EMBRACE POSSIBILITIES, INVEST IN CERTAINTIES

Equity Investor Presentation

March 31, 2014

ASSURED GUARANTY®

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, together with its subsidiaries, “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 materially 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 Assured Guaranty or any of its subsidiaries and/or of transactions that Assured Guaranty’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 and local governments that the Company insures or reinsures; (5) the failure of Assured Guaranty to realize insurance loss recoveries or damages through loan putbacks, settlement negotiations or litigation; (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 the Company’s investment portfolio and in collateral posted by and to the Company; (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 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 and tax laws; (14) other governmental actions; (15) difficulties with the execution of Assured Guaranty’s business strategy; (16) contract cancellations; (17) loss of key personnel; (18) adverse technological developments; (19) the effects of mergers, acquisitions and divestitures; (20)natural or man-made catastrophes; (21) other risks and uncertainties that have not been identified at this time; (22) management’s response to these factors; and (23) other risk factors identified in Assured Guaranty’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 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 the Form 10-K 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 and Non-GAAP Financial Measures

- Unless otherwise noted, the following conventions are used in this presentation:
  - Ratings on our insured portfolio and on bonds purchased pursuant to loss mitigation or risk management strategies are Assured Guaranty's internal 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, beginning in 4Q-13, the Company's internal 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 obligations as the higher of AA or their current rating. The Company applies this policy to certain exposures covered by the settlements with Bank of America, Deutsche Bank and UBS; the policy for the Bank of America agreement (agreed in April 2011) was implemented in first quarter 2012 and for the other two agreements was implemented when they were agreed (second quarter 2012 and first quarter 2013, respectively). The Bank of America reclassification in first quarter 2012 resulted in a decrease in BIG net par outstanding during that quarter of $1,452 million from December 31, 2011. The Deutsche Bank reclassification in second quarter 2012 resulted in a decrease in BIG net par outstanding during that quarter of $330 million from first quarter 2012. The UBS reclassification in first quarter 2013 resulted in a decrease in BIG net par outstanding during that quarter of $202 million from December 31, 2012.
  - In third quarter 2013, the Company changed the manner in which it presents par outstanding and debt service in two ways. First, the Company had included securities purchased for loss mitigation purposes both in its invested assets portfolio and its financial guaranty insured portfolio. Beginning with third quarter 2013, the Company excluded such loss mitigation securities from its disclosure about its financial guaranty insured portfolio (unless otherwise indicated) because it manages such securities as investments and not insurance exposure. It has taken this approach as of both 03/31/14 and 03/31/13. Second, the Company refined its approach to its internal credit ratings and surveillance categories, which resulted in the upgrade of $25 million from BIG to investment grade. Please refer to "Refinement of Approach to Internal Credit Ratings and Surveillance Categories" in note 3, Outstanding Exposure, of the Company's Annual Report on Form 10-K for the annual period ended December 31, 2013 for additional information. Under the old approach, a transaction with a projected lifetime loss, no matter how strong on a prospective basis, was required to be rated BIG. Under its revised approach, a transaction may be rated investment grade if it (a) has turned generally cash-flow positive and (b) is projected to have net future reimbursements with a sufficient cushion to warrant an investment grade rating even if it is projected to have ending lifetime insurance claim payments.
  - 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.
- 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 not 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.

Table of Contents

First Quarter 2014 Activity

- **Assured Guaranty Municipal (AGM), Assured Guaranty Corp. (AGC) and Municipal Assurance Corp. (MAC) ratings' upgraded by S&P from 'AA-' (stable) to 'AA' (stable)**
- **Repurchased approximately 3 million common shares well below operating shareholders' equity per share[1] and adjusted book value[1] per share through May 7, 2014 (1.4 million common shares purchased in 1Q-14)**
- **Agreement reached with a provider of representations and warranties (R&W)**
- **Terminated $1.3 billion of insured net par outstanding**
- **Purchased approximately $62 million of insured securities for loss mitigation**
- **Generated $31 million of new business production[1]**
- **Reassumed approximately $856 million of previously ceded par; business consists almost exclusively of U.S. public finance and European (predominantly UK) utility and infrastructure exposures**
- **Closed a £77 million international infrastructure financing for the development and refurbishment of homes in the U.K.**

1. For explanations of operating shareholders' equity, adjusted book value and new business production, which are a non-GAAP financial measures, please refer to the Appendix.

Assured Guaranty Overview

Assured Guaranty Overview

Assured Guaranty Ltd.

