

PRESS RELEASEZug, May 5th, 2006**AIG Private Equity Ltd. Announces Planned Capital Increase**

AIG Private Equity, Ltd. announced today that it is planning a capital increase to take place in June, 2006. The capital increase will be effected through the use of authorized share capital (*genehmigtes Kapital*). Shares will be offered through a public offering in Switzerland and private placements in certain other jurisdictions. Existing shareholders will receive subscription rights that will entitle them to subscribe for new shares to be issued. The issuance price will be determined based on the market price prevailing at the time of the offering. Proceeds from the offering will be used to make additional investments in private equity funds and direct investments in private companies. Shares will not be offered or sold in the United States or to US persons. Further details on the offering will be communicated in the second half of May, 2006.

AIG Private Equity Ltd. is a Swiss investment company with an objective to achieve long-term capital growth for shareholders by investing in a diversified portfolio of private equity funds and direct investments in privately held operating companies. The same team that manages private equity investments for American International Group, Inc. acts as an investment advisor for AIG Private Equity Ltd. With six years of operating experience in a variety of market conditions, AIG Private Equity Ltd. has a solid track record and a mature portfolio of funds and direct investments. Private Equity Ltd. is listed on the SWX Swiss Exchange under the ticker symbol "APEN".

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