Fixed Income Investor Presentation

September 30, 2015

Assured Guaranty® Municipal

Municipal Assurance Corp.® An Assured Guaranty Company

Assured Guaranty® Corp.

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1. Please see page 3 for a definition of this convention.

Forward-Looking Statements and Safe Harbor Disclosure

- This presentation contains information that includes or is based upon forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements give the expectations or forecasts of future events of Assured Guaranty Ltd. (“AGL”) and its subsidiaries (collectively, “Assured Guaranty” or the “Company”). These statements can be identified by the fact that they do not relate strictly to historical or current facts and relate to future operating or financial performance. Any or all of Assured Guaranty’s forward-looking statements herein are based on current expectations and the current economic environment and may turn out to be incorrect. Assured Guaranty’s actual results may vary materially. Among factors that could cause actual results to differ adversely are: (1) rating agency action, including a ratings downgrade, a change in outlook, the placement of ratings on watch for downgrade, or a change in rating criteria, at any time, of AGL or any of its subsidiaries, and/or of any securities AGL or any of its subsidiaries have issued, and/or of transactions that AGL’s subsidiaries have insured; (2) reduction in the amount of available insurance opportunities and/or in the demand for Assured Guaranty's insurance; (3) developments in the world’s financial and capital markets that adversely affect obligors’ payment rates, Assured Guaranty’s loss experience, or its exposure to refinancing risk in transactions (which could result in substantial liquidity claims on its guarantees); (4) the possibility that budget shortfalls or other factors will result in credit losses or impairments on obligations of state, territorial and local governments and their related authorities and public corporations that Assured Guaranty insures or reinsures; (5) the failure of Assured Guaranty to realize loss recoveries that are assumed in its expected loss estimates; (6) deterioration in the financial condition of Assured Guaranty’s reinsurers, the amount and timing of reinsurance recoverables actually received and the risk that reinsurers may dispute amounts owed to Assured Guaranty under its reinsurance agreements; (7) increased competition, including from new entrants into the financial guaranty industry; (8) rating agency action on obligors, including sovereign debtors, resulting in a reduction in the value of securities in Assured Guaranty’s investment portfolio and in collateral posted by and to Assured Guaranty; (9) the inability of Assured Guaranty to access external sources of capital on acceptable terms; (10) changes in the world’s credit markets, segments thereof, interest rates or general economic conditions; (11) the impact of market volatility on the mark-to-market of Assured Guaranty’s contracts written in credit default swap form; (12) changes in applicable accounting policies or practices; (13) changes in applicable laws or regulations, including insurance, bankruptcy, and tax laws, or other governmental actions; (14) difficulties with the execution of Assured Guaranty’s business strategy; (15) loss of key personnel; (16) the effects of mergers, acquisitions and divestitures; (17) natural or man-made catastrophes; (18) other risks and uncertainties that have not been identified at this time; (19) management’s response to these factors; and (20) other risk factors identified in AGL’s filings with the U.S. Securities and Exchange Commission (the “SEC”). The foregoing review of important factors should not be construed as exhaustive, and should be read in conjunction with the other cautionary statements that are included in the Company’s Form 10-Q, as well as the risk factors included in AGL’s 2014 Annual Report on Form 10-K. The Company undertakes no obligation to update publicly or review any forward-looking statement, whether as a result of new information, future developments or otherwise, except as required by law. Investors are advised, however, to consult any further disclosures the Company makes on related subjects in the Company’s reports filed with the SEC.
- If one or more of these or other risks or uncertainties materialize, or if the Company’s underlying assumptions prove to be incorrect, actual results may vary materially from what the Company projected. Any forward-looking statements in this presentation and the Company’s Form 10-K or Form 10-Q filings reflect the Company’s current views with respect to future events and are subject to these and other risks, uncertainties and assumptions relating to its operations, results of operations, growth strategy and liquidity.
- For these statements, the Company claims the protection of the safe harbor for forward-looking statements contained in Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”).

Conventions, Disclaimers and Non-GAAP Financial Measures

- Unless otherwise noted, the following conventions are used in this presentation:
  - "AGM Consolidated" means Assured Guaranty Municipal Corp. and its consolidated entities (consisting primarily of Assured Guaranty (Europe) Ltd., Municipal Assurance Holdings Inc. (MAC Holdings), Municipal Assurance Corp. (MAC), and variable interest entities Assured Guaranty Municipal Corp. is required to consolidate under accounting principles generally accepted in the United States).
    - "AGM" means AGM Consolidated excluding MAC Holdings and MAC.
    - "Assured Guaranty Municipal" means AGM Consolidated excluding MAC Holdings, MAC and Assured Guaranty (Europe) Ltd.
  - Ratings on Assured Guaranty's insured portfolio and on securities purchased or obtained as part of loss mitigation or other risk management strategies are our internal credit ratings. Internal credit ratings are expressed on a ratings scale similar to that used by the rating agencies and are generally reflective of an approach similar to that employed by the rating agencies, except that the Company's credit ratings focus on future performance, rather than lifetime performance. Exposures rated below investment grade are designated "BIG".
  - The Company reclassifies those portions of risks benefitting from collateralized reimbursement arrangements as the higher of AA or their current internal rating.
  - The Company excludes Company-insured securities that it has purchased for loss mitigation purposes from its disclosure of par and debt service outstanding (unless otherwise indicated) because it manages such securities as investments and not insurance exposure.
  - Ratings on the investment portfolios are the lower of the ratings from Moody's Investors Service, Inc. (Moody's) or Standard & Poor's Ratings Services (S&P).
  - Percentages and totals in tables or graphs may not add due to rounding.
- The materials in this presentation do not constitute advice with respect to any municipal financial products, or the issuance of any municipal securities, including with respect to the structuring, timing or terms of any such financial products or issuances. You should not rely on such material to make any decision with respect to these topics. Neither we nor any of our affiliates is acting as your advisor in connection with any municipal financial product or any issuance of municipal securities. We encourage you to consult your own financial and legal advisors and to make your own independent investigation regarding any municipal financial product and the structure, timing and terms of any issuance of municipal securities. Municipal financial product includes any municipal derivative, guaranteed investment contract, plan or program for the investment of the proceeds of municipal securities, or the recommendation and brokerage of municipal escrow investments.
- This presentation references financial measures that are not in accordance with U.S. generally accepted accounting principles (GAAP), which management uses in order to assist analysts and investors in evaluating Assured Guaranty's financial results. These financial measures determined on the basis of methodologies other than in accordance with GAAP ("non-GAAP financial measures") are defined in the Appendix. In each case, the most directly comparable GAAP financial measure, if available, is presented, and a reconciliation of the non-GAAP financial measure and GAAP financial measure is provided. This presentation is consistent with how Assured Guaranty's management, analysts and investors evaluate Assured Guaranty's financial results and is comparable to estimates published by analysts in their research reports on Assured Guaranty.

Corporate Overview

Corporate Overview

- **Assured Guaranty Ltd. ("AGL" and, together with its subsidiaries, "Assured Guaranty" or the "Company") is the leading financial guaranty franchise**
  - We are the only long-standing financial guaranty company to continue to write new business throughout the financial crisis and recession
  - We maintain strong financial strength ratings from S&P, Moody's, KBRA, and A.M. Best
- **Assured Guaranty's focus is financial guaranty**
  - Over three decades of experience in the financial guaranty market
  - Publicly traded holding company (NYSE: AGO) with extensive quarterly financial disclosures at holding company and subsidiaries, providing transparency to all investors
  - Three principal U.S. financial guaranty direct subsidiaries and one principal Bermuda financial guaranty reinsurance subsidiary
- **Strong capital base**
  - Consolidated investment portfolio and cash of $11.5 billion as of September 30, 2015[1]
  - Consolidated claims-paying resources of $12.4 billion as of September 30, 2015[2]
- **On April 1, 2015, Assured Guaranty Corp. (AGC) acquired Radian Asset Assurance Inc. (Radian Asset) and merged Radian Asset with and into AGC, with AGC as the surviving company**
  - Bonds insured by Radian Asset have therefore become insured obligations of AGC

($ in billions)	AGL Consolidated (9/30/15)
Net par outstanding	$372.4
Total investment portfolio and cash[1]	$11.5
Claims-paying resources[2]	$12.4

1. Includes $256 million of investments in securities purchased or obtained as part of loss mitigation or other risk management strategies whose issuers are consolidated as variable interest entities (VIEs). Excludes $181 million of other invested assets not available for sale. See page 28 for a breakdown of the available-for-sale portfolio.
2. Based on statutory measures. See page 10 for components of claims-paying resources.

Corporate Overview (Continued)
Radian Acquisition

- **On April 1, 2015, AGC closed the acquisition of Radian Asset Assurance Inc. (Radian Asset) for a cash purchase price of $804.5 million and merged it with and into AGC**
  - Bonds insured by Radian Asset have therefore become insured obligations of AGC
- **Bondholders benefit from upgrades to their bonds' insured ratings, as AGC's financial strength ratings are substantially higher than Radian Asset's prior to the acquisition**
- **As of September 30, 2015, of the exposure acquired, $8.9 billion (69%) was Radian Asset direct business; $3.6 billion (28%) was business AGM & AGC previously ceded to Radian Asset; and $0.4 billion (3%) were second-to-pay transactions Radian Asset insured that were already insured by AGM or AGC**

($ in billions)	AGL Consolidated (9/30/15)	Amount Attributable to Radian Asset Acquisition
Net par outstanding	$372.4	$12.4[1]
U.S. public finance	$300.7	$6.9
U.S. structured finance	$35.4	$4.0
Non-U.S. Public & Structured Finance	$36.2	$1.5

1. Consists of $8.9 billion of Radian Asset direct business and $3.6 billion of business AGM & AGC previously ceded to Radian Asset. These amounts do not total $12.4 billion due to rounding.

Operating Principles and Investor and Issuer Benefits

- **Underwriting principles and a strong risk management culture designed to protect our franchise**
- **Experienced and disciplined management**
- **Commitment to disclosure and transparency**
- **Our guaranty benefits investors and issuers because we provide credit selection, underwriting, surveillance and remediation, in addition to timely payment of scheduled principal and interest if an underlying transaction defaults**
  - Bond insurance helps homogenize the market's view of insured credits, which typically increases market liquidity; every day, the municipal market trades an average of more than $500 million in bonds insured by Assured Guaranty companies
  - Credit enhancement provides protection in an uncertain credit environment

Strategic Priorities

- **Exercise underwriting and pricing discipline**
- **Increase penetration in the U.S. public finance market**
- **Increase new business activity in our structured finance and international segments**
- **Maintain strong financial strength ratings**
- **Pursue loss mitigation strategies**
- **Utilize capital efficiently**

Assured Guaranty Ltd.

Corporate Structure

Assured Guaranty Ltd.
Hamilton, Bermuda
Publicly Traded Holding Company (NYSE: AGO)
A (stable outlook) / Baa2 (stable outlook)
issuer credit ratings

Assured Guaranty Re Ltd. (AG Re)
Financial Guaranty Reinsurance
S&P: AA (stable outlook)
financial strength rating

Assured Guaranty Overseas US Holdings Inc.
U.S. Holding Company
NR

Assured Guaranty Re Overseas Ltd. (AGRO)
Specialty Reinsurance
S&P: AA (stable outlook) /
A.M. Best: A+ (stable outlook)
financial strength ratings

Assured Guaranty Finance Overseas Ltd.
European Marketing
NR

Assured Guaranty US Holdings Inc. (AGUS)
U.S. Holding Company
A (stable outlook) / Baa2 (stable outlook)
issuer credit ratings

Assured Guaranty Corp. (AGC)
Financial Guaranty Direct
AA (stable outlook) /
A3 (negative outlook)
financial strength ratings

AG Financial Products Inc.
Swap Counterparty
NR

Assured Guaranty Municipal Holdings Inc. (formerly Financial Security Assurance Holdings Ltd.)
U.S. Holding Company
A (stable outlook) / Baa2 (stable outlook)
issuer credit ratings

Assured Guaranty Municipal Corp. (formerly Financial Security Assurance Inc.)
Financial Guaranty Direct
S&P: AA (stable outlook) /
Moody's: A2 (stable outlook) /
KBRA: AA+ (stable outlook)
financial strength ratings

Assured Guaranty (UK) Ltd. (AGUK)
Financial Guaranty Direct
AA (stable outlook) /
A3 (negative outlook)
financial strength ratings

Municipal Assurance Holdings Inc.[1]
U.S. Holding Company
NR

Assured Guaranty (Europe) Ltd. (AGE) (formerly Financial Security Assurance (U.K.) Limited)
Financial Guaranty Direct
AA (stable outlook) /
A2 (stable outlook)
financial strength ratings

Municipal Assurance Corp. (MAC)
Financial Guaranty Direct
S&P: AA (stable outlook) /
KBRA: AA+ (stable outlook)
financial strength ratings

Ratings and company names as of December 3, 2015.
S&P / Moody's (unless otherwise specified)
NR = Not rated

1. AGM and AGC own 60.7% and 39.3%, respectively, of the outstanding stock of Municipal Assurance Holdings Inc., which owns 100% of the outstanding common stock of MAC.

Four Discrete Principal Operating Companies With Separate Capital Bases

Consolidated Claims-Paying Resources and Statutory-Basis Exposures

($ in millions)	As of September 30, 2015 AGM	AGC	MAC	AG Re[8]	Eliminations[4]	Consolidated
Claims-paying resources						
Policyholders' surplus	$ 2,148	$ 1,377	$ 661	$ 1,028	$ (910)	$ 4,304
Contingency reserve[1]	1,621	1,058	330	–	(330)	2,679
Qualified statutory capital	**3,769**	**2,435**	**991**	**1,028**	**(1,240)**	**6,983**
Unearned premium reserve[1]	1,603	693	493	809	(493)	3,105
Loss and loss adjustment expense reserves[1,2]	426	100	–	316	–	842
Total policyholders' surplus and reserves	**5,798**	**3,228**	**1,484**	**2,153**	**(1,733)**	**10,930**
Present value of installment premium[1]	270	229	3	160	(3)	659
Committed Capital Securities	200	200	–	–	–	400
Excess of loss reinsurance facility[3]	450	450	450	–	(900)	450
Total claims-paying resources (including proportionate MAC ownership for AGM and AGC)	**$ 6,718**	**$ 4,107**	**$ 1,937**	**$ 2,313**	**$ (2,636)**	**$ 12,439**
Less: Adjustment for MAC[5]	942	545	–	–	(1,487)	–
Total claims-paying resources (excluding proportionate MAC ownership for AGM and AGC)	**$ 5,776**	**$ 3,562**	**$ 1,937**	**$ 2,313**	**$ (1,149)**	**$ 12,439**
Statutory net par outstanding[6]	$ 135,121	$ 50,455	$ 66,241	$ 91,812	$ (1,540)	$ 342,089
Equity method adjustment[7]	40,208	26,033	–	–	(66,241)	–
Adjusted statutory net par outstanding[1]	$ 175,329	$ 76,488	$ 66,241	$ 91,812	$ (67,781)	$ 342,089
Net debt service outstanding[6]	$ 209,387	$ 74,377	$ 98,408	$ 144,575	$ (3,342)	$ 523,405
Equity method adjustment[7]	59,734	38,674	–	–	(98,408)	–
Adjusted net debt service outstanding[1]	$ 269,121	$ 113,051	$ 98,408	$ 144,575	$ (101,750)	$ 523,405

1. The numbers shown for AGM and AGC include their indirect share of MAC. AGM and AGC own 60.7% and 39.3%, respectively, of the outstanding stock of Municipal Assurance Holdings Inc., which owns 100% of the outstanding common stock of MAC. In the case of AGC, the numbers shown have also been adjusted to include its 100% share of its U.K. insurance subsidiary. Amounts include financial guaranty insurance and credit derivatives.
2. Reserves are reduced by approximately $0.2 billion for benefit related to representation and warranty recoverables.
3. Represents an aggregate $450 million excess-of-loss reinsurance facility for the benefit of AGM, AGC and MAC, which became effective January 1, 2014. The facility terminates on January 1, 2016, unless AGM, AGC and MAC choose to extend it.
4. Eliminations are primarily for (i) intercompany surplus notes between AGM and AGC, and between AGM and MAC, (ii) MAC amounts, whose proportionate share are included in AGM and AGC based on ownership percentages. Net par and net debt service outstanding eliminations relate to second-to-pay policies under which an Assured Guaranty insurance subsidiary guarantees an obligation already insured by another Assured Guaranty insurance subsidiary, and net par related to intercompany cessions from AGM and AGC to MAC.
5. Represents adjustment for AGM's and AGC's interest and indirect ownership of MAC's total policyholders' surplus, contingency reserve, unearned premium reserve, loss reserves and present value of installment premium.
6. Net par outstanding and net debt service outstanding are presented on a statutory basis. Under statutory accounting, such amounts would be reduced both when an outstanding issue is legally defeased (i.e., an issuer has legally discharged its obligations with respect to a municipal security by satisfying conditions set forth in defeasance provisions contained in transaction documents and is no longer responsible for the payment of debt service with respect to such obligations) and when such issue is economically defeased (i.e., transaction documents for a municipal security do not contain defeasance provisions but the issuer establishes an escrow account with U.S. government securities in amounts sufficient to pay the refunded bonds when due; the refunded bonds are not considered paid and continue to be outstanding under the transaction documents, and the issuer remains responsible to pay debt service when due to the extent monies on deposit in the escrow account are insufficient for such purpose).
7. Equity method adjustment is an adjustment made to reflect AGM's and AGC's net exposure to MAC, as determined by their indirect equity ownership.
8. Assured Guaranty Re Ltd. (AG Re) numbers represent the Company's estimate of U.S. statutory accounting practices prescribed or permitted by insurance regulatory authorities, except for contingency reserves.

Assured Guaranty
Principal Operating Platforms

- **Assured Guaranty Municipal[1], MAC and AGC operate as three separate direct financial guaranty platforms, with AG Re operating as a reinsurer**
  - Assured Guaranty Municipal[1] focuses exclusively on public finance and global infrastructure transactions
  - MAC insures only U.S. municipal bonds, primarily small and medium-size issues in select categories, such as G.O. and tax-backed bonds and public electric, water, sewer and transportation revenue bonds – a subset of Assured Guaranty Municipal's[1] focus
  - AGC, as the most diversified platform, insures the same categories as Assured Guaranty Municipal[1], as well as selected sectors within the U.S. and international structured finance market
  - AG Re, as a reinsurer, provides additional capital and flexibility to Assured Guaranty Municipal[1] and AGC; its Assured Guaranty Re Overseas Ltd. (AGRO) subsidiary specializes in reinsurance of non-financial guaranty business lines that fit within Assured Guaranty's overall risk appetite
- **Assured Guaranty Municipal[1], MAC and AGC share Assured Guaranty's experience, culture of prudent risk management and business infrastructure**
- **Assured Guaranty's financial position and market standing, along with the franchise value of Assured Guaranty Municipal[1], MAC and AGC, are strengthened through this structure**
  - Greater capacity to write business
  - More flexibility in balancing portfolio exposures
  - Enhanced operating efficiencies through common infrastructure

1. Please see page 3 for a definition of this convention.

Assured Guaranty
Principal Operating Platforms (Continued)

- **Companies distinct for legal and regulatory purposes**
  - Separate insurance licenses
  - Separate regulators – Assured Guaranty Municipal[1] and MAC are domiciled in New York; AGC is domiciled in Maryland
  - Dividend restrictions – New York, Maryland and Bermuda insurance law restrictions apply
  - Separate insured credit exposures: net par as of September 30, 2015 – AGM[1] $145 billion[2,3], MAC $78 billion, AGC $52 billion
  - Separate capital bases – claims-paying resources[4] as of September 30, 2015 – AGM[1] $5.8 billion[2], MAC $1.9 billion, AGC $3.6 billion
- **Under GAAP, Assured Guaranty Municipal Corp. is required to consolidate several entities, including MAC, when reporting financial data**
  - Because of the legal and regulatory distinction between Assured Guaranty Municipal Corp. and its consolidated entities, it can be useful to look at Assured Guaranty Municipal Corp. not only on a consolidated basis but also after excluding one or more of its consolidated entities
  - Please see page 3 for a list of conventions used to indicate which consolidated entities are included when we refer to “AGM Consolidated,” “AGM” or “Assured Guaranty Municipal”

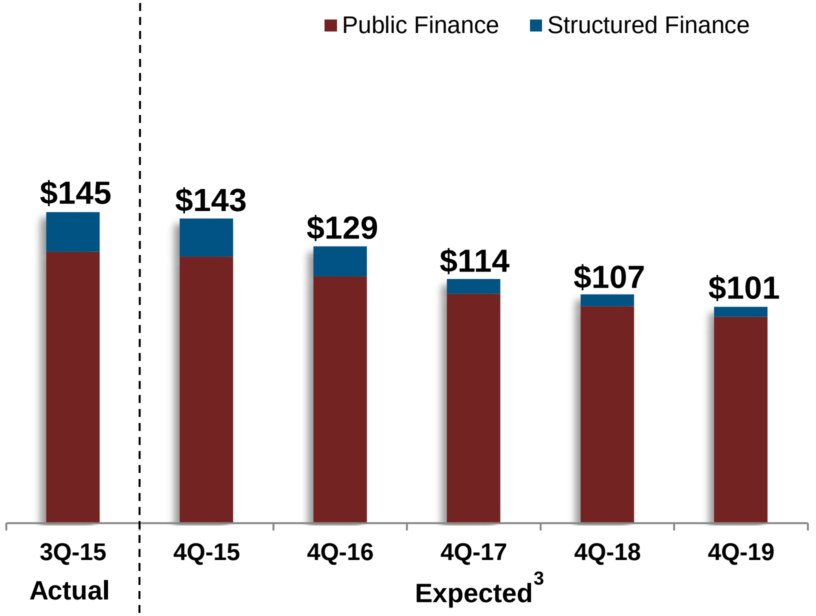
1. Please see page 3 for a definition of this convention.
2. Please see the appendix for a reconciliation to the corresponding GAAP value.
3. Includes $1.9 billion of GICs (see footnote 3 on page 45).
4. Consolidated claims-paying resources of the Assured Guaranty group include those of AGM, MAC and AGC shown above, and $2.3 billion at AG Re., less intercompany eliminations of $1.1 billion. Please see page 10 for additional details about the components of claims-paying resources.

