

Tata AIG Life Insurance Company Ltd. announces 5 per cent bonus

Mumbai, May 29 2002: Tata AIG Life Insurance Company Ltd. today announced a reversionary bonus of 5 % of the sum assured, one of the highest bonus declarations by any private life insurer, for all its participating life insurance policies reaching its first policy anniversary.

According to Ian J-Watts, Managing Director, Tata AIG Life Insurance Company Ltd., "We are pleased to declare a reversionary bonus of 5 per cent of the sum assured to all our participating policy holders reaching the first policy anniversary. We are proud to declare one of the highest bonuses among the private insurance companies this year. This was achieved in a fragile economic environment and is a testament to the commitment that we make to all our policy-holders."

"Though the future levels of bonus will be dependent on the performance of Tata AIG Life Insurance Company Ltd. and the economic climate, it will be our endeavour to do the utmost to achieve a high bonus level for our policy holders", Watts added.

Tata AIG Life Insurance Company Ltd. offers a comprehensive product suite of life insurance products which caters to various income levels and all segments of society.

Tata AIG is a joint venture between the Tata Group and American International Group, Inc. (AIG). The Tata Group is the most respected industrial conglomerate in India, with revenues of more than US \$ 8.4 billion. The Group has long been a market leader in steel, commercial vehicles, electric power generation in the private sector and computer software. In recent times, it has promoted several new ventures in high growth areas of the economy such as financial services, telecommunications, information technology, auto components, oil field services and process management systems. The Group has had a long association with India's insurance sector having been the largest insurance company in India prior to the nationalization of insurance.

Tata AIG insurance will provide General and Life insurance solutions to individuals and corporates. The non-life insurance arm, Tata AIG General Insurance, will offer a complete range of automobile, homeowners, personal

accident, travel, energy, marine, property, casualty and several specialized financial lines of insurance.

Tata AIG Life Insurance products will include a broad array of life insurance coverage to both individuals and groups. For groups the company has Life products whereas for individuals, Tata AIG Life has term products, endowment products as well as money-back products. For groups and individuals, various types of add-ons and options are available to give consumers flexibility and choice. The range of products will continue to grow throughout the year.

American International Group, Inc. (AIG) is the world's leading U S-based international insurance and financial service organization, the largest underwriter of commercial and industrial insurance in the United States, and the second - largest US life insurer. Its member companies write a wide range of general insurance and life insurance products for commercial, institutional and individual customers through a variety of distribution channels in approximately 130 countries and jurisdictions throughout the world. AIG's global businesses also include financial services, retirement savings and asset management. AIG's financial services businesses include aircraft leasing, financial products, trading and market making, and consumer finance. AIG has one of the largest retirement savings businesses in the United States and is a leader in asset management for the individual and institutional markets, with specialized investment management capabilities in equities, fixed income, alternative investments and real estate. AIG's common stock is listed in the New York Stock Exchange, as well as the stock exchanges in London, Paris, Switzerland and Tokyo.

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