($ in billions)	March 31, 2014	January 1, 2008 (pro-forma)[1]
Net par outstanding	$449.6	$626.6
U.S. public finance	$346.4	$337.3
U.S. structured finance	$55.4	$185.8
International	$47.8	$103.5
Total investment portfolio + cash	$11.2	$8.7
Total assets[2]	$15.1	$15.3
Net unearned premium reserve[3]	$4.1	$6.5
Claims paying resources	$12.2	$11.2
Ratio of Net Par Outstanding / Claims paying resources	**36.9**	**55.9**

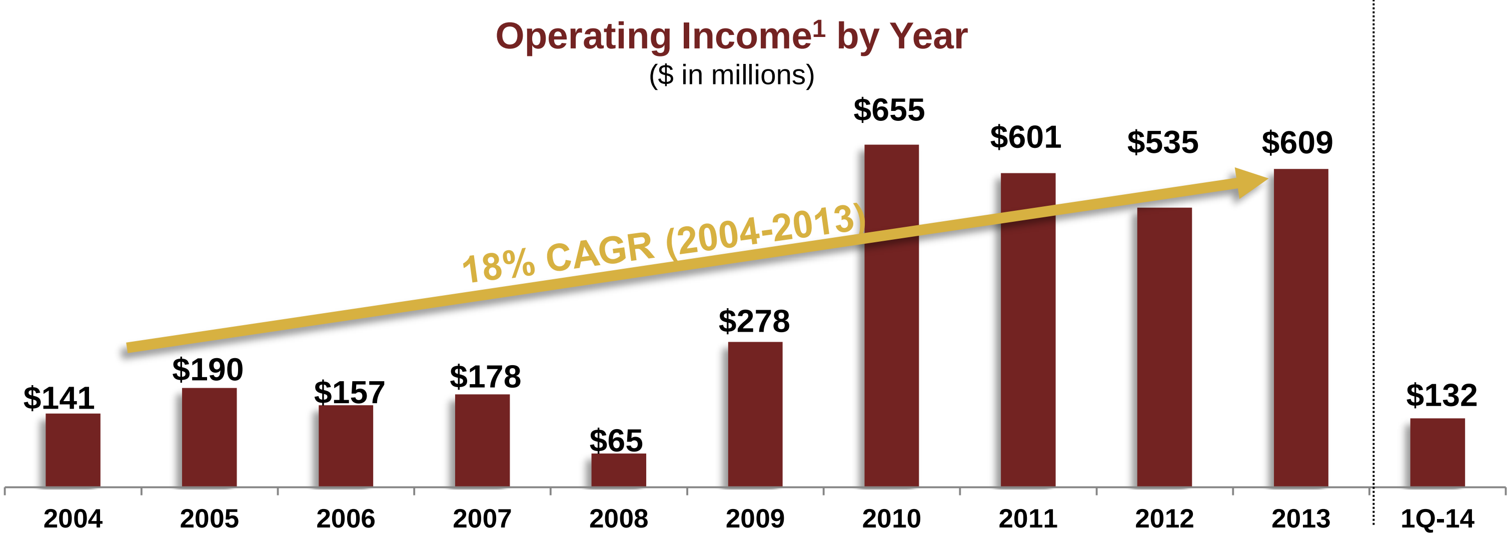
- **We are the leading financial guaranty franchise, with almost three decades of experience in the municipal and structured finance markets**
- **We serve the bond insurance market through three platforms:**
  - Assured Guaranty Municipal Corp. (AGM), rated AA (stable) by S&P and A2 (stable) by Moody's, focuses on larger public finance and infrastructure transactions
  - Municipal Assurance Corp. (MAC), rated AA+ (stable) by Kroll and AA (stable) by S&P, focuses on smaller public finance transactions
  - Assured Guaranty Corp. (AGC), rated AA (stable) by S&P and A3 (stable) by Moody's, guarantees public finance, global infrastructure and structured finance transactions
- **Our insured portfolio has an average internal rating of A**

1. 1/1/08 pro-forma includes FSAH fair values as of 7/1/09.
2. 3/31/14 includes $1.3 billion of assets of financial guaranty variable interest entities (FG VIEs).
3. Unearned premium reserve net of ceded unearned premium reserve.

Assured Guaranty Overview

Track Record of Creating Shareholder Value

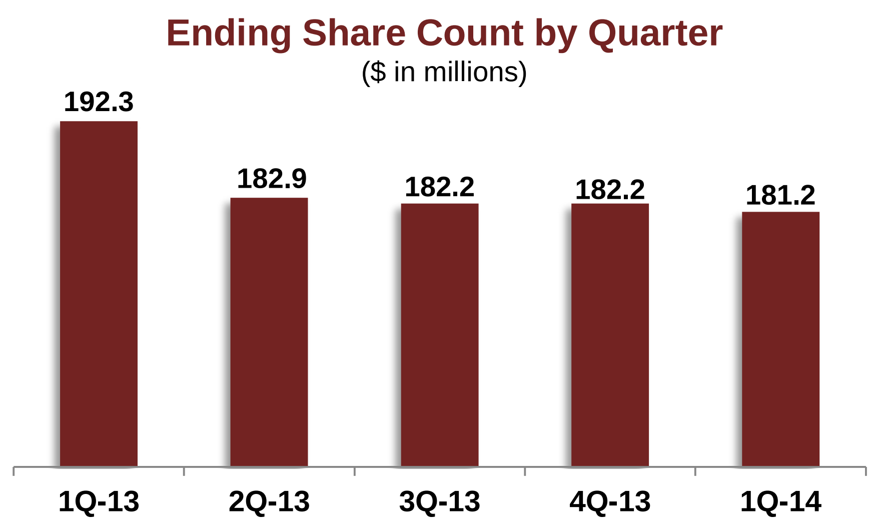
- **Since our initial public offering in 2004, we have grown our operating income[1] from $141 million in 2004 to $609 million in 2013, an 18% compounded annual growth rate (CAGR)**
- **Operating income[1] has grown through acquisitions (acquired AGM on July 1, 2009), new business production and other strategic activities**
  - Recapture of previously ceded business
  - Acceleration of premiums through terminations or refundings