Assured Guaranty Municipal's[1] Commitment to the Public Finance Market

- **Assured Guaranty Municipal[1] is committed to insuring only U.S. public finance and global infrastructure transactions now and in the future[2]**
- **AGM's[1] existing insured portfolio is expected to rapidly evolve toward its public finance focus**
- **We project that AGM's[1] legacy global structured finance insured portfolio ($19 billion as of September 30, 2015 vs. $127 billion as of September 30, 2008) will amortize rapidly – 25% by year-end 2016 and 70% by year-end 2018[3]**

AGM[1] Insured Portfolio Amortization

Current and Projected Year-End Net Par Outstanding
As of September 30, 2015
($ in billions)



1. Please see page 3 for a definition of this convention and the appendix for a reconciliation to the corresponding GAAP value.
2. Assured Guaranty Municipal[1] stopped writing structured finance transactions in August 2008.
3. Represents the future expected amortization of current net par outstanding as of September 30, 2015. Actual amortization of the existing portfolio will differ from the expected shown here because, for example, (a) some obligors may call, prepay or defease guaranteed obligations (e.g., in the context of U.S. public finance refundings), and (b) the expected amortization of structured finance transactions is based in part on management's assumptions regarding the performance of the underlying assets while the actual performance of those assets may differ from management's assumptions. Actual amortization of the U.S. public and global infrastructure finance portfolio and the structured finance portfolio may be faster or slower than expected by management; both portfolios may differ from expectations in the same direction or one portfolio may amortize more quickly while the other may amortize more slowly.

Municipal Assurance Corp. (MAC)

MAC was launched in July of 2013 as a municipal-only bond insurer with the positive attributes it takes most start-up companies years to establish.

As of September 30, 2015, Municipal Assurance Corp. (MAC) has:

- $1.9 billion in claims-paying resources, consisting of $991 million in statutory capital, $493 million in unearned premium reserves[1] (UPR), and $450 million in excess-of-loss reinsurance[2];
- a $78 billion insured U.S. municipal-only portfolio that is geographically diversified;
- a $1.5 billion investment portfolio;
- strong financial strength ratings: AA+ (stable outlook) from Kroll Bond Rating Agency (KBRA) and AA (stable outlook) from S&P;
- conservative and well-defined underwriting standards; and
- a high level of transparency, including quarterly financial supplements and the publication of Credit Summaries for primary-market insured transactions.

MAC benefits from Assured Guaranty's human capital, experience and business infrastructure.

1. Statutory basis.
2. Represents an aggregate $450 million excess-of-loss reinsurance facility for the benefit of MAC, Assured Guaranty Municipal and Assured Guaranty Corp., which became effective January 1, 2014. The facility terminates on January 1, 2016, unless MAC, Assured Guaranty Municipal and Assured Guaranty Corp. choose to extend it.

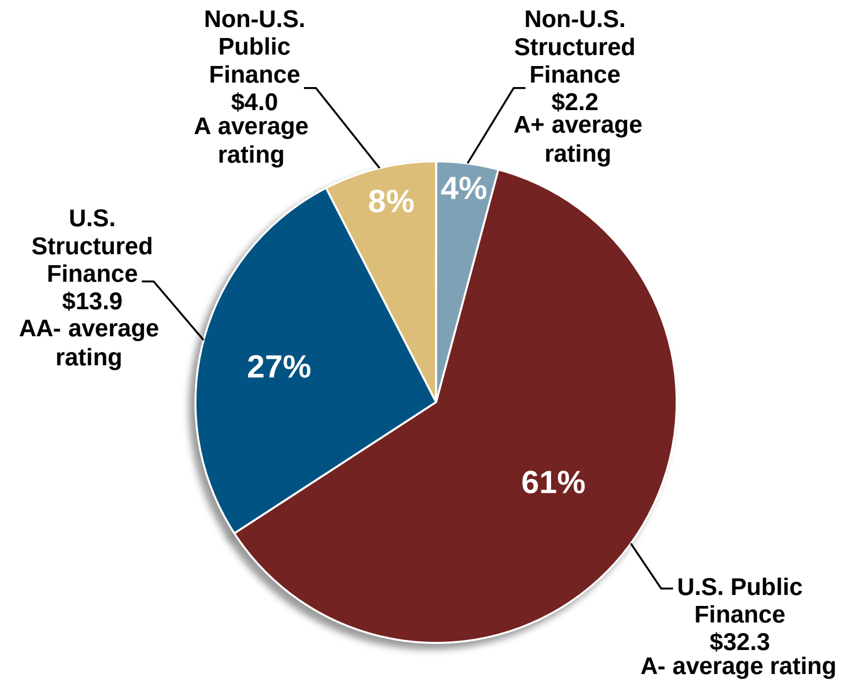
AGC is Our Most Diversified Platform

- **AGC, a diversified insurer, will write all classes of financial guaranty business, including: U.S. public finance, global infrastructure and structured finance**
- **Structured finance new business originations:**
  - Traditional ABS (e.g., auto loans and leases, credit card receivables, consumer loans, equipment loans and leases, trade receivables)
  - Capital management solutions for financial institutions
  - No new U.S. RMBS until product changes fundamentally
  - Actively managed risk tolerance
  - Investment grade underlying credit quality
- **AGC acquired Radian Asset Assurance Inc. (Radian Asset) on April 1, 2015**
  - Radian Asset was merged with and into AGC, with AGC as the surviving company

Net Par Outstanding

As of September 30, 2015

($ in billions)



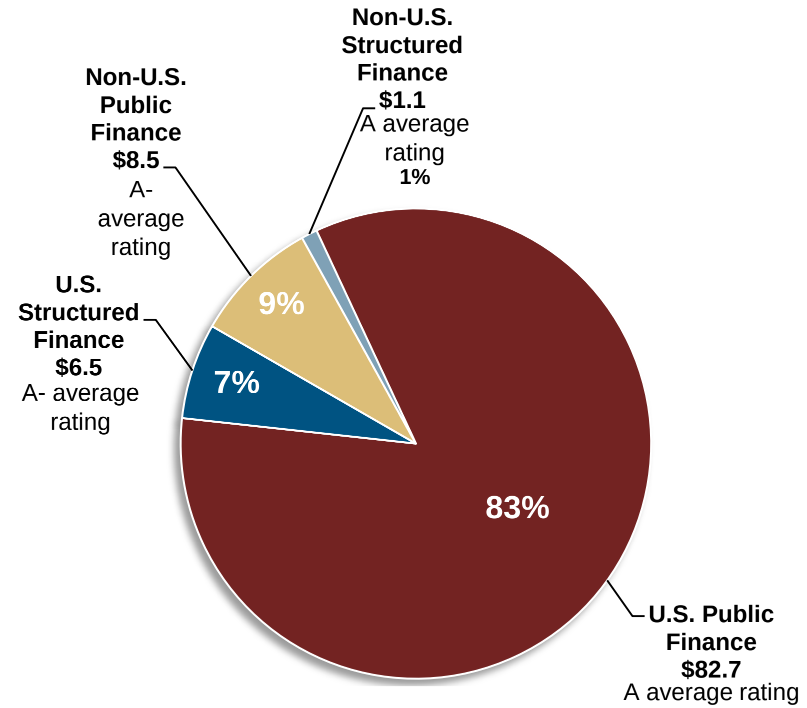
$52.4 billion, A average rating

AG Re's Operating Structure

- **AG Re is an insurance company primarily engaged in providing reinsurance to financial guarantors**
  - AG Re is rated AA (stable outlook) by S&P[1]
- **Provides reinsurance for Assured Guaranty Municipal[2] and AGC**
- **Portfolio opportunities with legacy monolines**
- **Indirect subsidiary Assured Guaranty Re Overseas Ltd. (AGRO) is a specialty reinsurance company**
  - AGRO is rated A+ (stable) by A.M. Best and AA (stable outlook) by S&P[1]

Net Par Outstanding

As of September 30, 2015
($ in billions)



$98.9 billion, A average rating

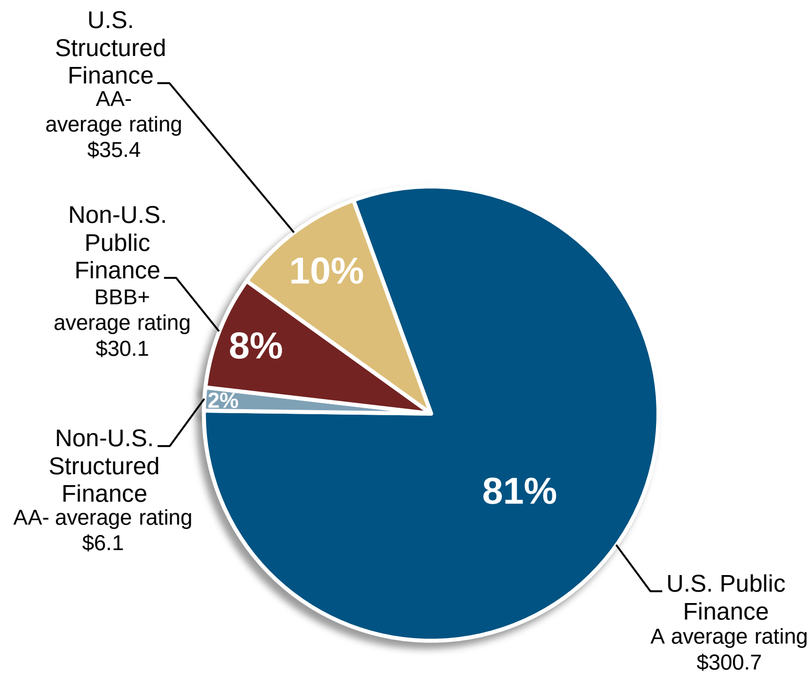
1. As of December 3, 2015.
2. Please see page 3 for a definition of this convention.

Underwriting Discipline

- **Our U.S. public finance portfolio, our largest exposure category, generally performed well during the recession and in subsequent years, despite persistent financial pressures on municipal obligors**
  - Out of approximately 9,600 direct U.S. public finance obligors, we expect future losses to be paid, net of recoveries, on less than a dozen
- **Our principal losses paid in the last several years have been on U.S. RMBS due to the lack of adherence to underwriting standards by mortgage originators**
  - Neither AGM[1] nor AGC underwrote collateralized debt obligations (CDOs) backed by RMBS, which has protected us from losses on the scale experienced by our former competitors

Consolidated Net Par Outstanding

As of September 30, 2015
($ in billions)



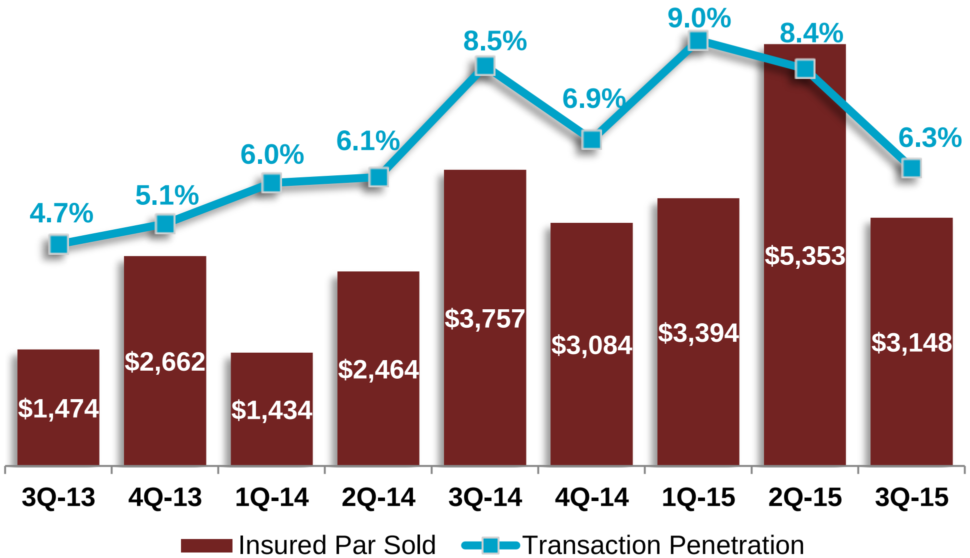
$372.4 billion, A average rating

1. Please see page 3 for a definition of this convention.

New Business Production
Penetration in the U.S. Public Finance Market

- **We are focused on building demand for our guaranties, both in the primary and the secondary markets**
  - Primary market policies in 3Q-15 totaled 212, or $3,148 million
  - Secondary market policies in 3Q-15 totaled 206, or $430 million
- **Despite a low interest rate environment and quarterly fluctuations in penetration rates, year-to-date insured volume has increased 51% over prior year period**
  - Industry par penetration for all transactions with underlying A ratings decreased to 17.9% in 3Q-15, down from 24.0% in 3Q-14
  - Industry penetration based on the number of transactions with underlying A ratings decreased to 50.3% in 3Q-15, down from 51.5% in 3Q-14
- **Industry penetration for smaller deals remains strong at 16.2% of all transactions under $25 million in 3Q-15 compared to 16.5 % in 3Q-14**

Assured Guaranty New Issue U.S. Public Finance Insured Par Sold and Transaction Penetration[1]
($ in millions)



U.S. Public Finance New Issuance	3Q-13	4Q-13	1Q-14	2Q-14	3Q-14	4Q-14	1Q-15	2Q-15	3Q-15
Total Par Issued ($ in billions)	$67.9	$73.4	$60.4	$83.1	$72.3	$99.3	$104.0	$111.0	$86.0
Total Transactions Issued	2,155	2,285	1,955	2,964	2,376	2,871	3,059	3,783	2,665

1. Source: SDC database. As of September 30, 2015.

The Fundamental Demand for Bond Insurance Continued in 2015

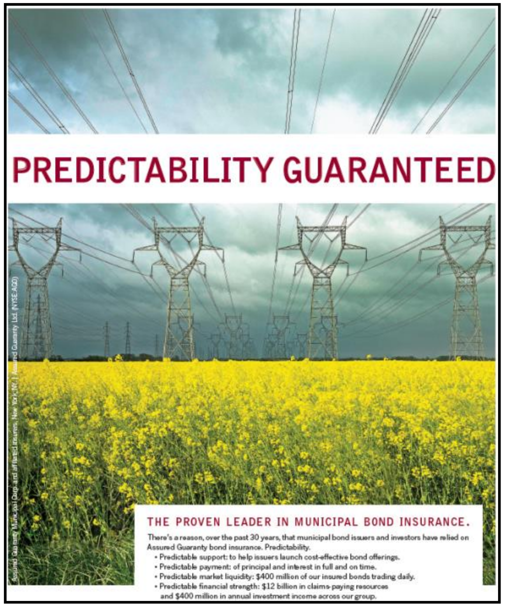
In the Primary Market, $14.3 Billion of Insured Par on 951 Transactions Sold With Our Insurance[1], Including These Selected Issues

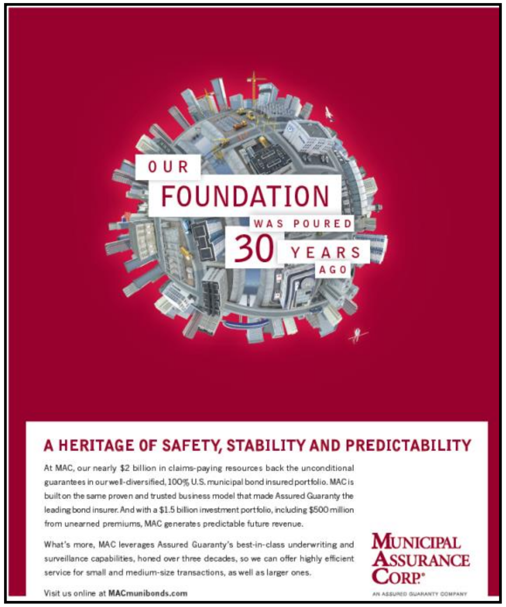
$78,935,000	**$125,000,000**	**$541,090,000**	**$91,600,000**	**$238,130,000**
Venue Project Revenue Refunding Bonds (Combined Venue Tax)	General Obligation Bonds	Tax Allocation Revenue Refunding Bonds (Industrial Redevelopment Projects No. 1, 2, & 3)	Communications System Revenue Refunding Bonds	Senior Lien Electric Revenue Refunding Bonds
Bexar County, Texas	**City of Hartford, Connecticut**	**City of Industry Public Facilities Authority, California**	**City of Lafayette, Louisiana**	**City of Springfield, Illinois**
October 2015	October 2015	June 2015	July 2015	November 2015
$99,745,000	**$115,165,000**	**$98,300,000**	**$162,210,000**	**$54,000,000**
General Obligation Bonds	General Obligation and General Obligation Refunding Bonds	Senior Lien Wastewater System Revenue Refunding Bonds	Tax Increment Revenue and Revenue Refunding Bonds (City Center/Historic Convention Village)	1st Senior Lien Revenue Bonds
Commonwealth of Pennsylvania	**Hayward Unified School District, California**	**Lake Havasu City, Arizona**	**Miami Beach Redevelopment Agency, Florida**	**Mid-Bay Bridge Authority, Florida**
May 2015	July 2015	August 2015	November 2015	May 2015
$94,030,000	**$47,240,000**	**$146,325,000**	**$108,315,000**	**$48,450,000**
General Obligation Bonds	General Airport Revenue Bonds (North Terminal Project)	Providence Public Schools Revenue Bond Financing Program Revenue Refunding Bonds (Providence Public Buildings Authority)	Tax-Exempt Private Activity Bonds (Portsmouth Bypass Project)	Revenue Bonds
Montour School District, Pennsylvania	**New Orleans Aviation Board, Louisiana**	**Rhode Island Health and Educational Building Corporation**	**Treasurer of State of Ohio**	**University of Maine System**
March 2015	February 2015	April 2015	April 2015	March 2015

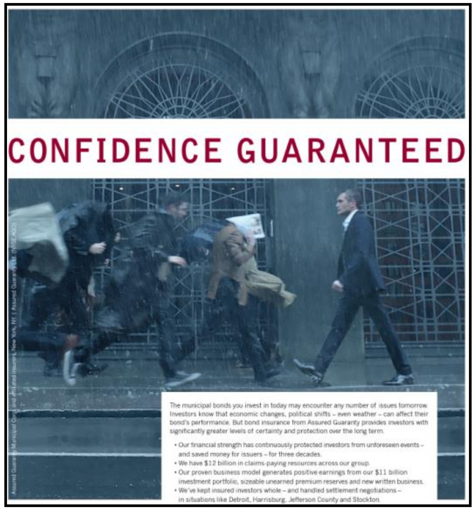
1. Source: SDC database. Sales from January 1 through November 30, 2015. Amounts are on a sale-date basis and reflect only those series insured by Assured Guaranty Municipal[2], AGC, or MAC.
2. Please see page 3 for a definition of this convention.

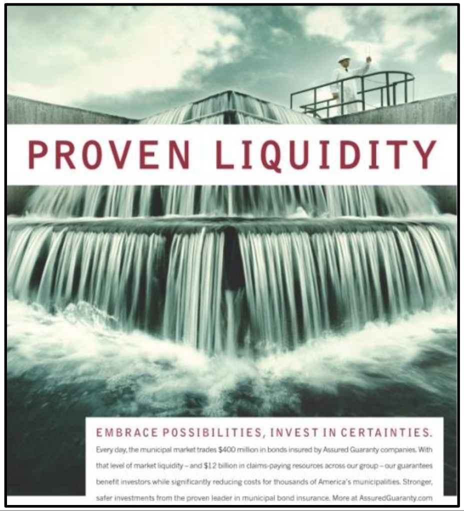
Broadening Market Awareness

Advertising Campaign





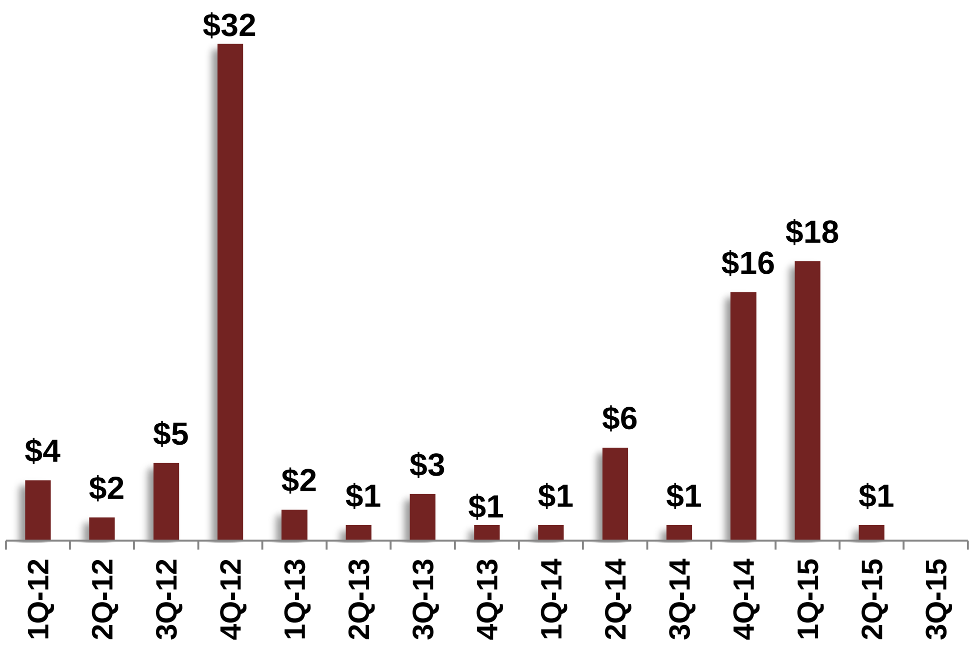




New Business Production
U.S. Structured Finance Business Activity

- **In 1Q-15, we insured a reserve financing transaction in the insurance sector**
- **In 4Q-14, we insured two new market tax credit transactions and a reserve financing transaction**
- **New structured finance business production tends to fluctuate, as large, complex transactions require a long time frame to close**

U.S. Structured PVP[1]
($ in millions)



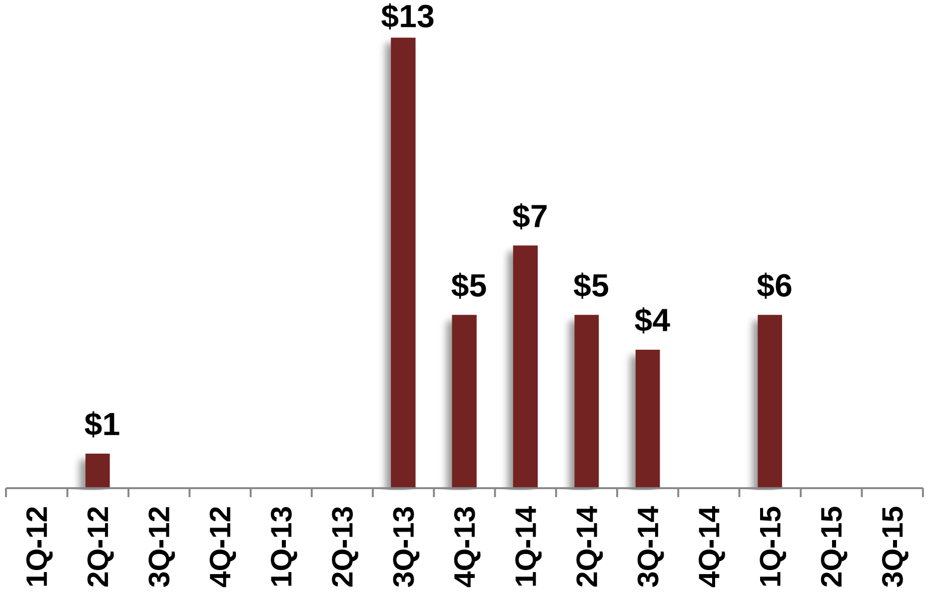
1. Please see the appendix for an explanation of this non-GAAP financial measure and a reconciliation to gross written premiums.

