>Australia and New Zealand Banking Group<br>Limited                               |

National Australia Bank Limited  
Westpac Banking Corporation

- (ii) Date of Subscription Agreement: 25 June 2007
- (iii) Stabilising Manager(s) (if any): Barclays Bank PLC
- If non-syndicated, names and addresses of Dealer and underwriting commitment: Not Applicable
35. Additional selling restrictions: Not Applicable
36. Terms and conditions of the offer: Not Applicable

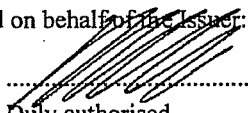
**LISTING AND ADMISSION TO TRADING APPLICATION**

These Final Terms comprise the final terms required to list and have admitted to trading the issue of Notes described herein pursuant to the U.S.\$10,000,000,000 Euro Medium Term Note Programme of American International Group, Inc.

**RESPONSIBILITY**

The Issuer accepts responsibility for the information contained in these Final Terms.

Signed on behalf of the Issuer:

By:  .....  
Duly authorised

## PART B – OTHER INFORMATION

### 1. RISK FACTORS

Additional product specific risk factors which are not covered under "Risk Factors" in the Prospectus: Not applicable

### 2. LISTING

- (i) Listing: Irish Stock Exchange
- (ii) Admission to trading: Application has been made for the Notes to be admitted to trading on the Irish Stock Exchange with effect from 26 June 2007.
- (iii) Estimate of total expenses related to admission to trading: EUR 1,000

### 3. RATINGS

Ratings: The Notes to be issued have been rated:

Standard & Poor's Rating Services, a division of the McGraw-Hill Companies, Inc.: AA

Moody's Investors Service Inc.: Aa2

Fitch Ratings Limited AA

### 4. NOTIFICATION

Not Applicable

### 5. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Except as discussed in "Subscription and Sale", so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.

### 6. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

- (i) Reasons for the offer: To fund the AIG Matched Investment Program, the Issuer's principal spread-based investment activity.
- (ii) Estimated net proceeds: 592,329,000

### 7. Fixed Rate Notes only – YIELD

Indication of yield: 5.125 per cent.

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

8. **Floating Rate Notes only – HISTORIC INTEREST RATES**

Not applicable.

9. **INDEX-LINKED OR OTHER VARIABLE-LINKED NOTES ONLY – PERFORMANCE OF INDEX/FORMULA/other variable and other information concerning the underlying**

Not Applicable

10. **DUAL CURRENCY NOTES ONLY – PERFORMANCE OF RATE OF EXCHANGE**

Not Applicable

11. **OPERATIONAL INFORMATION**

ISIN Code: XS0307512722

Common Code: 030751272

Any clearing system(s) other than Euroclear Bank S.A./N.V. as operator of the Euroclear System and Clearstream Banking société anonyme and the relevant identification number(s): Not Applicable

Delivery: Delivery against payment

Names and addresses of additional Paying Agent(s) (if any): Not Applicable