New Business Production
Non-U.S. Business Activity

- **During 1Q-15, we insured a reinsurance transaction and increased non-U.S. PVP[1] by $5 million on a previously insured transaction**
- **During 3Q-14, we insured a non-U.S. diversified payment rights transaction**
- **During 2Q-14, we also insured a non-U.S. diversified payment rights transaction**
- **During 1Q-14, we guaranteed a U.K. infrastructure bond**

Non-U.S. PVP[1] by Quarter

($ in millions)



1. Please see the appendix for an explanation of this non-GAAP financial measure and a reconciliation to gross written premiums.

New Business Production

Reinsurance Platform

ASSURED GUARANTY

- **Reassumption of previously ceded business has increased Assured Guaranty's unearned premium reserve and adjusted book value[1]**

Year	Reassumed Par ($ in billions)	Reassumed UPR ($ in millions)	Commutation Gain / (Loss) ($ in millions)
2009	$2.9	$65	($11)
2010	15.5	104	50
2011	0.3	2	24
2012	19.2	109	82
2013	0.2	11	2
2014	1.2	20	23
2015	0.1	1	33
Total	$39.4	$312	$203

- **Additionally, the April 1, 2015 acquisition of Radian Asset added $12.4 billion of par to Assured Guaranty's insured portfolio, $3.6 billion of which had been previously ceded to Radian Asset by AGM & AGC**

Ceded Par Outstanding by Reinsurer[2]

As of September 30, 2015

($ in millions)	Ceded Par Outstanding
American Overseas Re (formerly RAM Re)	$5,480
Tokio Marine	4,426
Syncora	3,505
Mitsui	1,854
Others	1,046
Total	$16,311

- **High-quality portfolios from inactive companies are a primary interest**
  - Public finance as well as high-quality structured finance business, such as performing pooled corporate and commercial receivables

1. Please see the appendix for an explanation of this non-GAAP financial measure and a reconciliation to GAAP book value.
2. Includes par related to insured credit derivatives.

Financial Strength Ratings

- **We maintain strong financial strength ratings**
- **On June 29, 2015, S&P affirmed the AA (stable outlook) financial strength ratings of AGM, MAC, and AGC**
  - S&P found the Assured Guaranty group's capital adequacy to be above their AAA requirement; although S&P did not disclose the size of the group's capital adequacy cushion (the amount of capital remaining after S&P's simulated AAA depression test), we estimate it to be $1.9 billion at year-end 2014, $400 million higher than S&P reported for year-end 2013
  - Importantly, S&P considered the effect of a default by multiple issuers in Puerto Rico over a one, two or three year time period and concluded there would be no change in Assured Guaranty's capital adequacy score based solely on such defaults

Financial Strength Ratings
As of December 3, 2015

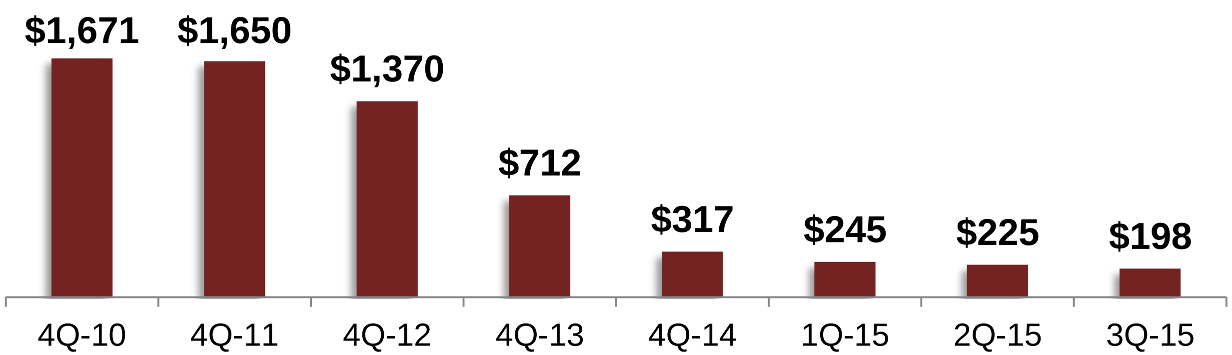
	S&P	Moody's	KBRA
AGM	AA stable outlook	A2 stable outlook	AA+ stable outlook
MAC	AA stable outlook	Not Rated	AA+ stable outlook
AGC	AA stable outlook	A3 negative outlook	Not Rated

- **In response to recent developments in Puerto Rico, on July 6, 2015, Kroll Bond Rating Agency (KBRA) wrote that its AA+ stable rating of AGM was based on an analysis that assumed significant losses on most classes of insured Puerto Rico debt in addition to stress-case losses across our insured portfolio**
  - KBRA's analysis showed that AGM's claims-paying resources were sufficient to meet all requirements by a comfortable margin
  - Separately, KBRA affirmed MAC's AA+ (stable outlook) rating on August 3, 2015
- **In January 2015, Moody's published its revised bond insurer criteria**
  - Moody's subsequently published Credit Opinions maintaining AGM and AGC's existing ratings under the new methodology, yet the revised criteria are clearly designed to cap the potential rating of any bond insurer at a level below the AA category

Pursuing Loss Mitigation Strategies
R&W Activity

- **The Company recovered approximately $4.2 billion[1,2] through October 31, 2015 from our combined R&W efforts including settlements and commitments, R&W receipts and loss reductions from terminated insurance protection**
- **Our largest agreement was with Bank of America / Countrywide, which was signed in April 2011. We have also signed agreements with Deutsche Bank, UBS, Flagstar, and Credit Suisse, as well as parties to other confidential agreements.**
- **With agreements reached in October 2015, we have completed our direct pursuit of R&W claims**

Future Net R&W Benefit
($ in millions)



1. As of September 30, 2015. Includes future benefits covered under our agreements with Bank of America/Countrywide, Deutsche Bank, UBS and agreements with certain other parties. Bank of America, Deutsche Bank AG and UBS have collateralized their future reimbursement obligations with eligible assets placed in trust. The amount of assets required to be posted may increase or decrease from time to time, as determined by rating agency requirements.
2. The R&W putbacks flow through the transaction waterfalls and do not necessarily benefit us dollar-for-dollar.

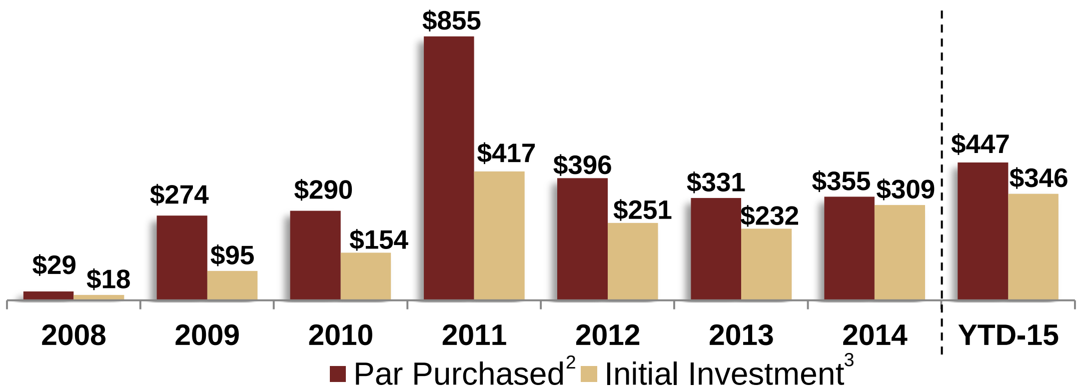
Pursuing Loss Mitigation Strategies:
Other Capital Creation or Rating Agency Capital Relief Activities – Loss Mitigation Bond Purchases

- **Since 2008, for loss mitigation purposes, we have strategically purchased bonds we had previously insured. Besides reducing our losses, these purchases can potentially relieve rating agency capital charges, increase future investment income and increase adjusted book value[1]**
  - The amount of reserves released and the ongoing principal and interest from the bonds are expected to be greater than the purchase price
  - We have purchased approximately $2.9 billion of par on insured securities through September 30, 2015 with an initial purchase price of approximately $1.8 billion; of this $2.9 billion purchased, we still own $1.7 billion of par
- **Targeted purchases are BIG securities on which claims are expected to be paid**
- **We have removed our insurance subsequent to purchasing some of our insured bonds for loss mitigation purposes and sold the bonds uninsured; this typically creates rating agency capital and an economic benefit**

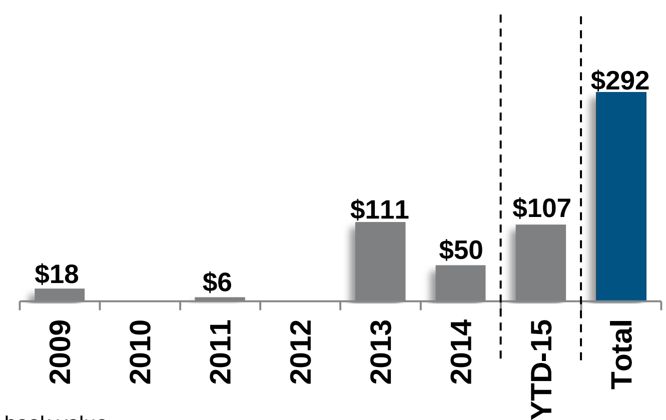
Loss Mitigation Bond Purchase and Sale Program

($ in millions)

Bonds Purchased



Sale Proceeds



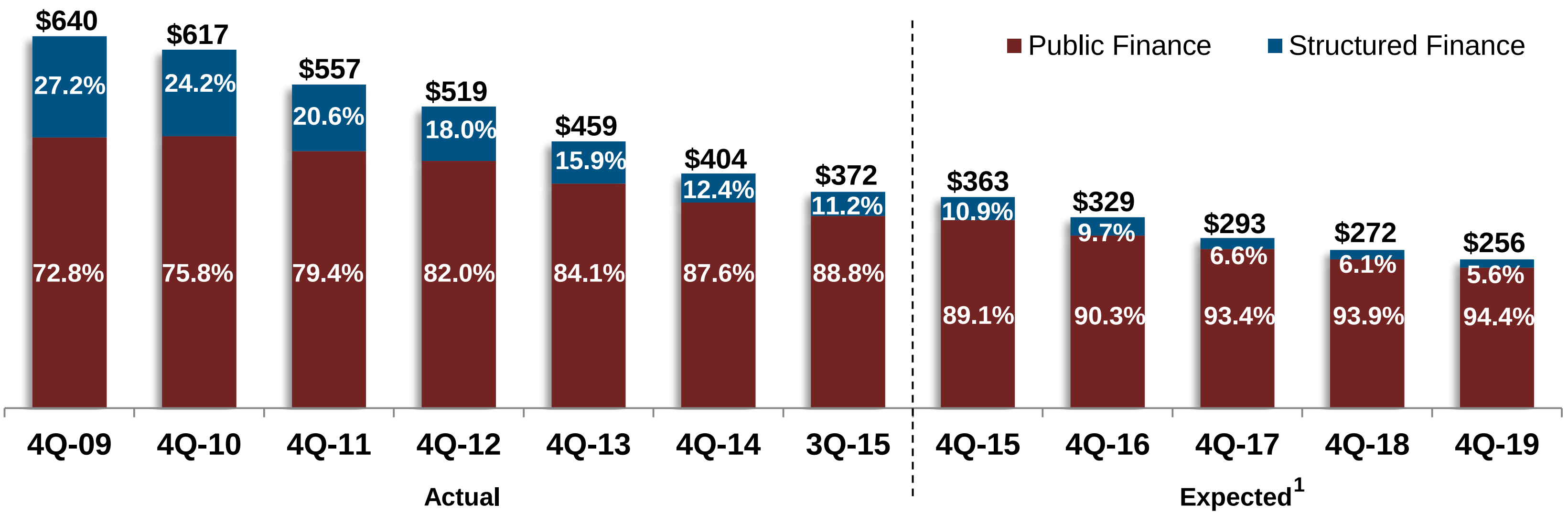
1. Please see the appendix for an explanation of this non-GAAP financial measure and a reconciliation to GAAP book value.
2. Par at the time of purchase.
3. Cost of purchase.

Insured Portfolio Amortization Also Creates Rating Agency Capital

- **Amortization of the portfolio reduces rating agency capital charges but also embedded future earned premiums**
- **Public finance exposure amortizes at a steady rate**
  - $330.8 billion net par outstanding
  - 10% expected to amortize by year-end 2016; 23% by year-end 2018[1]
- **Structured finance exposure amortizes quickly**
  - $41.5 billion net par outstanding
  - 23% expected to amortize by year-end 2016; 60% by year-end 2018[1]
- **New direct or assumed business originations, and reassumptions, increase future earned premiums**

AGL Consolidated Insured Portfolio Amortization

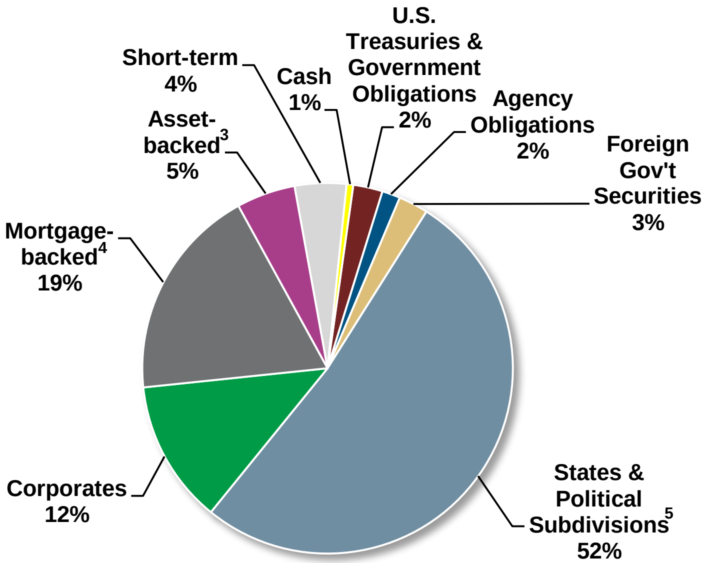
Past, Current, and Projected Year-End Net Par Outstanding
As of September 30, 2015
($ in billions)



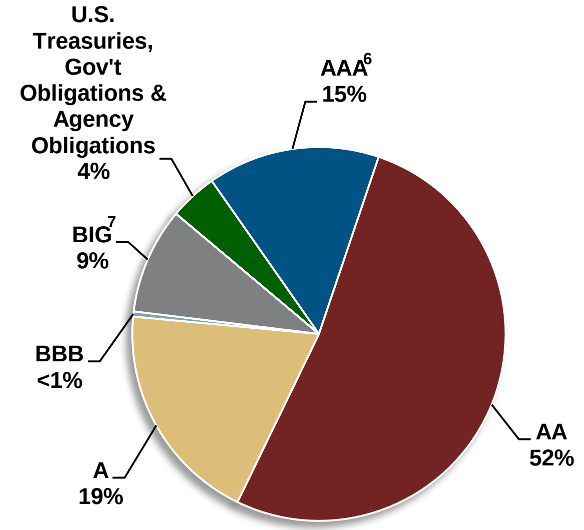
1. Please see footnote 3 on page 13.

AGL Consolidated
Investment Portfolio
Fair Value as of September 30, 2015

Investments Available for Sale and Cash[1] By Category



Investments Available for Sale and Cash[1,2] By Rating



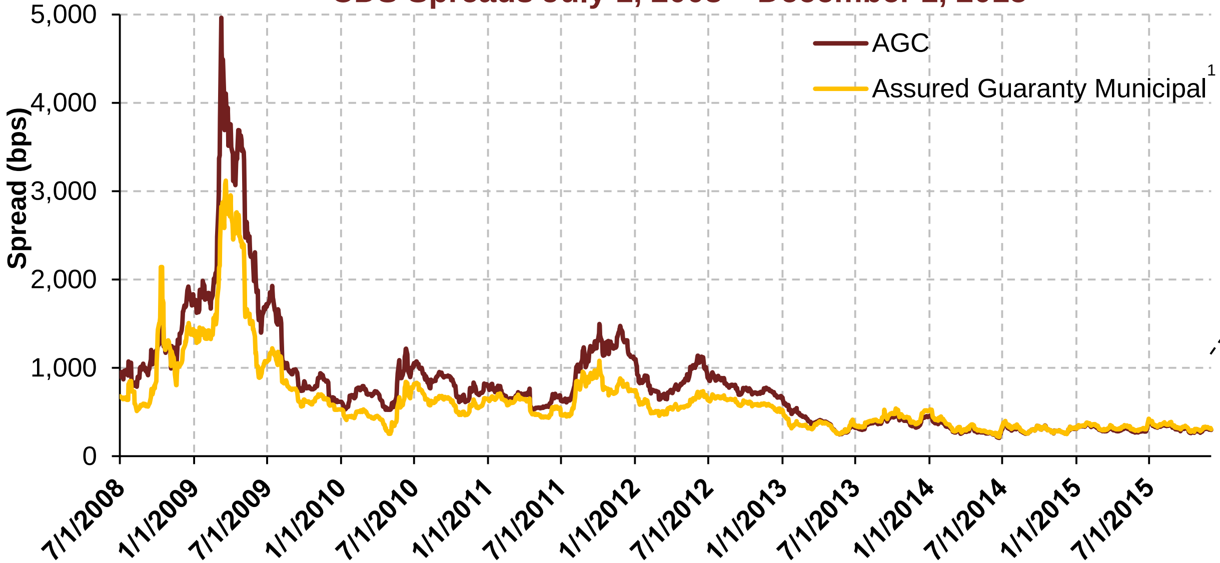
Total = $11.5 billion

1. Includes fixed maturity securities, short-term investments and cash and excludes other invested assets. Also includes securities purchased or obtained as part of loss mitigation or other risk management strategies, some of which (with a fair value of $256 million) were issued by entities that were subsequently consolidated as VIEs and which are therefore eliminated in consolidation on the balance sheet.
2. Ratings are represented by the lower of the Moody's and S&P classifications except for securities purchased or obtained as part of loss mitigation or other risk management strategies, which use internal ratings classifications.
3. Included in the asset-backed category are securities purchased or obtained as part of loss mitigation or other risk management strategies with a fair value of $435 million. The remaining securities have a fair value of $155 million and an average rating of AAA.
4. Included in the mortgage-backed category are securities purchased or obtained as part of loss mitigation or other risk management strategies with a fair value of $622 million and agency-backed securities with a fair value of $1,038 million. The remaining securities have a fair value of $483 million and an average rating of AAA.
5. Included in the states & political subdivisions category are securities purchased or obtained as part of loss mitigation or other risk management strategies with a fair value of $13 million.
6. Included in the AAA category are short-term securities and cash.
7. Included in the BIG category are securities purchased or obtained as part of loss mitigation or other risk management strategies with a fair value of $960 million. Also included are securities, with a fair value of $29 million, that are not rated.

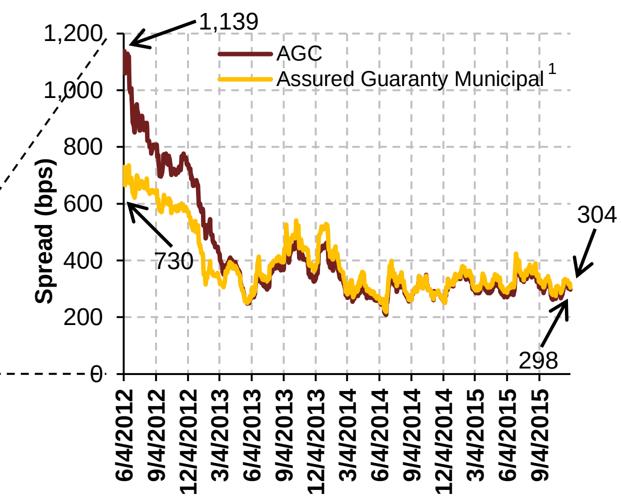
Credit Default Swap Spreads

- Movements in credit default swap (CDS) levels for Assured Guaranty Municipal[1] and AGC continue to be significantly affected by technical factors such as supply/demand imbalance and light trading volume
- The deterioration in the asset-backed securities market's pricing through first quarter 2009 expanded demand for CDS protection on Assured Guaranty Municipal[1] and AGC by fixed income holders of Assured Guaranty Municipal[1] and AGC insured paper as they sought to hedge exposure, thereby exacerbating the supply/demand imbalance
- Assured Guaranty Municipal[1] and AGC's 5-year CDS bid prices peaked in mid-March 2009 at 3120 bps and 4961 bps, respectively
- 5-year CDS levels for Assured Guaranty Municipal[1] and AGC have rallied considerably since March 2009 as a result of the improvement in general market fundamentals, the market's positive reaction to the July 2009 AGMH acquisition, our successes in loss mitigation, the deleveraging of our insured portfolio, and our consistent positive operating results
- In December 2015, the 5-year CDS levels for Assured Guaranty Municipal[1] and AGC were at 10 and 6 percent, respectively, of their mid-March 2009 levels
- Between June 2012 and December 2015, CDS levels for Assured Guaranty Municipal[1] and AGC came in by 58 and 74 percent, respectively. As of December 1, 2015, they were 304 bps and 298 bps, respectively

CDS Spreads July 1, 2008 – December 1, 2015



CDS Spreads
June 4, 2012 – December 1, 2015



Source: CMA – Represents end-of-day bid price for 5-year protection, modified restructuring credit event spreads at New York close.

1. Please see page 3 for a definition of this convention.

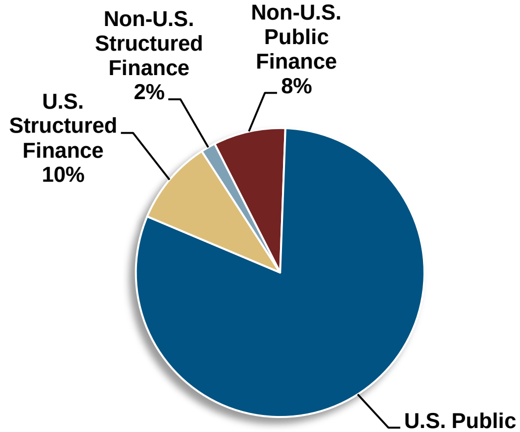
Assured Guaranty Ltd. Consolidated Insured Portfolio Overview

AGL Consolidated

Insured Portfolio

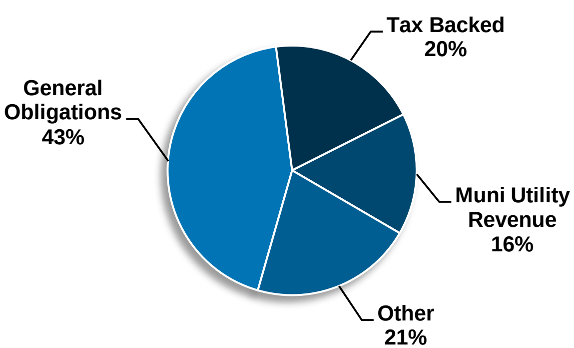
Net Par Outstanding as of September 30, 2015

Portfolio Diversification by Sector



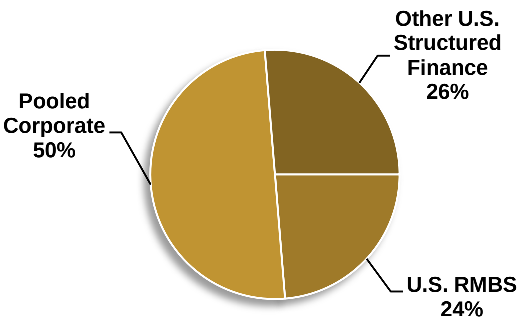
$372.4 billion[1,2]

U.S. Public Finance Portfolio



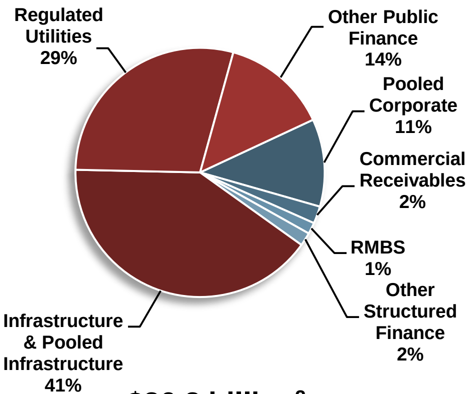
$300.7 billion[2]

U.S. Structured Finance Portfolio



$35.4 billion[1,2]

Non-U.S. Portfolios Public & Structured Finance

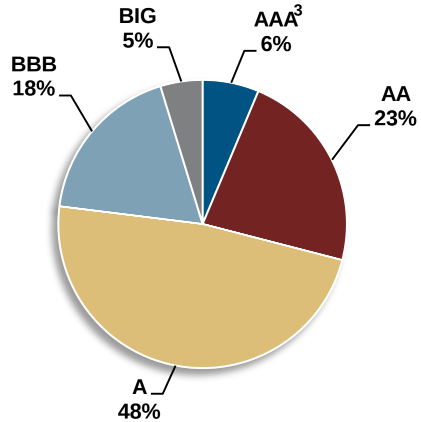


$36.2 billion[2]

1. Includes $1.9 billion of GICs. Please see footnote 3 on page 45.
2. Consolidated amounts include those of AG Re.

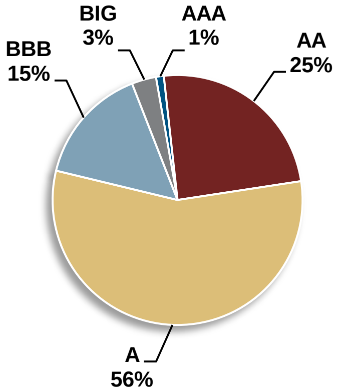
AGL Consolidated
Insured Portfolio Ratings
Net Par Outstanding as of September 30, 2015

Portfolio Diversification by Rating



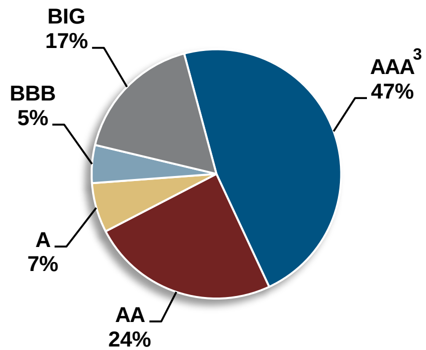
$372.4 billion[1,2]

U.S. Public Finance Portfolio



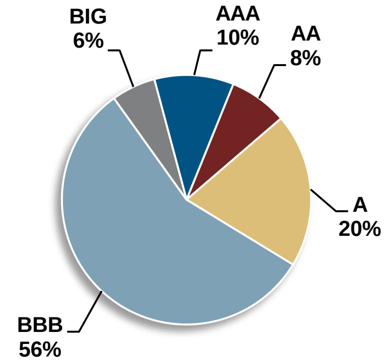
$300.7 billion[2]

U.S. Structured Finance Portfolio



$35.4 billion[1,2]

Non-U.S. Portfolios
Public & Structured Finance



$36.2 billion[2]

1. Includes $1.9 billion of GICs. Please see footnote 3 on page 45.
2. Consolidated amounts include those of AG Re.
3. Includes $1.35 billion of net par in the form of CDS that was upgraded from BIG as of 3Q15 in anticipation of the termination of such CDS that occurred early in 4Q15. In 4Q15, the exposure will be removed.

AGL Consolidated
Puerto Rico Exposure

ASSURED GUARANTY®

- We're committed to working with the Puerto Rico Electric Power Authority on a consensual settlement that is designed to put the utility on a sound financial footing going forward. This potential agreement would result in modernization, long-term sustainable rates to customers, and continued access to efficient financing.
- Incentivizing economic growth, facilitating access to efficient financing and providing Federal oversight of fiscal management would not only provide near-term relief, but also long-term sustainability to the Commonwealth's fiscal situation.

Par Exposure to the Commonwealth and its Agencies[1,2]

As of September 30, 2015

	($ in millions)	Net Par Outstanding	Gross Par Outstanding	Internal Rating
Previously Subject to the Voided Recovery Act	Puerto Rico Highways and Transportation Authority (Transportation Revenue Bonds)[3]	$909	$936	CCC-
	Puerto Rico Electric Power Authority	744	902	CC
	Puerto Rico Aqueduct and Sewer Authority	388	388	CCC
	Puerto Rico Highways and Transportation Authority (Highway Revenue Bonds)[3]	370	575	CCC
	Puerto Rico Convention Center District Authority[3]	164	164	CCC-
	Subtotal	**$2,575**	**$2,965**	**CCC-**
Not Previously Subject to the Voided Recovery Act	Commonwealth - General Obligation Bonds	$1,620	$1,747	CCC
	Puerto Rico Municipal Finance Agency	387	571	CCC-
	Puerto Rico Sales Tax Finance Corp. (COFINA)	269	269	CCC+
	Puerto Rico Public Buildings Authority	188	194	CCC
	Government Development Bank for Puerto Rico[4]	33	33	CCC
	Puerto Rico Infrastructure Financing Agency[3]	18	18	CCC-
	University of Puerto Rico	1	1	CCC-
	Subtotal	**$2,516**	**$2,833**	**CCC**
	Total	**$5,091**	**$5,798**	**CCC**

1. AGL's consolidated net par outstanding is divided between its subsidiaries as follows: $2.1 billion at AGM, $1.7 billion at AGC, $1.3 billion at AG Re, and $0 at MAC. A portion of the subsidiary level exposure is eliminated upon consolidation due to instances where one subsidiary insured bonds that were previously insured by another subsidiary.
2. Includes exposure to Capital Appreciation Bonds with a current aggregate net par outstanding of $32 million and a fully accreted net par at maturity of $67 million. Of these amounts, current net par of $17 million and fully accreted net par at maturity of $50 million relate to the Puerto Rico Sales Tax Financing Corporation, current net par of $10 million and fully accreted net par at maturity of $11 million relate to the Puerto Rico Highway and Transportation Authority, and current net par of $4 million and fully accreted net par at maturity of $5 million relate to the Commonwealth General Obligation Bonds.
3. Some (or in the case of the Convention Center District Authority and the Infrastructure Financing Agency, all) of the revenues of these entities is subject to being applied first to the general obligation debt and debt guaranteed by the Commonwealth of Puerto Rico. However, such revenues are to be used for such Commonwealth payments only to the extent that the other available revenues of the Commonwealth are insufficient.
4. In December 2015, the Government Development Bank made a scheduled principal payment, reducing Assured Guaranty's net and gross par exposure to the Government Development Bank to $0.

AGL Consolidated
Puerto Rico Exposure

Net Par Exposure to the Commonwealth and its Agencies[1,2]
As of September 30, 2015

	($ in millions)	Excluding Impact of Radian Acquisition & Reinsurance Commutation	Impact of Radian Acquisition & Reinsurance Commutation	Total
Previously Subject to the Voided Recovery Act	Puerto Rico Highways and Transportation Authority (Transportation Revenue Bonds)[3]	$822	$87	$909
	Puerto Rico Electric Power Authority	723	21	744
	Puerto Rico Aqueduct and Sewer Authority	369	19	388
	Puerto Rico Highways and Transportation Authority (Highway Revenue Bonds)[3]	291	79	370
	Puerto Rico Convention Center District Authority[3]	164	-	164
	Subtotal	**$2,369**	**$206**	**$2,575**
Not Previously Subject to the Voided Recovery Act	Commonwealth - General Obligation Bonds	$1,566	$53	$1,620
	Puerto Rico Municipal Finance Agency	361	26	387
	Puerto Rico Sales Tax Finance Corp. (COFINA)	269	-	269
	Puerto Rico Public Buildings Authority	89	100	188
	Government Development Bank for Puerto Rico[4]	33	-	33
	Puerto Rico Infrastructure Financing Agency[3]	18	-	18
	University of Puerto Rico	1	-	1
	Subtotal	**$2,337**	**$179**	**$2,516**
	Total	**$4,706**	**$385**	**$5,091**

1. AGL's consolidated net par outstanding is divided between its subsidiaries as follows: $2.1 billion at AGM, $1.7 billion at AGC, $1.3 billion at AG Re, and $0 at MAC. A portion of the subsidiary level exposure is eliminated upon consolidation due to instances where one subsidiary insured bonds that were previously insured by another subsidiary.
2. Includes exposure to Capital Appreciation Bonds with a current aggregate net par outstanding of $32 million and a fully accreted net par at maturity of $67 million. Of these amounts, current net par of $17 million and fully accreted net par at maturity of $50 million relate to the Puerto Rico Sales Tax Financing Corporation, current net par of $10 million and fully accreted net par at maturity of $11 million relate to the Puerto Rico Highway and Transportation Authority, and current net par of $4 million and fully accreted net par at maturity of $5 million relate to the Commonwealth General Obligation Bonds.
3. Some (or in the case of the Convention Center District Authority and the Infrastructure Financing Agency, all) of the revenues of these entities is subject to being applied first to the general obligation debt and debt guaranteed by the Commonwealth of Puerto Rico. However, such revenues are to be used for such Commonwealth payments only to the extent that the other available revenues of the Commonwealth are insufficient.
4. In December 2015, the Government Development Bank made a scheduled principal payment, reducing Assured Guaranty's net and gross par exposure to the Government Development Bank to $0.

AGL Consolidated
Puerto Rico Exposure

ASSURED GUARANTY

Scheduled Net Par Amortization of Exposure to the Commonwealth and its Agencies[1,2]

As of September 30, 2015

	($ in millions)	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025-2029	2030-2034	2035-2039	2040-2044	2045-2047	Total
Previously Subject to the Voided Recovery Act	Highways and Transportation Authority (Transportation Revenue Bonds)[3]	$0	$32	$36	$42	$28	$23	$18	$19	$21	$1	$148	$166	$293	$82	$-	**$909**
	Electric Power Authority	0	20	5	4	25	42	22	22	81	78	319	122	4	-	-	**744**
	Aqueduct and Sewer Authority	-	15	-	-	-	-	-	-	-	2	109	-	1	15	246	**388**
	Highways and Transportation Authority (Highway Revenue Bonds)[3]	-	20	10	10	21	22	26	6	8	8	24	142	73	-	-	**370**
	Convention Center District Authority[3]	-	11	-	-	-	-	-	-	-	-	19	76	58	-	-	**164**
	Subtotal	**$0**	**$98**	**$51**	**$56**	**$74**	**$87**	**$66**	**$47**	**$110**	**$89**	**$619**	**$506**	**$429**	**$97**	**$246**	**$2,575**
Not Previously Subject to the Voided Recovery Act	Commonwealth - GO	$0	$142	$95	$75	$82	$137	$16	$37	$15	$73	$286	$397	$265	$-	$-	**$1,620**
	Municipal Finance Agency	-	55	47	47	44	37	33	33	16	12	59	4	-	-	-	**387**
	Sales Tax Finance Corp. (COFINA)	0	(1)	(1)	(1)	(1)	(1)	(2)	(2)	1	0	(10)	34	(1)	254	-	**269**
	Public Buildings Authority	-	8	30	-	5	10	12	0	7	0	60	38	18	-	-	**188**
	Government Development Bank[4]	33	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**33**
	Infrastructure Financing Agency[3]	-	-	-	2	-	-	-	-	2	-	-	-	2	12	-	**18**
	University of Puerto Rico	-	0	0	0	0	0	0	0	0	0	0	1	-	-	-	**1**
	Subtotal	**$33**	**$204**	**$171**	**$123**	**$130**	**$183**	**$59**	**$68**	**$41**	**$85**	**$395**	**$474**	**$284**	**$266**	**$-**	**$2,516**
	Total	**$33**	**$302**	**$222**	**$179**	**$204**	**$270**	**$125**	**$115**	**$151**	**$174**	**$1,014**	**$980**	**$713**	**$363**	**$246**	**$5,091**

1. Reported figures reflect the impact of the Radian Asset acquisition, which increased net par by $385 million as of September 30, 2015; and a commutation of previously ceded Puerto Rico exposures.
2. Includes exposure to Capital Appreciation Bonds with a current aggregate net par outstanding of $32 million and a fully accreted net par at maturity of $67 million. Of these amounts, current net par of $17 million and fully accreted net par at maturity of $50 million relate to the Puerto Rico Sales Tax Financing Corporation, current net par of $10 million and fully accreted net par at maturity of $11 million relate to the Puerto Rico Highway and Transportation Authority, and current net par of $4 million and fully accreted net par at maturity of $5 million relate to the Commonwealth General Obligation Bonds.
3. Some (or in the case of the Convention Center District Authority and the Infrastructure Financing Agency, all) of the revenues of these entities is subject to being applied first to the general obligation debt and debt guaranteed by the Commonwealth of Puerto Rico. However, such revenues are to be used for such Commonwealth payments only to the extent that the other available revenues of the Commonwealth are insufficient.
4. In December 2015, the Government Development Bank made a scheduled principal payment, reducing Assured Guaranty's net par exposure to the Government Development Bank to $0.

AGL Consolidated
Puerto Rico Exposure

ASSURED GUARANTY®

Scheduled Net Debt Service Amortization of Exposure to the Commonwealth and its Agencies[1,2]

As of September 30, 2015

	($ in millions)	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025-2029	2030-2034	2035-2039	2040-2044	2045-2047	Total
Previously Subject to the Voided Recovery Act	Highways and Transportation Authority (Transportation Revenue Bonds)[3]	$0	$80	$82	$86	$69	$63	$56	$57	$58	$37	$314	$295	$356	$89	$-	**$1,642**
	Electric Power Authority	2	55	38	37	58	74	52	50	109	102	389	136	5	-	-	**1,107**
	Aqueduct and Sewer Authority	-	35	19	19	19	19	19	19	19	21	191	68	71	82	272	**873**
	Highways and Transportation Authority (Highway Revenue Bonds)[3]	-	40	29	29	39	39	42	20	21	21	86	186	77	-	-	**629**
	Convention Center District Authority[3]	-	19	7	7	7	7	7	7	7	7	52	103	60	-	-	**290**
	Subtotal	**$2**	**$229**	**$175**	**$178**	**$192**	**$202**	**$176**	**$153**	**$214**	**$188**	**$1,032**	**$788**	**$569**	**$171**	**$272**	**$4,541**
Not Previously Subject to the Voided Recovery Act	Commonwealth - GO	$0	$226	$172	$146	$150	$201	$73	$93	$69	$127	$506	$548	$295	$-	$-	**$2,606**
	Municipal Finance Agency	-	74	64	62	56	47	40	39	21	16	68	4	-	-	-	**491**
	Sales Tax Finance Corp. (COFINA)	0	12	13	13	13	13	13	13	16	15	63	106	64	284	-	**638**
	Public Buildings Authority	-	18	39	8	12	18	20	6	14	6	82	50	20	-	-	**293**
	Government Development Bank[4]	34	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**34**
	Infrastructure Financing Agency[3]	-	0	1	3	1	1	1	1	3	0	4	4	5	13	-	**37**
	University of Puerto Rico	-	0	0	0	0	0	0	0	0	0	0	1	-	-	-	**1**
	Subtotal	**$34**	**$330**	**$289**	**$232**	**$232**	**$280**	**$147**	**$152**	**$123**	**$164**	**$723**	**$713**	**$384**	**$297**	**$-**	**$4,100**
	Total	**$36**	**$559**	**$464**	**$410**	**$424**	**$482**	**$323**	**$305**	**$337**	**$352**	**$1,755**	**$1,501**	**$953**	**$468**	**$272**	**$8,641**

1. Reported figures reflect the impact of the Radian Asset acquisition, which increased net debt service outstanding by $633 million as of September 30, 2015; and a commutation of previously ceded Puerto Rico exposures.
2. Includes exposure to Capital Appreciation Bonds with a current aggregate net par outstanding of $32 million and a fully accreted net par at maturity of $67 million. Of these amounts, current net par of $17 million and fully accreted net par at maturity of $50 million relate to the Puerto Rico Sales Tax Financing Corporation, current net par of $10 million and fully accreted net par at maturity of $11 million relate to the Puerto Rico Highway and Transportation Authority, and current net par of $4 million and fully accreted net par at maturity of $5 million relate to the Commonwealth General Obligation Bonds.
3. Some (or in the case of the Convention Center District Authority and the Infrastructure Financing Agency, all) of the revenues of these entities is subject to being applied first to the general obligation debt and debt guaranteed by the Commonwealth of Puerto Rico. However, such revenues are to be used for such Commonwealth payments only to the extent that the other available revenues of the Commonwealth are insufficient.
4. In December 2015, the Government Development Bank made a scheduled debt service payment, reducing Assured Guaranty's net debt service exposure to the Government Development Bank to $0.

Detroit & Stockton Exposure

Details of Assured Guaranty's Exposure to Detroit

Water / Sewer Exposure

As of September 30, 2015
($ in millions)

Exposure	Net Par Outstanding		Internal Rating
Water	$	870	BBB
Sewer	$	1,041	BBB
Total	**$**	**1,911**	**BBB**

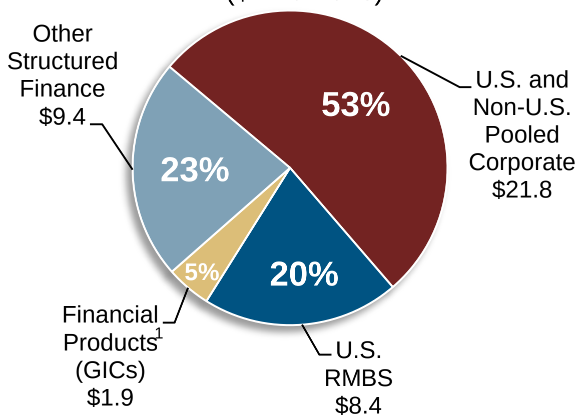
- **Municipal utilities exposure is $870 million of water revenue bonds and $1,041 million of sewer revenue bonds. Both the water and sewer systems provide services to areas that extend significantly beyond the City of Detroit boundaries.**
  - In September 2014, approximately $677 million of the Company's then combined $1.8 billion net par exposure to Detroit's water revenue and sewer revenue bonds was purchased by the City as part of a tender offer or refunded. The Company insured approximately $841 million gross par of new water revenue and sewer revenue bonds, the proceeds of which funded the tender offer and refunding. Under the City's amended plan of adjustment, the proposed impairment of all outstanding water revenue and sewer revenue bonds was removed, including those provisions which provided for the impairment of interest rates and call protection on such bonds.
- **General obligation unlimited tax exposure has been resolved**
  - In 3Q-14, the settlement between the Company and City of Detroit regarding unlimited tax general obligation bonds was finalized. In December 2014, the City's plan of adjustment, which includes the terms of such settlement, became effective. At that time, investors exchanged 84.5% of the original general obligation bonds for newly issued bonds that are basically identical to the original bonds except that they have the benefit of additional pledged security and are issued by the Michigan Finance Authority. The remaining 15.5% of the general obligation bonds will be repaid solely by Assured Guaranty. After giving effect to post-petition payments made by Assured Guaranty on the general obligation bonds, the settlement results in an ultimate recovery to Assured Guaranty of approximately 74%.
- **The Company no longer has exposure to the City's Certificates of Participation**
  - As of September 30, 2014, the Company's general fund exposure was $175 million of Certificates of Participation. However, upon the effective date of the City's plan of adjustment, a commutation agreement between AG Re and FGIC pursuant to which FGIC commuted all the reinsurance AG Re provided to FGIC with respect to the Certificates of Participation became effective.

Details of Assured Guaranty's Exposure to Stockton

- **Net par exposure to Stockton is $115 million of pension obligation bonds**
  - The City of Stockton's plan of adjustment, which became effective on February 25, 2015, includes the terms of the Company's settlement with Stockton, under which the Company receives net revenues from an office building and has the irrevocable option to take title to that building, and is entitled to certain fixed payments and certain variable payments contingent on Stockton's revenue growth.

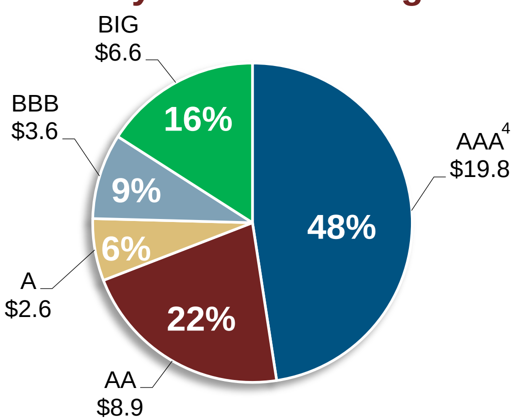
AGL Consolidated
Structured Finance Exposures
Net Par Outstanding

By Type
As of September 30, 2015
($ in billions)



$41.5 billion, AA- average rating

By Internal Rating



- **We expect Assured Guaranty's global structured finance insured portfolio ($41.5 billion as of September 30, 2015) to amortize rapidly — 23% by year-end 2016 and 60% by year-end 2018[2]**
  - $21.8 billion in global pooled corporate obligations expected to be reduced by 27% by year-end 2016 and by 81% by year-end 2018[2]
  - $8.4 billion in U.S. RMBS expected to be reduced by 20% by year-end 2016 and by 44% by year-end 2018[2]
- **Assured Guaranty and AGM's[3] total structured finance exposures of $240.9 billion at December 31, 2007 have declined by $199.4 billion to $41.5 billion through September 30, 2015, an 83% reduction, or an average of approximately $26 billion per year**

1. Please see footnote 3 on page 45.
2. Please see footnote 3 on page 13.
3. Please see page 3 for a definition of this convention.
4. Please see footnote 3 on page 32.

AGL Consolidated

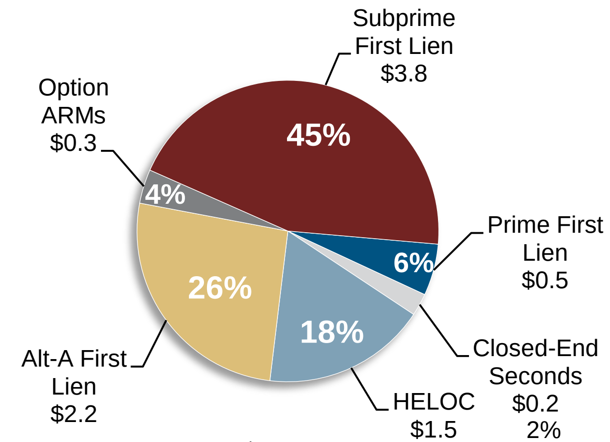
U.S. RMBS

- **Our $8.4 billion U.S. RMBS portfolio is amortizing both on a dollar basis and as a percentage of the portfolio**
  - Total U.S. RMBS has declined from $29.2 billion at December 31, 2009 to $8.4 billion at September 30, 2015, a $20.8 billion or 71% reduction
- **Our loss reserving methodology is driven by our assumptions on several factors:**
  - Liquidation rate
  - Conditional default rate
  - Conditional prepayment rate
  - Loss severity
- **We have significantly mitigated ultimate losses**
  - R&W putbacks, litigation and agreements
  - Wrapped bond purchases
  - Terminations of below investment grade credits

U.S. RMBS by Exposure Type

As of September 30, 2015

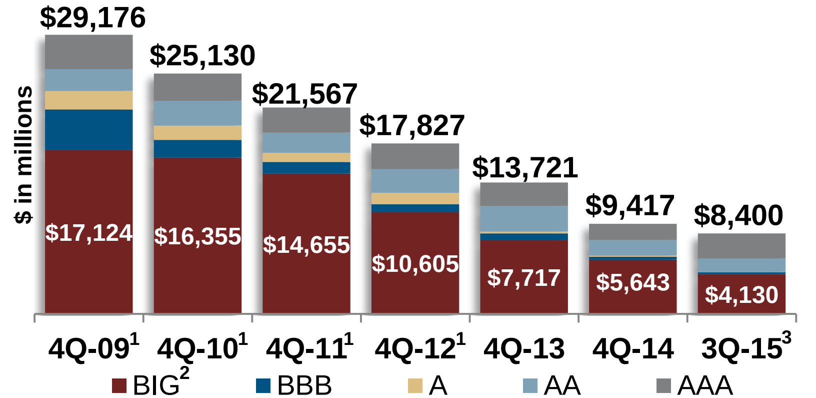
($ in billions)



$8.4 billion
(2.3% of net par outstanding)

U.S. RMBS by Rating

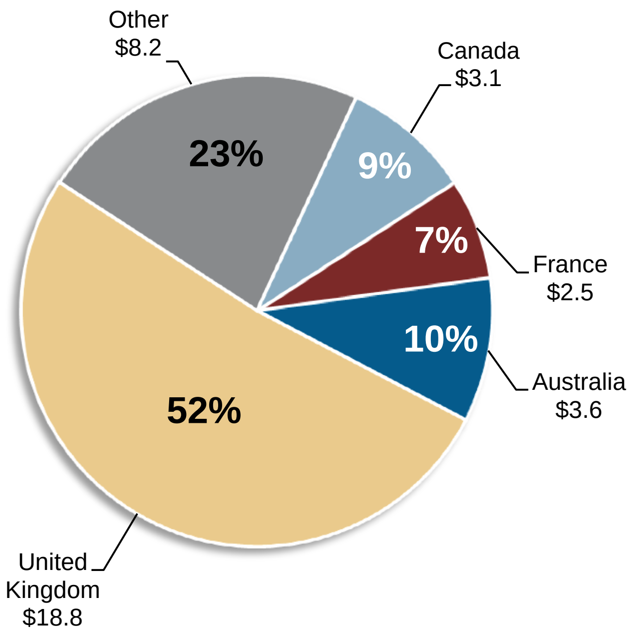
Net Par Outstanding from December 31, 2009 to September 30, 2015



1. Gross of wrapped bond purchases made primarily for loss mitigation.
2. The Company has reclassified certain net par outstanding from below investment grade to investment grade due to collateralized reinsurance arrangements.
3. Includes $0.92 billion of net par in the form of CDS that was upgraded from BIG to AAA as of 3Q15 in anticipation of the termination of such CDS that occurred early in 4Q15. In 4Q15, the exposure will be removed.

AGL Consolidated
Non-U.S. Public and Structured Finance Net Par Outstanding

Non-U.S. Exposure
As of September 30, 2015
($ in billions)



$36.2 billion, A- average rating

- **83% of non-U.S. exposure is public finance**
  - Direct sovereign debt is limited to Poland ($203 million outstanding)
- **17% of non-U.S. exposure is structured finance**
  - Approximately 68% of that is to pooled corporates
    - 74% of non-U.S. pooled corporates are rated A or higher

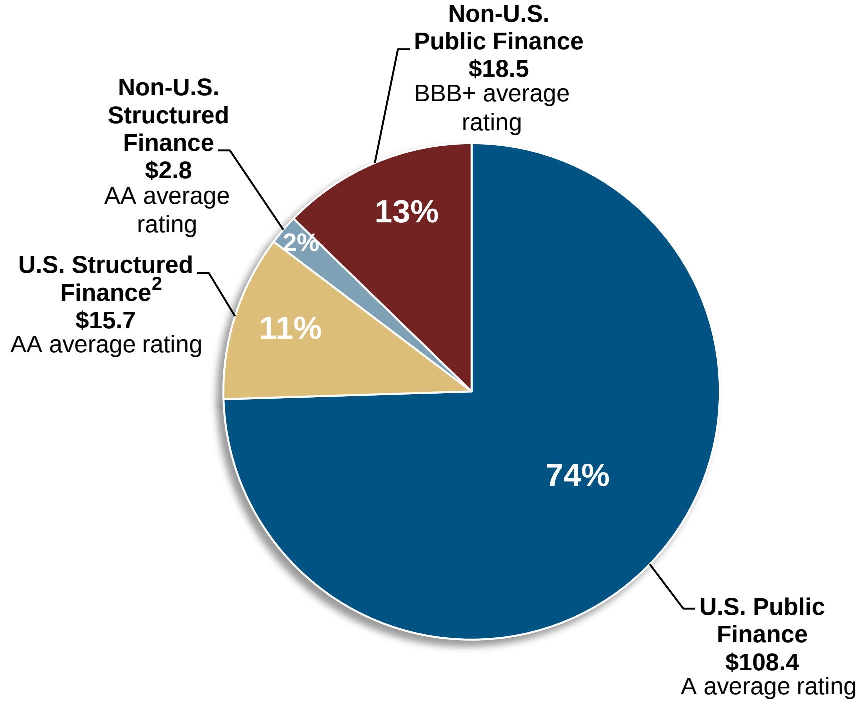
AGM[1] Portfolio Review

1. "AGM Consolidated" means Assured Guaranty Municipal Corp. and its consolidated entities (consisting primarily of Assured Guaranty (Europe) Ltd., Municipal Assurance Holdings Inc. (MAC Holdings), Municipal Assurance Corp. (MAC), and variable interest entities Assured Guaranty Municipal Corp. is required to consolidate under accounting principles generally accepted in the United States). "AGM" means AGM Consolidated excluding MAC Holdings and MAC. "Assured Guaranty Municipal" means AGM Consolidated excluding MAC Holdings, MAC and Assured Guaranty (Europe) Ltd.

AGM[1]
Insured Portfolio Overview

- **AGM's[1] portfolio is diversified by asset class**
  - 74% U.S. public finance
  - 11% U.S. structured finance
  - 13% Non-U.S. public finance
  - 2% Non-U.S. structured finance
- **The portfolio maintains a high overall credit rating despite downgrades in our U.S. RMBS portfolio as well as our Puerto Rico exposures**
  - A average internal rating

Net Par Outstanding[1,2]
As of September 30, 2015
($ in billions)



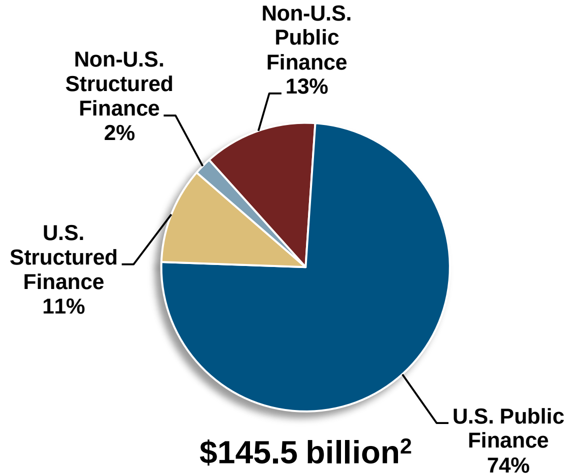
$145.5 billion, A average rating

1. Please see page 41 for a definition of this convention and the appendix for a reconciliation to the corresponding GAAP value.
2. Includes $1.9 billion in GICs. Please see footnote 3 on page 45.

AGM[1]

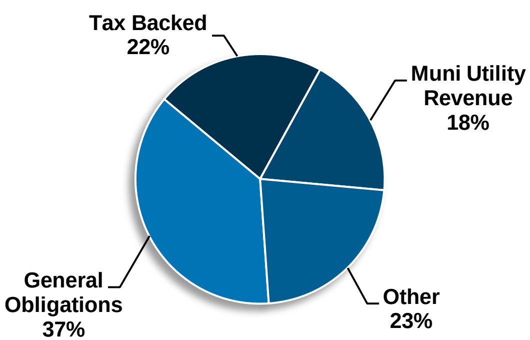
Insured Portfolio
Net Par Outstanding as of September 30, 2015

Portfolio Diversification by Sector



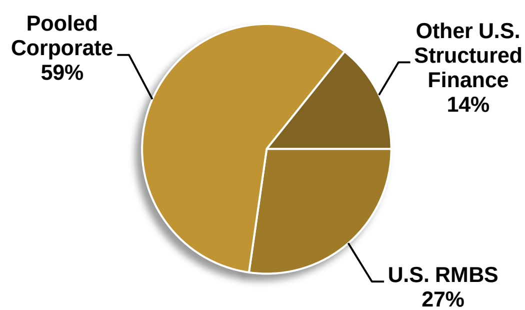
$145.5 billion[2]

U.S. Public Finance Portfolio



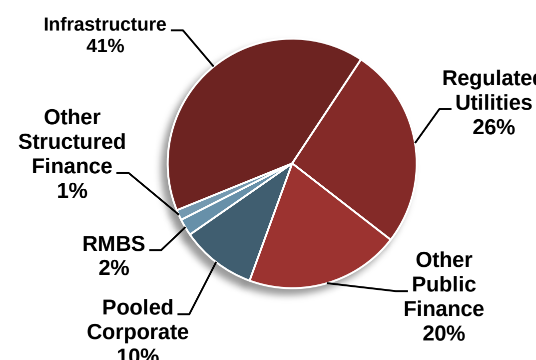
$108.4 billion

U.S. Structured Finance Portfolio



$15.7 billion[2]

Non-U.S. Portfolios Public & Structured Finance

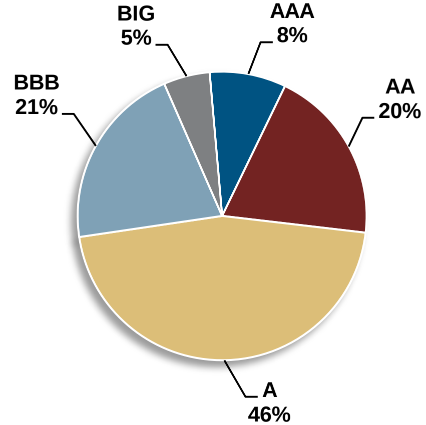


$21.4 billion

1. Please see page 41 for a definition of this convention and the appendix for a reconciliation to the corresponding GAAP value.
2. Includes $1.9 billion in GICs. Please see footnote 3 on page 45.

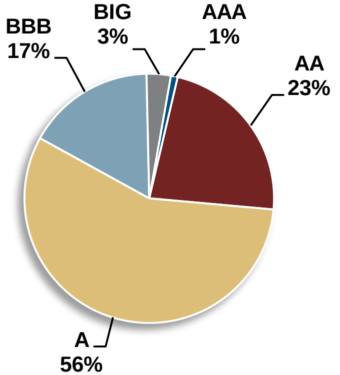
Insured Portfolio Ratings
Net Par Outstanding as of September 30, 2015

Portfolio Diversification by Rating



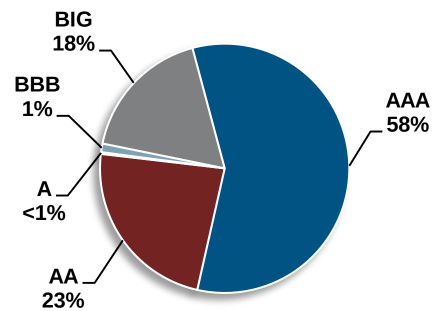
$145.5 billion[2]

U.S. Public Finance Portfolio



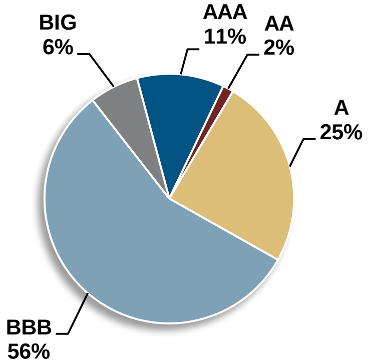
$108.4 billion

U.S. Structured Finance Portfolio



$15.7 billion[2]

Non-U.S. Portfolios
Public & Structured Finance



$21.4 billion

1. Please see page 41 for a definition of this convention and the appendix for a reconciliation to the corresponding GAAP value.
2. Includes $1.9 billion in GICs. Please see footnote 3 on page 45.

AGM[1]
Insured Portfolio
Net Par Outstanding as of September 30, 2015

Net Par Outstanding By Asset Type
($ in millions)

	Net Par Outstanding	Avg. Internal Rating
U.S. public finance:		
General obligation	$ 40,262	A
Tax backed	23,818	A
Municipal utilities	19,982	A
Transportation	10,745	A
Healthcare	7,007	A
Higher education	3,166	A
Infrastructure finance	1,335	BB+
Housing	1,204	A
Other public finance[2]	862	A
Total U.S. public finance	108,381	A
Non-U.S. public finance:		
Infrastructure finance	8,642	BBB
Regulated utilities	5,590	BBB+
Other public finance	4,290	A
Total non-U.S. public finance	18,522	BBB+
Total public finance	**$ 126,903**	**A**

	Net Par Outstanding	Avg. Internal Rating
U.S. structured finance:		
Pooled corporate obligations	$ 9,197	AAA
RMBS	4,289	BB+
Financial products[3]	1,911	AA-
Consumer receivables	141	B+
Commercial receivables	31	BBB-
Structured credit	6	BB
Other structured finance	150	A-
Total U.S. structured finance	15,725	AA
Non-U.S. structured finance:		
Pooled corporate obligations	2,092	AA+
RMBS	469	BBB+
Other structured finance	287	AAA
Total non-U.S. structured finance	2,848	AA
Total structured finance	**$ 18,573**	**AA**
Total net par outstanding	**$ 145,476**	**A**

1. Please see page 41 for a definition of this convention and the appendix for a reconciliation to the corresponding GAAP value.
2. Includes investor-owned utilities.
3. Assured Guaranty did not acquire Financial Security Assurance Holdings' Financial Products (FP) segment. Assured Guaranty and its subsidiaries are indemnified against exposure to the FP segment by Dexia SA (Dexia). As of September 30, 2015, the aggregate accreted balance of the guaranteed investment contracts (GICs) was approximately $1.9 billion. As of the same date, with respect to the assets supporting the GIC business, the aggregate accreted principal balance was approximately $2.9 billion, the aggregate market value was approximately $2.7 billion and the aggregate market value after agreed reductions was approximately $1.8 billion. Cash and positive derivative value exceeded the negative derivative values and other projected costs by approximately $0.1 billion.

Reinsurance

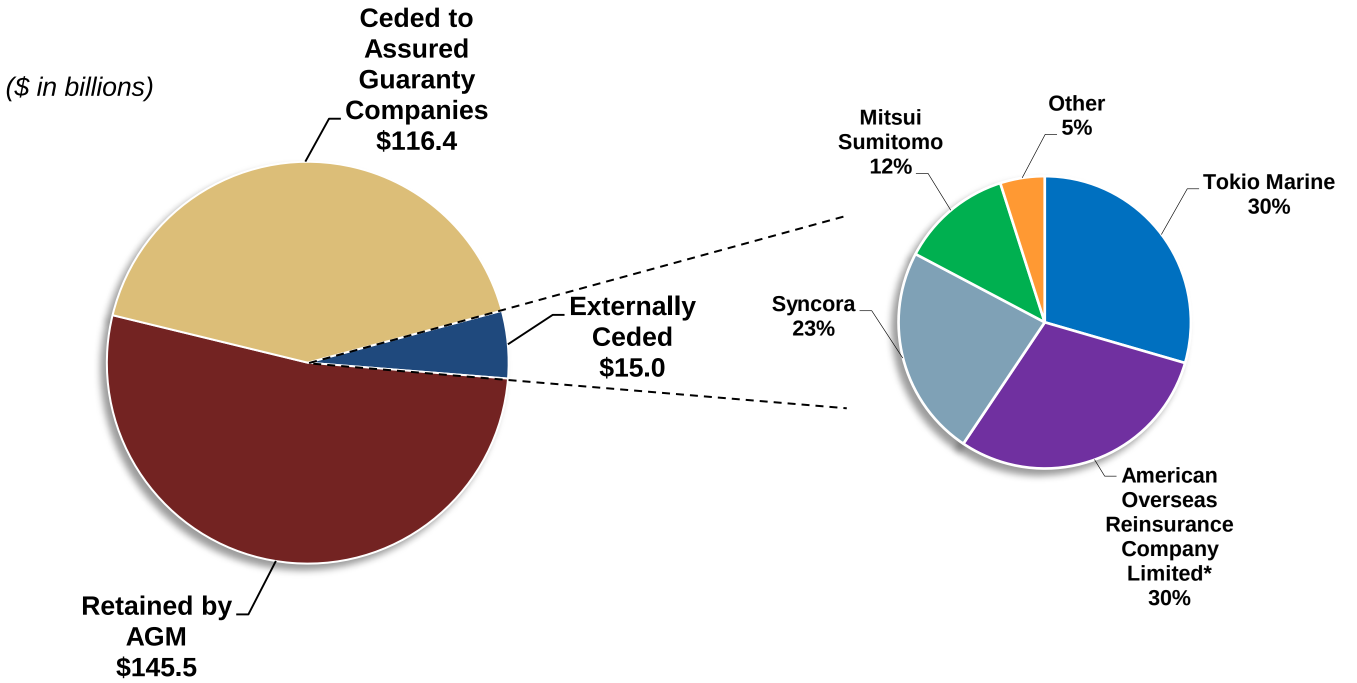
AGM[1] Has Ceded 5% of Its Gross Insured Portfolio to a Diversified Group of Non-Affiliated Reinsurers and Other Monolines

AGM's[1] Total Gross Par Outstanding: $276.9 billion

As of September 30, 2015

Externally Ceded Par Outstanding: $15.0 billion (5.4%)

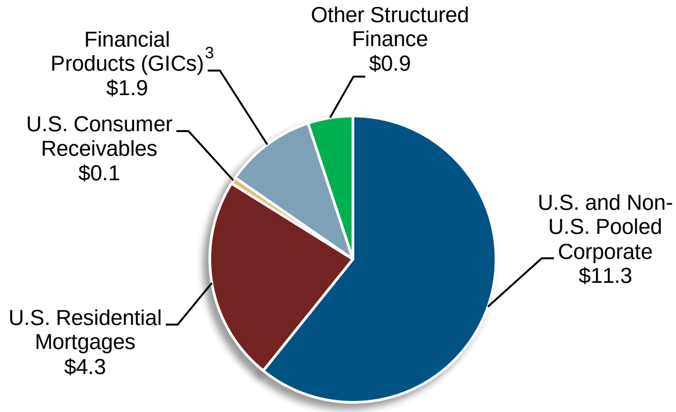
As of September 30, 2015

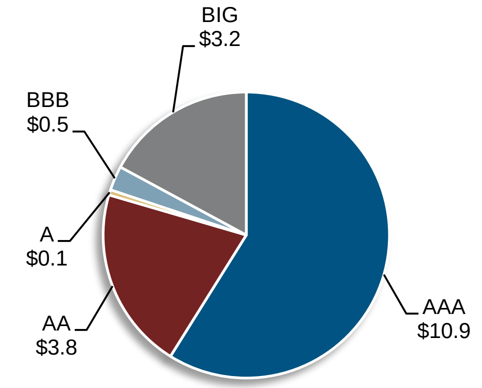


* Formerly RAM Reinsurance Company Ltd.

1. Please see page 41 for a definition of this convention and the appendix for a reconciliation to the corresponding GAAP value.

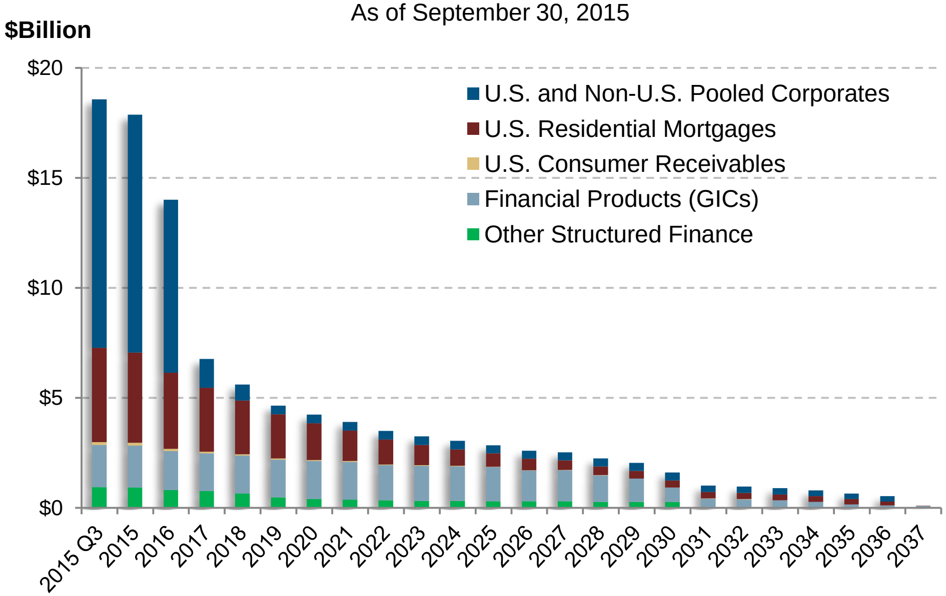
AGM[1] Amortization of Global Insured Structured Finance Portfolio





$18.6 Billion Net Par Outstanding

As of September 30, 2015



- We expect AGM's[1] legacy global structured finance insured portfolio ($18.6 billion as of September 30, 2015 versus $127.3 billion as of September 30, 2008) to amortize rapidly – 25% by year-end 2016 and 70% by year-end 2018.[2]
  - $11.3 billion in global pooled corporate obligations expected to be reduced by 30% by year-end 2016 and by 93% by year-end 2018
  - $4.3 billion in U.S. RMBS expected to be reduced by 19% by year-end 2016 and by 43% by year-end 2018
  - $0.1 billion in U.S. consumer receivable obligations expected to be reduced by 22% by year-end 2016 and by 61% by year-end 2018
  - $0.9 billion in other structured finance (excluding FP) expected to be reduced by 14% by year-end 2016 and by 32% by year-end 2018
- Former FP business not part of Assured Guaranty's purchase; we are indemnified against exposure to the FP business by Dexia. Please see footnote 3 on page 45 for additional information.
  - $1.9 billion in GICs expected to be reduced by 8% by year-end 2016 and by 9% by year-end 2018

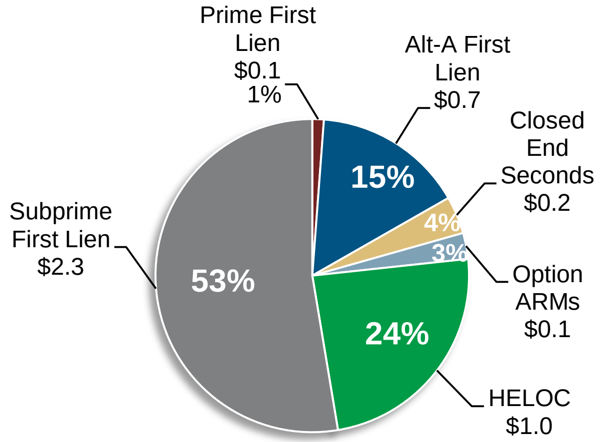
1. Please see page 41 for a definition of this convention and the appendix for a reconciliation to the corresponding GAAP value.
2. Please see footnote 3 on page 13.
3. Please see footnote 3 on page 45.

AGM[1] U.S. RMBS Exposure

- **AGM's[1] U.S. RMBS portfolio is amortizing on an absolute basis and has declined as a percentage of the portfolio**
  - $4.3 billion net par outstanding versus $17.1 billion at year-end 2008, a decrease of 75%
  - 2.9% of total net par outstanding versus 4.0% at year-end 2008
  - No U.S. RMBS underwritten since January 2008
- **We have significantly mitigated ultimate losses**
  - R&W putbacks, litigation and agreements
  - Wrapped bond purchases
  - Terminations of below investment grade credits

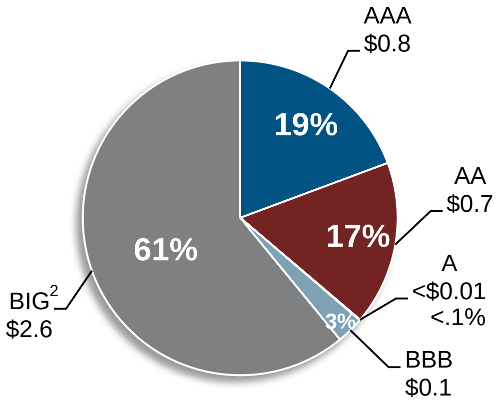
By Type

As of September 30, 2015
($ in billions)



$4.3 billion, 2.9% of net par outstanding

By Rating



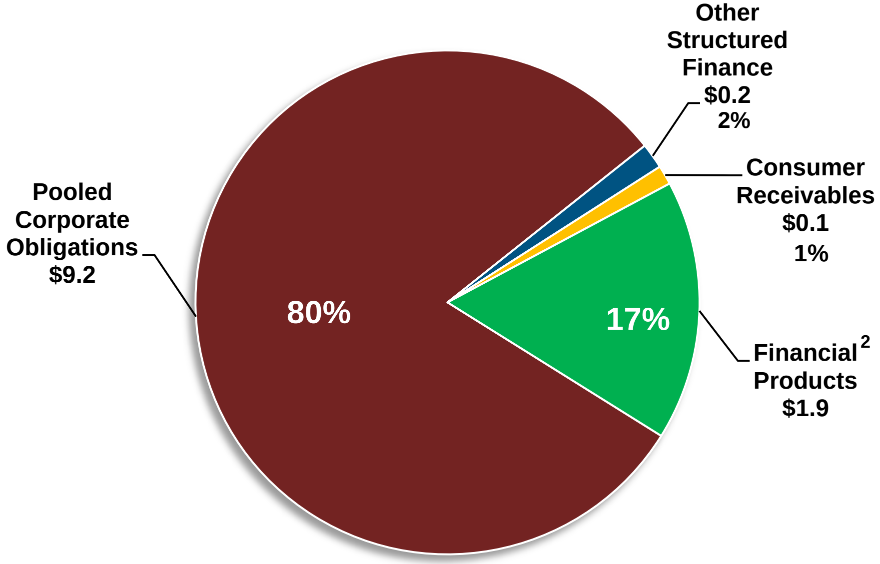
1. Please see page 41 for a definition of this convention and the appendix for a reconciliation to the corresponding GAAP value.
2. Please see footnote 2 on page 39.

AGM[1] Non-RMBS Exposure
U.S. Structured Finance

- **80% of AGM's[1] non-RMBS U.S. structured finance portfolio consists of pooled corporate obligations**
  - 89% of U.S. pooled corporate exposure is of AAA quality
  - 11% of U.S. pooled corporate exposure is of AA quality
- **Non-RMBS U.S. structured finance credit experience has been generally strong given the economic stress caused by the financial crisis**

U.S. Non-RMBS Structured Finance

As of September 30, 2015
($ in billions)



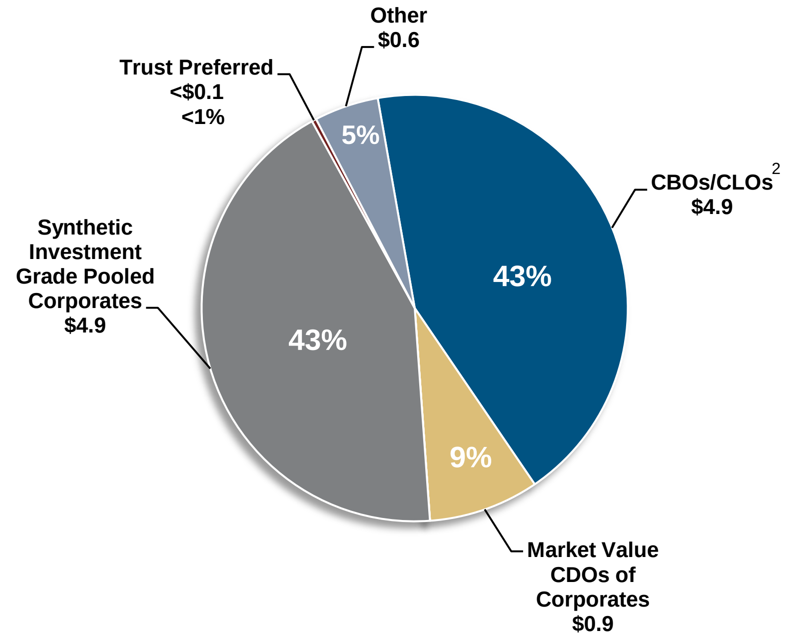
$11.4 billion net par outstanding

1. Please see page 41 for a definition of this convention and the appendix for a reconciliation to the corresponding GAAP value.
2. Please see footnote 3 on page 45.

AGM[1] Global Pooled Corporate Obligations

- **AGM's[1] pooled corporate exposure is generally highly rated and well protected**
  - Average current credit enhancement of 26.6%
  - 87% rated AAA
  - AAA average rating
  - 3% rated BIG
- **$39 million of TruPS (bank and insurance company only)**
  - Average rating of AA
  - Average current credit enhancement remains strong at 58.0%

Pooled Corporate Obligations By Asset Class
September 30, 2015
($ in billions)

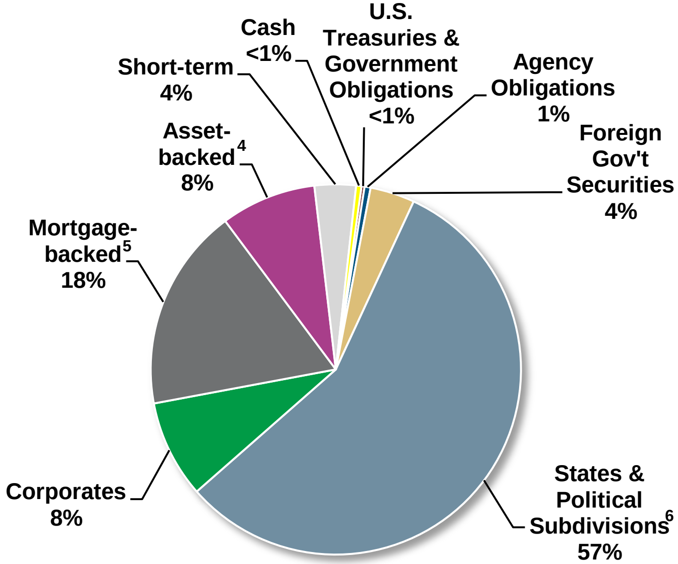


$11.3 billion net par outstanding

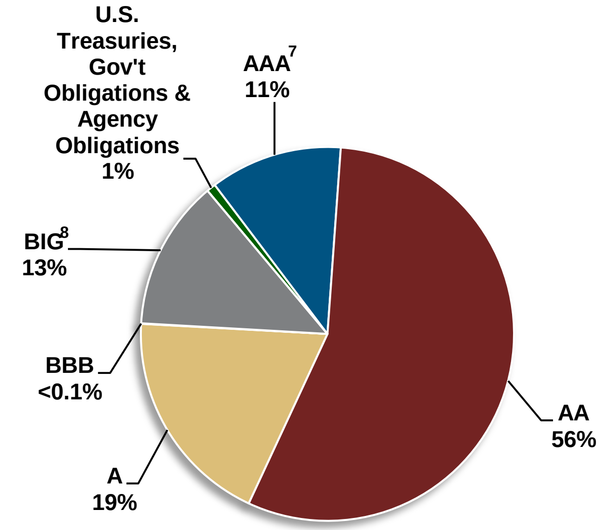
1. Please see page 41 for a definition of this convention and the appendix for a reconciliation to the corresponding GAAP value.
2. CBOs are collateralized bond obligations. CLOs are collateralized loan obligations.

AGM[1]
Investment Portfolio
Fair Value as of September 30, 2015

Investments Available for Sale and Cash[2] By Category



Investments Available for Sale and Cash[2,3] By Rating



Total = $4.9 billion

1. Please see page 41 for a definition of this convention and the appendix for a reconciliation to the corresponding GAAP value.
2. Includes fixed maturity securities, short-term investments and cash and excludes other invested assets. Also includes securities purchased or obtained as part of loss mitigation or other risk management strategies, some of which (with a fair value of $146 million) were issued by entities that were subsequently consolidated as VIEs and which are therefore eliminated in consolidation on the balance sheet.
3. Ratings are represented by the lower of the Moody's and S&P classifications except for securities purchased or obtained as part of loss mitigation or other risk management strategies, which use internal ratings classifications.
4. Included in the asset-backed category are securities purchased or obtained as part of loss mitigation or other risk management strategies with a fair value of $99 million. The remaining securities have a fair value of $312 million and an average rating of AA.
5. Included in the mortgage-backed category are securities purchased or obtained as part of loss mitigation or other risk management strategies with a fair value of $486 million and agency-backed securities with a fair value of $202 million. The remaining securities have a fair value of approximately $187 million and an average rating of AAA.
6. Included in the states & political subdivisions category are securities purchased or obtained as part of loss mitigation or other risk management strategies with a fair value of $10 million.
7. Included in the AAA category are short-term securities and cash.
8. Included in the BIG category are securities purchased or obtained as part of loss mitigation or other risk management strategies with a fair value of $574 million.

AGM Consolidated[1] Expected Loss and Loss Adjustment Expense (LAE) to Be Paid
As of September 30, 2015

($ in millions)

Rollforward of Net Expected Loss and LAE to be Paid After Benefit for R&W for the Three Months Ended September 30, 2015

Financial Guaranty Insurance Contracts and Credit Derivatives	**Net Expected Loss to be Paid (Recovered) as of June 30, 2015**	**Economic Loss Development During 3Q-15**	**(Paid) Recovered Losses During 3Q-15**	**Net Expected Loss to be Paid (Recovered) as of September 30, 2015**
Public Finance:				
U.S. public finance	$ 217	$ 18	$ (13)	$ 222
Non-U.S. public finance	31	(1)	—	30
Public Finance:	248	17	(13)	252
U.S. RMBS				
First lien:				
Alt-A first lien	206	(34)	(82)	90
Option ARMs	(25)	(2)	5	(22)
Subprime first lien	207	22	(14)	215
Total first lien	388	(14)	(91)	283
Second lien:				
Closed-end second lien	1	0	1	2
HELOC	(11)	11	6	6
Total second lien	(10)	11	7	8
Total U.S. RMBS	378	(3)	(84)	291
Other structured finance	22	(1)	0	21
Structured Finance	**400**	**(4)**	**(84)**	**312**
Total	**$ 648**	**$ 13**	**$ (97)**	**$ 564**

Expected loss to be paid in the table above represents the PV of expected net claims payments and reimbursements. Under GAAP, however, a reserve and corresponding loss expense is generally recognized in the period and for the amount that expected losses exceed unearned premium reserve. For AGM, unearned premium reserve on the Acquisition Date (July 1, 2009) represented fair value and incorporated all expected losses at that date. See Notes to the financial statements in the 2014 AGL Form 10-K for a complete discussion of the accounting policy for financial guaranty insurance and credit derivative contracts.

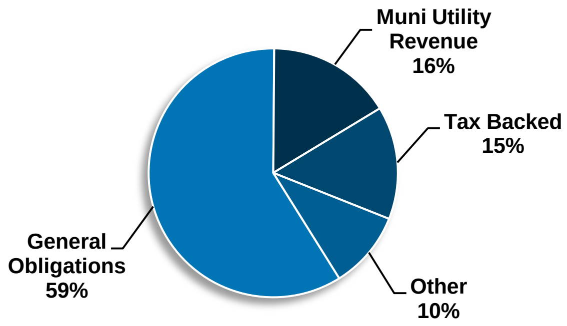
1. Please see page 41 for a definition of this convention.

Municipal Assurance Corp.
Portfolio Review

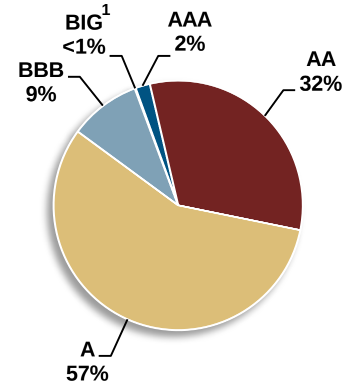
MAC

Insured Portfolio (100% U.S. Public Finance)
Net Par Outstanding as of September 30, 2015

Portfolio Diversification by Sector



Portfolio Diversification by Rating



$77.8 billion

Net Par Outstanding By Asset Type
($ in millions)

	Net Par Outstanding	Avg. Internal Rating
U.S. public finance:		
General obligation	$ 45,919	A+
Municipal utilities	12,615	A+
Tax backed	11,433	A+
Higher education	3,305	A
Transportation	3,245	A
Housing	462	A+
Other public finance	834	A
Total U.S. public finance	**$ 77,813**	**A+**

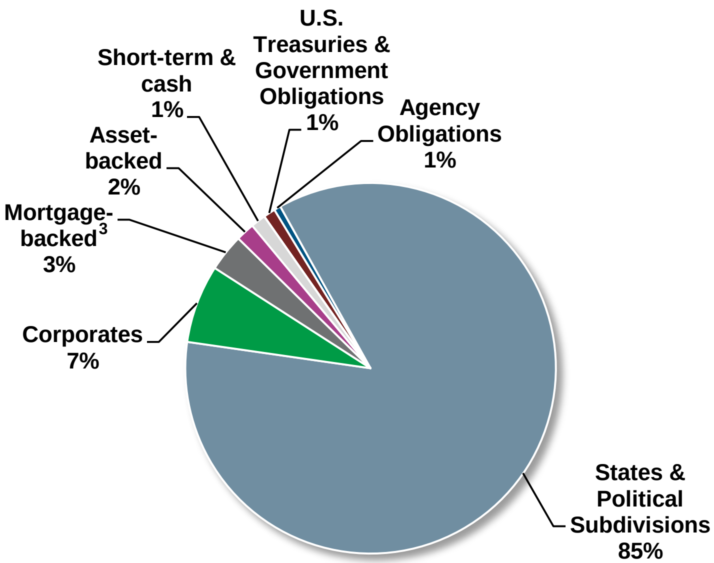
Net Par Outstanding By State
($ in millions)

	Net Par Outstanding	% of Total
California	$ 12,270	15.8%
Texas	8,090	10.4
Pennsylvania	6,039	7.7
Illinois	4,891	6.3
New York	4,237	5.4
Michigan	3,437	4.4
Florida	3,276	4.2
New Jersey	3,025	3.9
Ohio	2,919	3.8
Indiana	2,086	2.7
Other states	27,543	35.4
Total U.S. public finance	**$ 77,813**	**100.0%**

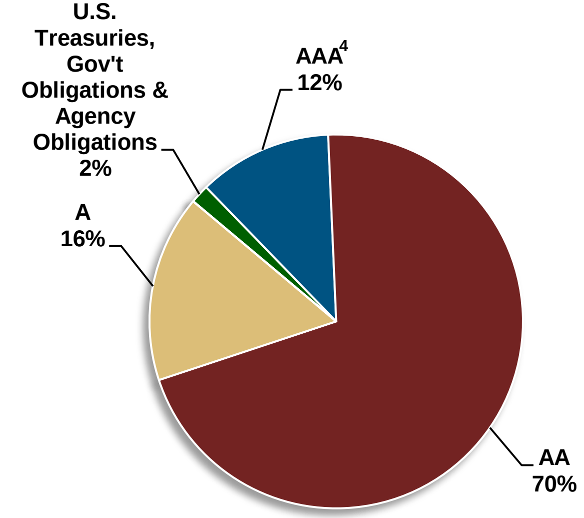
1. A total of $90 million net par outstanding; consists of six revenue sources rated in the BB category.

MAC
Investment Portfolio
Fair Value as of September 30, 2015

Investments Available for Sale and Cash[1] By Category



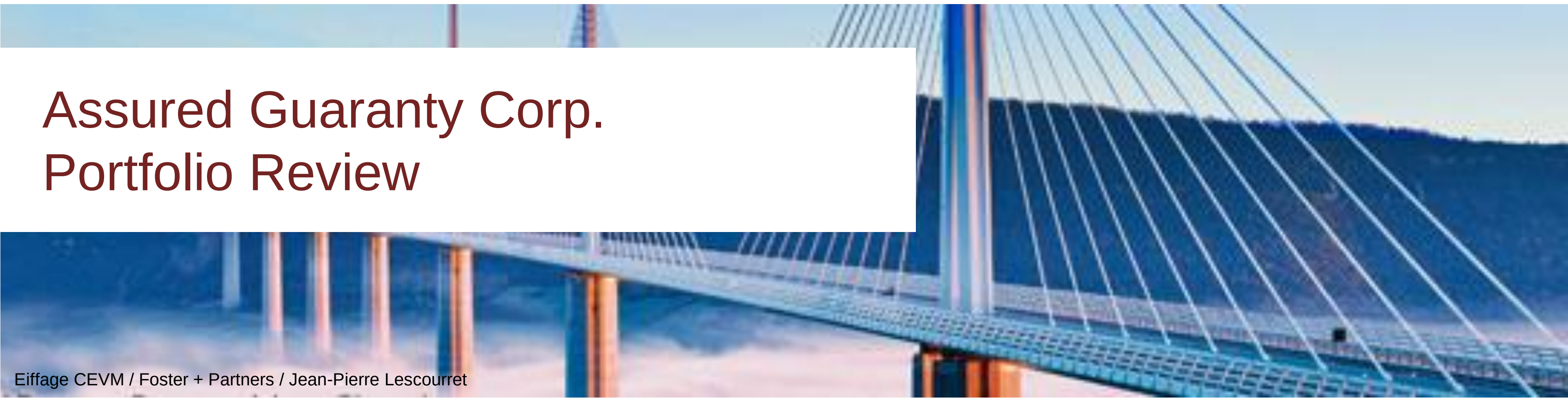
Investments Available for Sale and Cash[1,2] By Rating



Total = $1.5 billion

1. Includes fixed maturity securities, short-term investments and cash.
2. Ratings are represented by the lower of the Moody's and S&P classifications.
3. Included in the mortgage-backed category are agency-backed securities with a fair value of $24 million. The remaining securities have a fair value of $27 million and an average rating of AAA.
4. Included in the AAA category are short-term securities and cash.

Assured Guaranty Corp. Portfolio Review

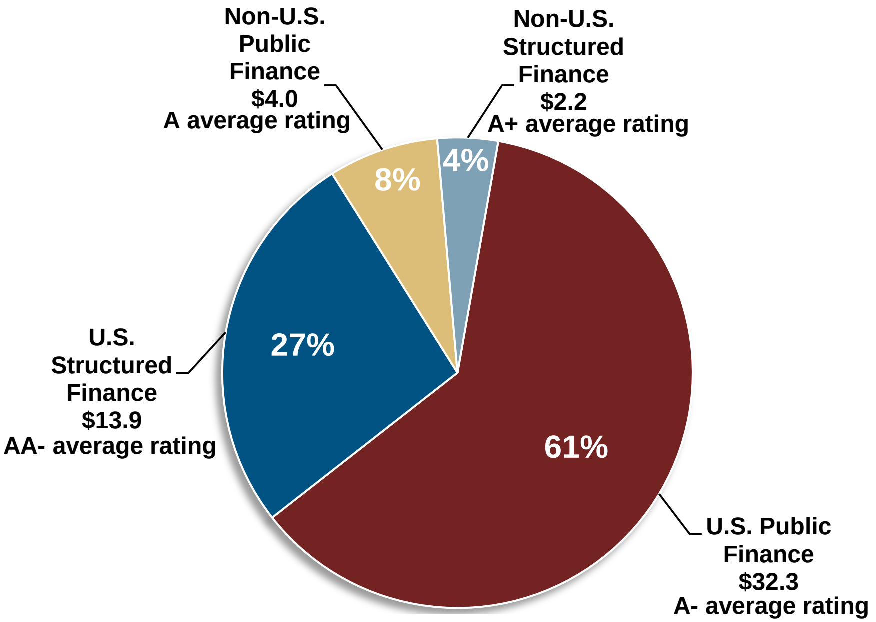


Eiffage CEVM / Foster + Partners / Jean-Pierre Lescourret

AGC
Insured Portfolio Overview

- **AGC's portfolio is diversified by asset class**
  - 61% U.S. public finance
  - 27% U.S. structured finance
  - 8% Non-U.S. public finance
  - 4% Non-U.S. structured finance
- **The portfolio maintains a high overall credit rating despite downgrades in our U.S. RMBS portfolio as well as our Puerto Rico exposures**
  - Average internal rating of A

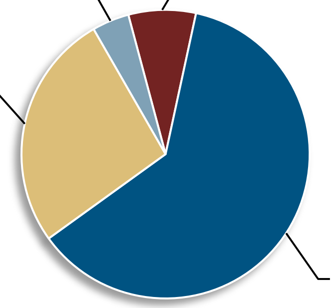
Net Par Outstanding
As of September 30, 2015
($ in billions)



$52.4 billion, A average rating

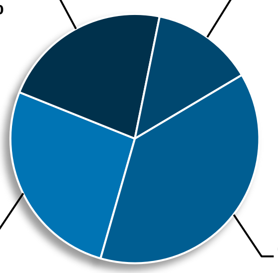
AGC
Insured Portfolio
Net Par Outstanding as of September 30, 2015

Portfolio Diversification by Sector



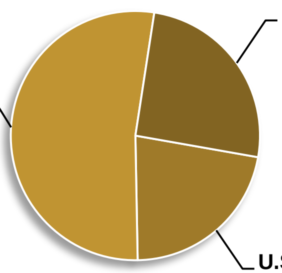
$52.4 billion

U.S. Public Finance Portfolio



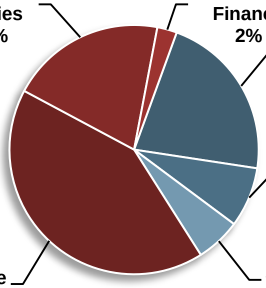
$32.3 billion

U.S. Structured Finance Portfolio



$13.9 billion

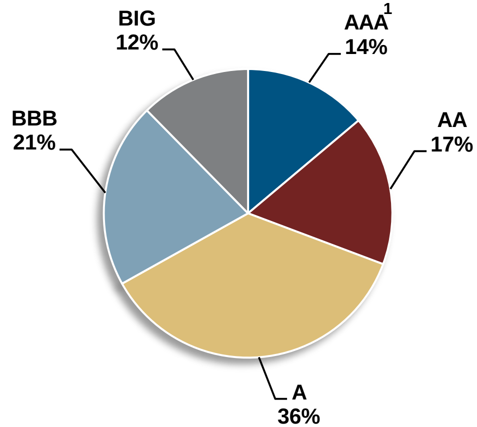
Non-U.S. Portfolios Public & Structured Finance



$6.1 billion

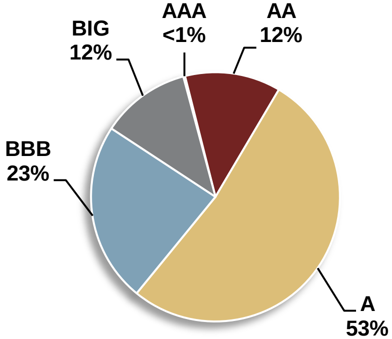
AGC
Insured Portfolio Ratings
Net Par Outstanding as of September 30, 2015

Portfolio Diversification by Rating



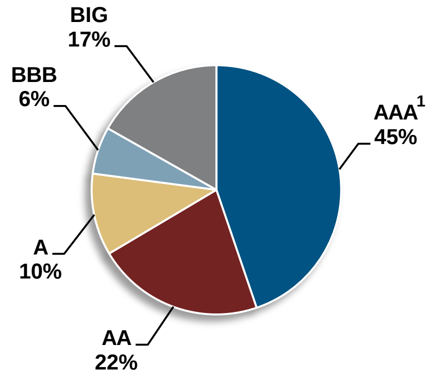
$52.4 billion

U.S. Public Finance Portfolio



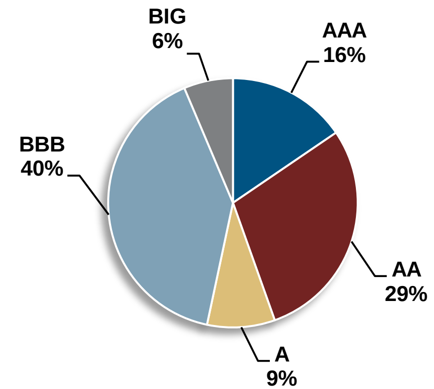
$32.3 billion

U.S. Structured Finance Portfolio



$13.9 billion

Non-U.S. Portfolios Public & Structured Finance



$6.1 billion

1. Includes $1.09 billion of net par in the form of CDS that was upgraded from BIG as of 3Q15 in anticipation of the termination of such CDS that occurred early in 4Q15. In 4Q15, the exposure will be removed.

AGC
Insured Portfolio
Net Par Outstanding as of September 30, 2015

Net Par Outstanding By Asset Type

($ in millions)

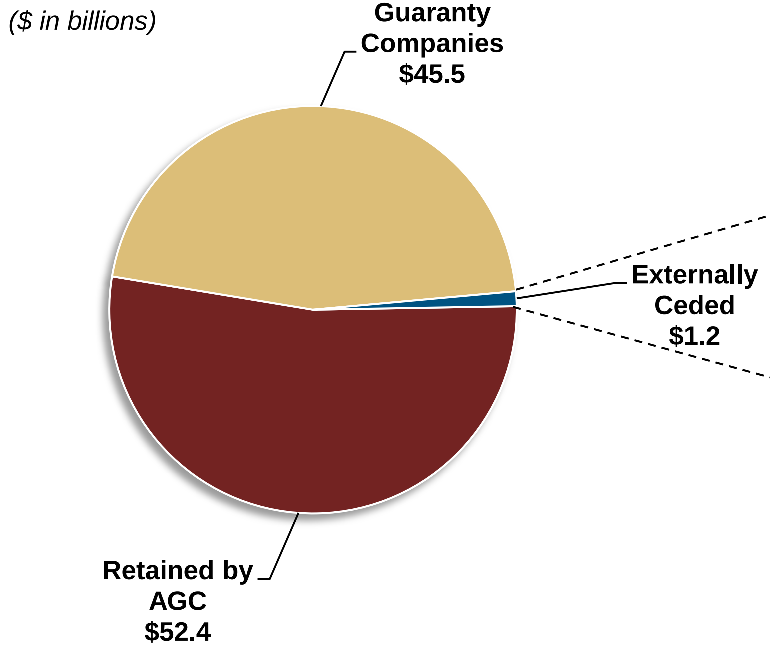
	Net Par Outstanding	Avg. Internal Rating
U.S. public finance:		
General obligation	$ 8,596	A-
Tax backed	7,143	BBB+
Healthcare	4,288	A-
Transportation	4,133	A-
Municipal utilities	3,402	A-
Higher education	2,161	BBB+
Infrastructure finance	1,180	BBB+
Investor-owned utilities	402	A-
Housing	190	BBB
Other public finance	790	A-
Total U.S. public finance	32,285	A-
Non-U.S. public finance:		
Infrastructure finance	1,497	BBB+
Regulated utilities	1,239	A-
Pooled infrastructure	1,069	AA
Other public finance	157	A+
Total non-U.S. public finance	3,962	A
Total public finance	**$ 36,247**	**A-**

	Net Par Outstanding	Avg. Internal Rating
U.S. structured finance:		
Pooled corporate obligations	$ 7,347	AA
RMBS	3,056	A
Consumer receivables	1,176	A+
CMBS and other commercial real estate related exposures	1,012	AAA
Insurance securitization	901	A
Commercial receivables	254	BBB+
Structured credit	56	BBB
Other structured finance	133	AA-
Total U.S. structured finance	13,935	AA-
Non-U.S. structured finance:		
Pooled corporate obligations	1,341	AA
Commercial receivables	478	BBB
RMBS	42	A+
Other structured finance	315	BBB+
Total non-U.S. structured finance	2,176	A+
Total structured finance	**$ 16,111**	**AA-**
Total net par outstanding	**$ 52,358**	**A**

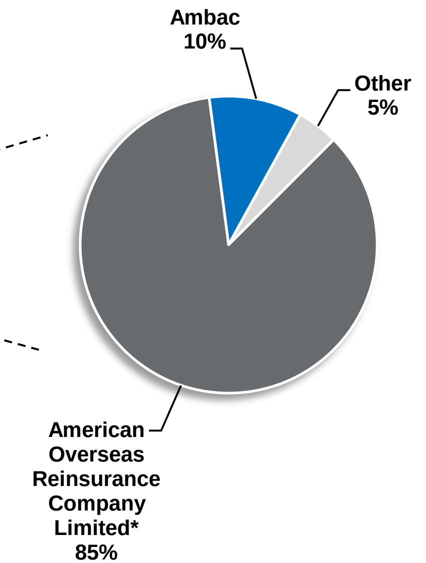
Reinsurance

AGC Has Ceded 1.2% of Its Gross Insured Portfolio to Several Non-Affiliated Reinsurers and Other Monolines

AGC's Total Gross Par Outstanding: $99.0 billion
As of September 30, 2015



Externally Ceded Par Outstanding: $1.2 billion (1.2%)
As of September 30, 2015



* Formerly RAM Reinsurance Company Ltd.

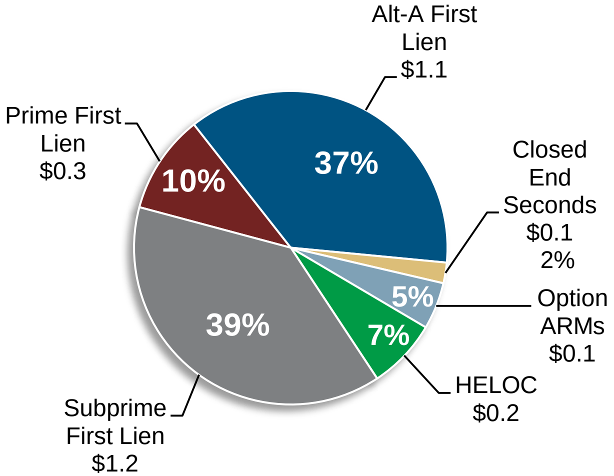
AGC U.S. RMBS Exposure

- **AGC's U.S. RMBS portfolio is amortizing on an absolute basis and has declined as a percentage of the portfolio**
  - $3.1 billion versus $13.4 billion at year-end 2007, a decrease of 77%
  - 5.8% of total net par outstanding versus 14.3% at year-end 2007
- **We have significantly mitigated ultimate losses**
  - R&W putbacks, litigation and agreements
  - Wrapped bond purchases
  - Terminations

By Type

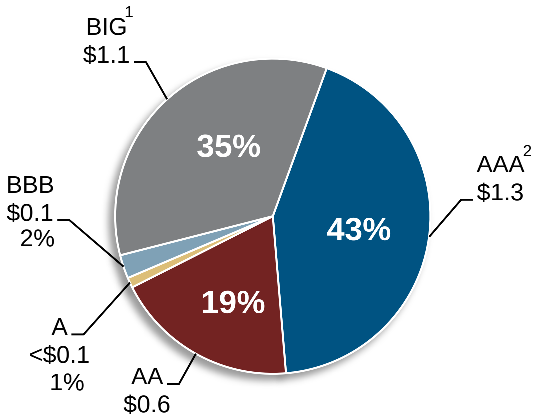
As of September 30, 2015

($ in billions)



$3.1 billion, 5.8% of net par outstanding

By Rating



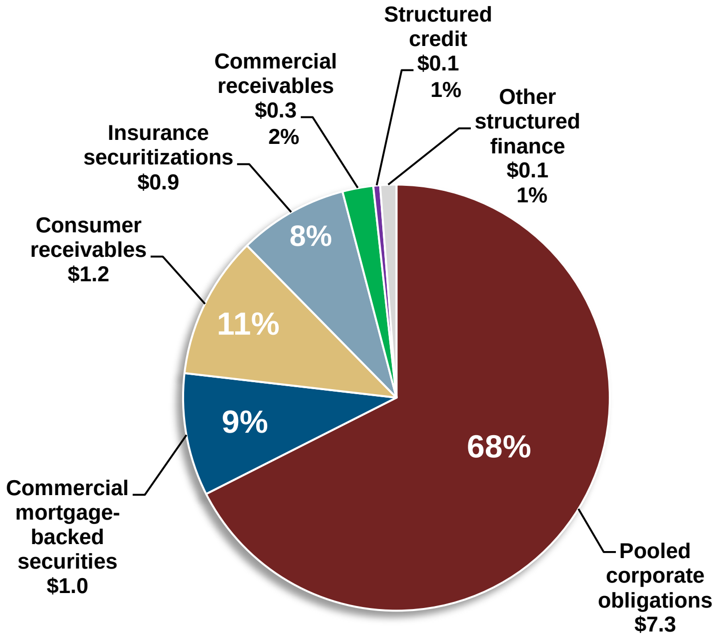
1. Please see footnote 2 on page 39.
2. Includes $0.66 billion of net par in the form of CDS that was upgraded from BIG as of 3Q15 in anticipation of the termination of such CDS that occurred early in 4Q15. In 4Q15, the exposure will be removed.

AGC Non-RMBS Exposure
U.S. Structured Finance

- **AGC's non-RMBS U.S. structured finance exposures consist principally of:**
  - Pooled corporate obligations
  - CMBS
  - Consumer receivables
- **Non-RMBS U.S. structured finance credit experience has been generally strong given the economic stress caused by the financial crisis**
  - 45% rated AAA
  - 12% rated BIG

U.S. Non-RMBS Structured Finance

As of September 30, 2015
($ in billions)



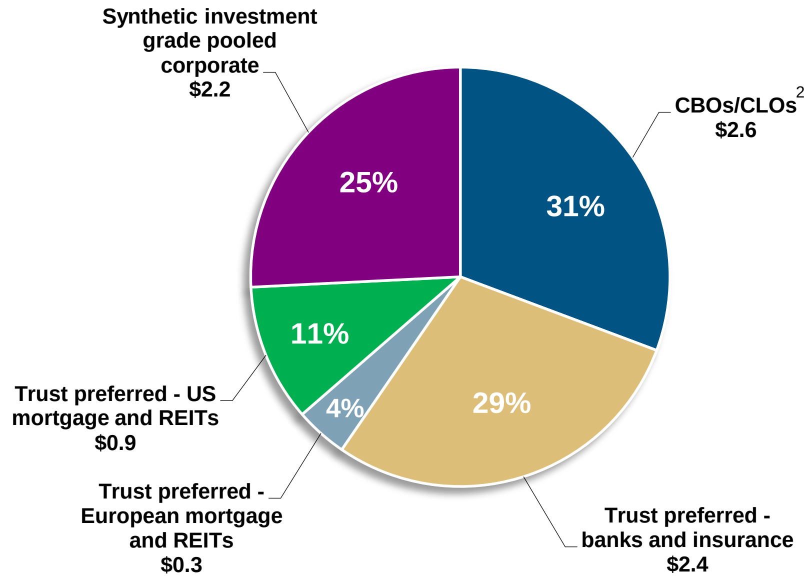
$10.9 billion net par outstanding

AGC Global Direct Pooled Corporate Obligations

- **Our pooled corporate exposure is highly rated and protected by overcollateralization. In AGC's direct portfolio:**
  - Average current credit enhancement of 36.4%
  - 52% rated AAA, average rating AA
- **AGC's $3.7 billion Trust Preferred Securities (TruPS) CDO portfolio is diversified by region (U.S. and European) as well as by collateral type (bank, thrift, insurance company, real estate investment trust (REIT) and CMBS)**
  - Includes more than 1,500 underlying issuers
  - All our exposure at the CDO level is to the most senior debt tranche
  - All U.S. bank and insurance TruPS CDOs, European TruPS CDOs and U.S. mortgage and REIT TruPS CDOs were originated at AAA attachment points
- **The $0.9 billion of TruPS CDOs backed by U.S. mortgage and REITs and $0.3 billion of TruPS CDOs backed by European mortgage and REITs are the lowest average rated pooled corporate subsectors**
  - BBB- average rating

Direct Pooled Corporate Obligations[1] By Asset Class

As of September 30, 2015
($ in billions)



$8.5 billion net par outstanding

1. AGC also assumed $211 million of pooled corporate exposure.
2. CBOs are collateralized bond obligations. CLOs are collateralized loan obligations.

AGC Direct U.S. CMBS Exposure

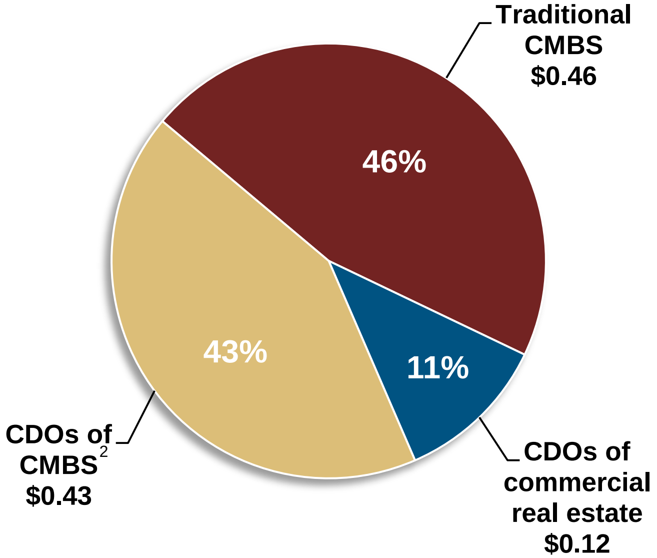
- **AGC's CMBS-related exposures were underwritten at high attachment points**
  - All deals were written with AAA ratings at inception
  - AAA current average rating
- **$464 million traditional CMBS portfolio**
  - All of the exposures were written as "basket trades"; one has additional credit enhancement from a first-loss deductible
  - 100% rated AAA as of September 30, 2015
  - Average current credit enhancement stands at 45.9% vs. initial credit enhancement of 33.5%
- **$430 million CMBS CDO transaction**
  - Originally insured by Radian Asset; transaction was terminated in 4Q15
- **$115 million commercial real estate CDO transaction**
  - Average current credit enhancement stands at 62.5% vs. initial credit enhancement of 53.4%
- **Beginning in the middle of 2006, AGC concluded that underwriting standards applied to newly originated commercial property loans were deteriorating and adjusted underwriting standards accordingly**

Direct U.S. Commercial Real Estate Exposure[1]

By Sector

As of September 30, 2015

($ in billions)



$1.0 billion net par outstanding

1. AGC also assumed $3 million of U.S. CMBS exposure.
2. Transaction was terminated in 4Q15.

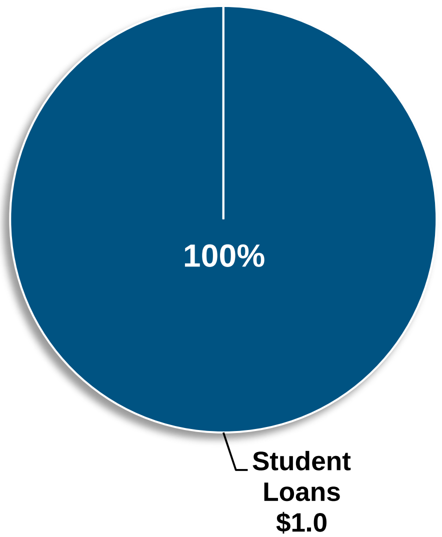
AGC Direct U.S. Consumer Receivables

- **Despite the economic stress caused by the financial crisis, AGC's direct consumer receivable portfolio is entirely investment grade:**
  - Average rating of A+
  - For all transactions, current credit enhancement is higher than initial credit enhancement
  - 32% rated AAA

Direct U.S. Consumer Receivables by Type[1]

As of September 30, 2015

($ in billions)



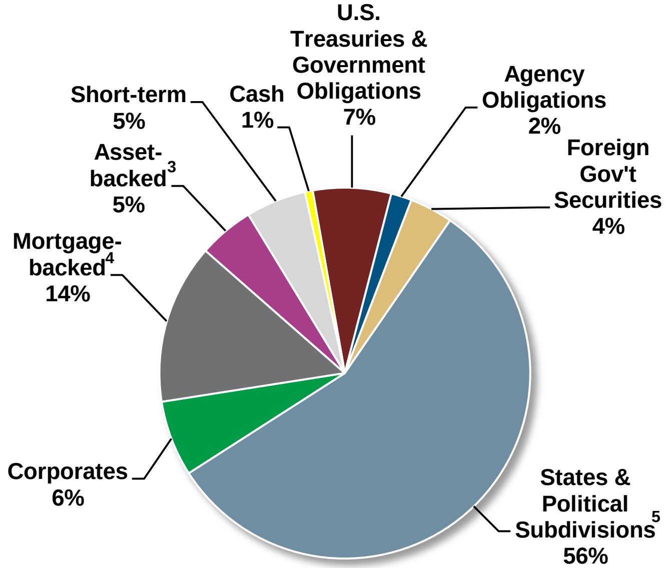
$1.0 billion net par outstanding

1. AGC also assumed $150 million of U.S. consumer receivable exposure, a portion of which is rated BIG.

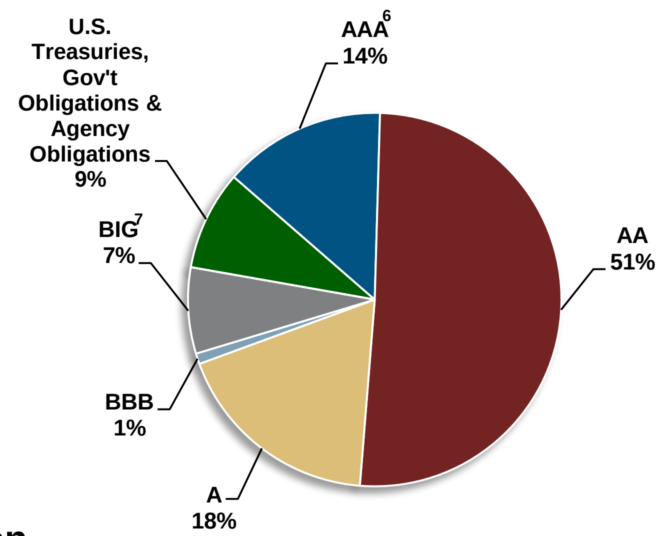
AGC

Investment Portfolio
Fair Value as of September 30, 2015

Investments Available for Sale and Cash[1] By Category



Investments Available for Sale and Cash[1,2] By Rating



Total = $2.8 billion

1. Includes fixed maturity securities, short-term investments and cash and excludes other invested assets. Also includes securities purchased or obtained as part of loss mitigation or other risk management strategies, some of which (with a fair value of $111 million) were issued by entities that were subsequently consolidated as VIEs and which are therefore eliminated in consolidation on the balance sheet.
2. Ratings are represented by the lower of the Moody's and S&P classifications except for securities purchased or obtained as part of loss mitigation or other risk management strategies, which use internal ratings classifications.
3. Included in the asset-backed category are securities purchased or obtained as part of loss mitigation or other risk management strategies with a fair value of $130 million. The remaining securities have a fair value of $6 million and an average rating of AA+.
4. Included in the mortgage-backed category are securities purchased or obtained as part of loss mitigation or other risk management strategies with a fair value of $136 million and agency-backed securities with a fair value of $229 million. The remaining securities have a fair value of $28 million and an average rating of AAA.
5. Included in the states & political subdivisions category are securities purchased or obtained as part of loss mitigation or other risk management strategies with a fair value of $3 million.
6. Included in the AAA category are short-term securities and cash.
7. Included in the BIG category are securities purchased or obtained as part of loss mitigation or other risk management strategies with a fair value of $180 million. Also included are securities, with a fair value of $29 million, that are not rated.

AGC Expected Loss and LAE to Be Paid
As of September 30, 2015

ASSURED GUARANTY

($ in millions)

Rollforward of Net Expected Loss and LAE to be Paid After Benefit for R&W for the Three Months Ended September 30, 2015

Financial Guaranty Insurance Contracts and Credit Derivatives	**Net Expected Loss to be Paid (Recovered) as of June 30, 2015**	**Economic Loss Development During 3Q-15**	**(Paid) Recovered Losses During 3Q-15**	**Net Expected Loss to be Paid (Recovered) as of September 30, 2015**
Public Finance:				
U.S. public finance	$ 218	$ 57	$ 0	$ 275
Non-U.S. public finance	6	0	—	6
Public Finance:	224	57	0	281
U.S. RMBS				
First lien:				
Prime first lien	0	0	0	0
Alt-A first lien	53	(54)	(22)	(23)
Option ARMs	4	0	0	4
Subprime first lien	51	2	(5)	48
Total first lien	108	(52)	(27)	29
Second lien:				
Closed-end second lien	6	0	0	6
HELOC	2	2	1	5
Total second lien	8	2	1	11
Total U.S. RMBS	116	(50)	(26)	40
Triple-X life insurance transactions	(20)	4	0	(16)
TruPS	7	(4)	—	3
Other structured finance	75	(10)	0	65
Structured Finance	**178**	**(60)**	**(26)**	**92**
Total	**$ 402**	**$ (3)**	**$ (26)**	**$ 373**

Expected loss to be paid in the table above represents the PV of expected net claims payments and reimbursements. Under GAAP, however, a reserve and corresponding loss expense is generally recognized in the period and for the amount that expected losses exceed unearned premium reserve. See Notes to the financial statements in the 2014 AGL Form 10-K for a complete discussion of the accounting policy for financial guaranty insurance and credit derivative contracts.

Appendix

Endnotes related to non-GAAP financial measures discussed in the presentation:

To reflect the key financial measures management analyzes in evaluating the Company's operations and progress towards long-term goals, the Company discusses both measures determined in accordance with GAAP and measures not promulgated in accordance with GAAP ("non-GAAP financial measures"). Although the financial measures identified as non-GAAP should not be considered substitutes for GAAP measures, management considers them key performance indicators and employs them as well as other factors in determining compensation. Non-GAAP financial measures, therefore, provide investors with important information about the key financial measures management utilizes in measuring its business. The primary limitation of non-GAAP financial measures is the potential lack of comparability to those of other companies, which may define non-GAAP measures differently because there is limited literature with respect to such measures. Three of the primary non-GAAP financial measures analyzed by the Company's senior management are: operating income, adjusted book value and PVP.

Management and the board of directors utilize non-GAAP financial measures in evaluating the Company's financial performance. By providing these non-GAAP financial measures, the Company gives investors, analysts and financial news reporters access to the same information that management reviews internally. In addition, Assured Guaranty's presentation of non-GAAP financial measures is consistent with how analysts calculate their estimates of Assured Guaranty's financial results in their research reports on Assured Guaranty and with how investors, analysts and the financial news media evaluate Assured Guaranty's financial results.

The following paragraphs define each non-GAAP financial measure and describe why it is useful. A reconciliation of the non-GAAP financial measure and the most directly comparable GAAP financial measure, if available, is presented within this presentation.

Operating Income: Management believes that operating income is a useful measure because it clarifies the understanding of the underwriting results of the Company's financial guaranty business, and also includes financing costs and net investment income, and enables investors and analysts to evaluate the Company's financial results as compared with the consensus analyst estimates distributed publicly by financial databases. Operating income is defined as net income (loss) attributable to AGL, as reported under GAAP, adjusted for the following:

1. Elimination of the after-tax realized gains (losses) on the Company's investments, except for gains and losses on securities classified as trading. The timing of realized gains and losses, which depends largely on market credit cycles, can vary considerably across periods. The timing of sales is largely subject to the Company's discretion and influenced by market opportunities, as well as the Company's tax and capital profile. Trends in the underlying profitability of the Company's business can be more clearly identified without the fluctuating effects of these transactions.

2. Elimination of the after-tax non-credit impairment unrealized fair value gains (losses) on credit derivatives, which is the amount in excess of the present value of the expected estimated economic credit losses, and non-economic payments. Such fair value adjustments are heavily affected by, and in part fluctuate with, changes in market interest rates, credit spreads and other market factors and are not expected to result in an economic gain or loss. Additionally, such adjustments present all financial guaranty contracts on a more consistent basis of accounting, whether or not they are subject to derivative accounting rules.

3. Elimination of the after-tax fair value gains (losses) on the Company's CCS. Such amounts are heavily affected by, and in part fluctuate with, changes in market interest rates, credit spreads and other market factors and are not expected to result in an economic gain or loss.

4. Elimination of the after-tax foreign exchange gains (losses) on remeasurement of net premium receivables and loss and LAE reserves. Long-dated receivables constitute a significant portion of the net premium receivable balance and represent the present value of future contractual or expected collections. Therefore, the current period's foreign exchange remeasurement gains (losses) are not necessarily indicative of the total foreign exchange gains (losses) that the Company will ultimately recognize.

5. Elimination of the effects of consolidating FG VIEs in order to present all financial guaranty contracts on a more consistent basis of accounting, whether or not GAAP requires consolidation. GAAP requires the Company to consolidate certain VIEs that have issued debt obligations insured by the Company even though the Company does not own such VIEs.

Adjusted Book Value and Operating Shareholders' Equity: Management also uses adjusted book value to measure the intrinsic value of the Company, excluding franchise value. Growth in adjusted book value per share is one of the key financial measures used in determining the amount of certain long-term compensation to management and employees and used by rating agencies and investors.

Management believes that operating shareholders' equity is a useful measure because it presents the equity of the Company with all financial guaranty contracts accounted for on a more consistent basis and excludes fair value adjustments that are not expected to result in economic gain or loss. Many investors, analysts and financial news reporters use operating shareholders' equity as the principal financial measure for valuing AGL's current share price or projected share price and also as the basis of their decision to recommend, buy or sell AGL's common shares. Many of the Company's fixed income investors also use operating shareholders' equity to evaluate the Company's capital adequacy. Operating shareholders' equity is the basis of the calculation of adjusted book value (see below). Operating shareholders' equity is defined as shareholders' equity attributable to Assured Guaranty Ltd., as reported under GAAP, adjusted for the following:

1. Elimination of the effects of consolidating FG VIEs in order to present all financial guaranty contracts on a more consistent basis of accounting, whether or not GAAP requires consolidation. GAAP requires the Company to consolidate certain VIEs that have issued debt obligations insured by the Company even though the Company does not own such VIEs.

2. Elimination of the after-tax non-credit impairment unrealized fair value gains (losses) on credit derivatives, which is the amount in excess of the present value of the expected estimated economic credit losses, and non-economic payments. Such fair value adjustments are heavily affected by, and in part fluctuate with, changes in market interest rates, credit spreads and other market factors and are not expected to result in an economic gain or loss.

3. Elimination of the after-tax fair value gains (losses) on the Company's CCS. Such amounts are heavily affected by, and in part fluctuate with, changes in market interest rates, credit spreads and other market factors and are not expected to result in an economic gain or loss.

4. Elimination of the after-tax unrealized gains (losses) on the Company's investments that are recorded as a component of accumulated other comprehensive income ("AOCI") (excluding foreign exchange remeasurement). The AOCI component of the fair value adjustment on the investment portfolio is not deemed economic because the Company generally holds these investments to maturity and therefore should not recognize an economic gain or loss.

Management believes that adjusted book value is a useful measure because it enables an evaluation of the net present value of the Company's in-force premiums and revenues in addition to operating shareholders' equity. The premiums and revenues included in adjusted book value will be earned in future periods, but actual earnings may differ materially from the estimated amounts used in determining current adjusted book value due to changes in foreign exchange rates, prepayment speeds, terminations, credit defaults and other factors. Many investors, analysts and financial news reporters use adjusted book value to evaluate AGL's share price and as the basis of their decision to recommend, buy or sell the AGL common shares. Adjusted book value is operating shareholders' equity, as defined above, further adjusted for the following:

1. Elimination of after-tax deferred acquisition costs, net. These amounts represent net deferred expenses that have already been paid or accrued and will be expensed in future accounting periods.

2. Addition of the after-tax net present value of estimated net future credit derivative revenue. See below.

3. Addition of the after-tax value of the unearned premium reserve on financial guaranty contracts in excess of expected loss to be expensed, net of reinsurance. This amount represents the expected future net earned premiums, net of expected losses to be expensed, which are not reflected in GAAP equity.

Net present value of estimated net future credit derivative revenue: Management believes that this amount is a useful measure because it enables an evaluation of the value of future estimated credit derivative revenue. There is no corresponding GAAP financial measure. This amount represents the present value of estimated future revenue from the Company's credit derivative in-force book of business, net of reinsurance, ceding commissions and premium taxes, for contracts without expected economic losses, and is discounted at 6%. Estimated net future credit derivative revenue may change from period to period due to changes in foreign exchange rates, prepayment speeds, terminations, credit defaults or other factors that affect par outstanding or the ultimate maturity of an obligation.

PVP or present value of new business production: Management believes that PVP is a useful measure because it enables the evaluation of the value of new business production for the Company by taking into account the value of estimated future installment premiums on all new contracts underwritten in a reporting period as well as premium supplements and additional installment premium on existing contracts as to which the issuer has the right to call the insured obligation but has not exercised such right, whether in insurance or credit derivative contract form, which GAAP gross premiums written and the net credit derivative premiums received and receivable portion of net realized gains and other settlements on credit derivatives ("Credit Derivative Revenues") do not adequately measure. PVP in respect of financial guaranty contracts written in a specified period is defined as gross upfront and installment premiums received and the present value of gross estimated future installment premiums, in each case, discounted at 6%. For purposes of the PVP calculation, management discounts estimated future installment premiums on insurance contracts at 6%, while under GAAP, these amounts are discounted at a risk free rate. Additionally, under GAAP, management records future installment premiums on financial guaranty insurance contracts covering non-homogeneous pools of assets based on the contractual term of the transaction, whereas for PVP purposes, management records an estimate of the future installment premiums the Company expects to receive, which may be based upon a shorter period of time than the contractual term of the transaction. Actual future net earned or written premiums and Credit Derivative Revenues may differ from PVP due to factors including, but not limited to, changes in foreign exchange rates, prepayment speeds, terminations, credit defaults, or other factors that affect par outstanding or the ultimate maturity of an obligation.

Appendix
AGL Consolidated
Reconciliation of PVP to GWP

($ in millions)

	Three Months Ended September 30, 2015	Three Months Ended September 30, 2014
New business production analysis:		
PVP:		
Public finance - U.S.	$ 41	$ 51
Public finance - non-U.S.	—	—
Structured finance - U.S.	0	1
Structured finance - non-U.S.	—	4
Total PVP	**$ 41**	**$ 56**
Reconciliation of PVP to gross written premiums (GWP):		
Total PVP	**$ 41**	**$ 56**
Less: PVP of non-financial guaranty insurance	1	—
PVP of financial guaranty insurance	40	56
Less: financial guaranty installment premium PVP	(1)	4
Total: Financial guaranty upfront GWP	**41**	**52**
Plus: installment GWP and other GAAP adjustments[1]	(1)	(5)
Total GWP	**$ 40**	**$ 47**
Gross par written:		
Public finance - U.S.	$ 4,703	$ 4,018
Public finance - non-U.S.	—	—
Structured finance - U.S.	—	9
Structured finance - non-U.S.	—	150
Total	**$ 4,703**	**$ 4,177**

Please refer to the preceding pages of the appendix for an explanation of the non-GAAP financial measures.

1. Includes present value of new business on installment policies plus GWP adjustment on existing installment policies due to changes in assumptions and any cancellations of assumed reinsurance contracts and other GAAP adjustments.

Appendix
AGL Consolidated
Reconciliation of GAAP Book Value to Adjusted Book Value

($ in millions, except per share amounts)

	As of:			
	September 30, 2015		December 31, 2014	
	Total	Per Share	Total	Per Share
Reconciliation of shareholders' equity to adjusted book value:				
Shareholders' equity	**$ 5,819**	**$ 40.72**	**$ 5,758**	**$ 36.37**
Less after-tax adjustments:				
Effect of consolidating FG VIEs	(38)	(0.26)	(44)	(0.28)
Non-credit impairment unrealized fair value gains (losses) on credit derivatives	(448)	(3.14)	(527)	(3.33)
Fair value gains (losses) on committed capital securities	30	0.21	23	0.14
Unrealized gain (loss) on investment portfolio excluding foreign exchange effect	291	2.04	373	2.36
Operating shareholders' equity	**$ 5,984**	**41.87**	**$ 5,933**	**37.48**
After-tax adjustments:				
Less: Deferred acquisition costs	148	1.04	156	0.99
Plus: Net present value of estimated net future credit derivative revenue	148	1.03	109	0.69
Plus: Net unearned premium reserve on financial guaranty contracts in excess of expected loss to be expensed	2,587	18.11	2,609	16.48
Adjusted book value	**$ 8,571**	**$ 59.97**	**$ 8,495**	**$ 53.66**

Please refer to the preceding pages of the appendix for an explanation of the non-GAAP financial measures.

Appendix

Reconciliation of AGM[1] Net Par Outstanding to AGM Consolidated[1] Net Par Outstanding

ASSURED GUARANTY

Net Par Outstanding by Asset Type
September 30, 2015
($ in millions)

	AGM[1]	MAC	AGM Consolidated[1]
U.S. public finance:			
General obligation	$ 40,262	$ 45,919	$ 86,181
Tax backed	23,818	11,433	35,251
Municipal utilities	19,982	12,615	32,597
Transportation	10,745	3,245	13,990
Healthcare	7,007	-	7,007
Higher education	3,166	3,305	6,471
Housing	1,204	462	1,666
Infrastructure finance	1,335	-	1,335
Other public finance	862	834	1,696
Total U.S. public finance	108,381	77,813	186,194
Non-U.S. public finance:			
Infrastructure finance	8,642	-	8,642
Regulated utilities	5,590	-	5,590
Other public finance	4,290	-	4,290
Total non-U.S. public finance	18,522	-	18,522
Total public finance	**$ 126,903**	**$ 77,813**	**$ 204,716**
U.S. structured finance:			
Pooled corporate obligations	$ 9,197	$ -	$ 9,197
RMBS	4,289	-	4,289
Financial products [2]	1,911	-	1,911
Consumer receivables	141	-	141
Commercial receivables	31	-	31
Structured credit	6		6
Other structured finance	150	-	150
Total U.S. structured finance	15,725	-	15,725
Non-U.S. structured finance:			
Pooled corporate obligations	2,092	-	2,092
RMBS	469	-	469
Other structured finance	287	-	287
Total non-U.S. structured finance	2,848	-	2,848
Total structured finance	**$ 18,573**	**$ -**	**$ 18,573**
Total	**$ 145,476**	**$ 77,813**	**$ 223,289**

Distribution by Ratings of U.S. Public Finance Portfolio
September 30, 2015
($ in millions)

	AGM[1]	MAC	AGM Consolidated[1]
Ratings:			
AAA	$ 967	$ 1,473	$ 2,440
AA	24,669	24,791	49,460
A	61,335	44,259	105,594
BBB	18,016	7,200	25,216
BIG	3,394	90	3,484
Net par outstanding	**$ 108,381**	**$ 77,813**	**$ 186,194**

Note: all net par amounts exclude bonds purchased for loss mitigation purposes.
1. Please see page 41 for a definition of this convention.
2. Please see footnote 3 on page 45.

Appendix

Reconciliation of AGM[1] Investment Portfolio and Cash to AGM Consolidated[1] Investment Portfolio and Cash

	Fair Value September 30, 2015 ($ in millions)		
	AGM[1]	**MAC**	**AGM Consolidated[1]**
Investment portfolio, available-for-sale			
Fixed-maturity securities:			
Obligations of states and political subdivisions	$ 2,388	$ 1,140	$ 3,528
Insured obligations of state and political subdivisions	403	173	576
U.S. Treasury securities and obligations of U.S. government agencies	13	16	29
Agency obligations	26	9	35
Corporate securities	420	105	525
Mortgage-backed securities (MBS):			
Residential MBS (RMBS)	688	23	711
Commercial MBS (CMBS)	187	27	214
Asset-backed securities	411	25	436
Foreign government securities	192	-	192
Total fixed-maturity securities	4,728	1,518	6,246
Short-term investments and cash	201	20	221
Total	**$ 4,929**	**$ 1,538**	**$ 6,467**
Less: FG VIEs	145	-	145
Total	**$ 4,784**	**$ 1,538**	**$ 6,322**

	Fair Value September 30, 2015 ($ in millions)		
	AGM[1]	**MAC**	**AGM Consolidated[1]**
Ratings:			
U.S. Treasury securities and obligations of U.S. government agencies	$ 13	$ 16	$ 29
Agency obligations	26	9	35
AAA/Aaa	419	158	577
AA/Aa	2,750	1,086	3,836
A/A	933	249	1,182
BBB	2	-	2
Below investment grade (BIG)	585	-	585
Total fixed-maturity securities, available-for-sale	4,728	1,518	6,246
Less: FG VIEs	150	-	150
Total fixed-maturity securities, available-for-sale	**$ 4,578**	**$ 1,518**	**$ 6,096**

1. Please see page 41 for a definition of this convention.

Appendix
Reconciliation of AGM[1] Expected Amortization to AGM Consolidated[1] Expected Amortization

AGM[1] – Estimated Ending Net Par Outstanding[2]
September 30, 2015
($ in millions)

	Public Finance	Structured Finance	Total
2015 (as of September 30)	$ 126,903	$ 18,573	$ 145,476
2015	124,670	17,866	142,536
2016	115,473	14,008	129,481
2017	107,407	6,773	114,180
2018	101,509	5,611	107,120
2019	96,534	4,652	101,186
2024	69,739	3,055	72,794
2029	44,310	2,052	46,362
2034	24,714	788	25,502

Public Finance – Estimated Ending Net Par Outstanding[2]
September 30, 2015
($ in millions)

	AGM[1]	MAC	AGM Consolidated[1]
2015 (as of September 30)	$ 126,903	$ 77,813	$ 204,716
2015	124,670	75,131	199,801
2016	115,473	65,835	181,308
2017	107,407	58,166	165,573
2018	101,509	52,577	154,086
2019	96,534	48,233	144,767
2024	69,739	30,562	100,301
2029	44,310	16,462	60,772
2034	24,714	7,503	32,217

Public Finance – Expected Net Par Amortization[2]
September 30, 2015
($ in millions)

	AGM[1]	MAC	AGM Consolidated[1]
2015	$ 2,233	$ 2,682	$ 4,915
2016	9,197	9,296	18,493
2017	8,066	7,669	15,735
2018	5,898	5,589	11,487
2019	4,975	4,344	9,319
2015-2019	30,369	29,580	59,949
2020-2024	26,795	17,671	44,466
2025-2029	25,429	14,100	39,529
2030-2034	19,596	8,959	28,555
After 2034	24,714	7,503	32,217

1. Please see page 41 for a definition of this convention.
2. Please see footnote 3 on page 13.

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Fixed Income Investor Presentation
September 30, 2015

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