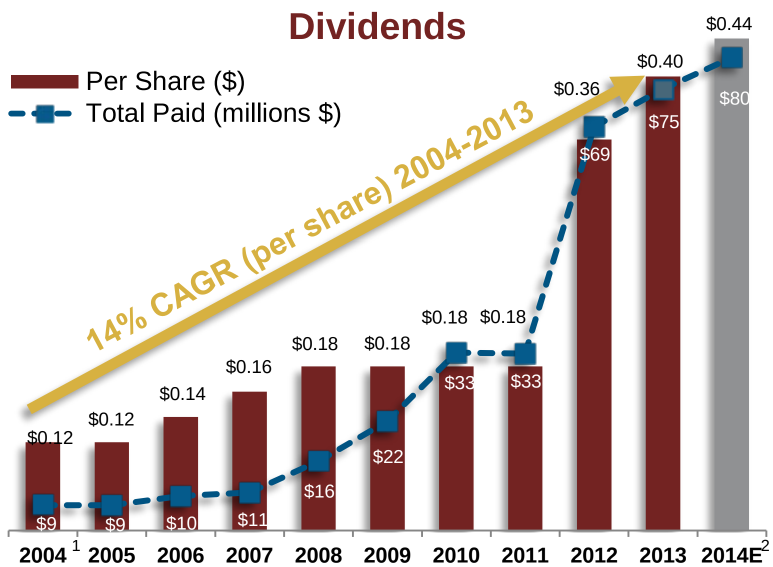


1. For an explanation of operating income, which is a non-GAAP financial measure, please refer to the Appendix.

Assured Guaranty Overview
Track Record of Creating Shareholder Value

- **In addition, we have returned excess capital to shareholders by distributing dividends and opportunistically repurchasing our common shares**
  - Since the 2004 IPO, we have more than tripled our quarterly dividend, reaching $0.10 per share in 2013. On February 5, 2014, the Board approved an $0.11 per share quarterly dividend, a 10% increase over that of the previous quarter.
  - The Company repurchased a total of 12.5 million common shares, or 6% of 2012 year-end shares outstanding, for approximately $264 million at an average price of $21.12 per share during 2013.
  - Under the $400 million share repurchase authorization approved in November 2013, the Company repurchased 1.4 million common shares in first quarter 2014 for $35 million at an average price of $25.92. On a year-to-date basis through May 7, 2014, the Company has repurchased a total of 3.0 million common shares for $75 million at an average price of $25.19 per share.
  - The Company intends to use the remaining capacity under this share repurchase authorization by the end of the third quarter of 2014 and, at that time, to request a new authorization from its Board of Directors, in each case, subject to market conditions, the Company's capital position, the amount of funds available at the holding companies, its financial strength rating, and other factors.





1. In 2004, dividends were paid following our April IPO.
2. Estimated 2014 total and per share paid dividends based on 1Q-14 dividend amounts of $20 million, or $0.44 per share, annualized.

Assured Guaranty Overview

Simplified Corporate Structure[1]

ASSURED GUARANTY

Current Corporate Structure

Shareholders

Assured Guaranty Ltd.
(Head Office – Bermuda; Tax Residence – U.K.)[1]

Total investment portfolio and cash is $36 million
1Q-14 annualized expenses of approximately $32 million
1Q-14 annualized dividend cost is approximately $80 million

Assured Guaranty Re Ltd.*
(Bermuda)

Unencumbered assets of approximately $201 million as of March 31, 2014

Assured Guaranty US Holdings Inc.
(U.S.)

Combined investment portfolio and cash of $247 million
Approximately $80 million of annual interest expenses

Assured Guaranty Municipal Holdings Inc.
(U.S.)

Assured Guaranty Corp.*
(U.S.)

The aggregate amount available for AGC to distribute as ordinary dividends in 2014 to AGUS will be approximately $69 million.

Assured Guaranty Municipal Corp.*
(U.S.)

The aggregate amount available for AGM to distribute as dividends in 2014 to AGMH without regulatory approval is estimated to be approximately $175 million.

Municipal Assurance Corp.*
(U.S.)

The Company does not currently anticipate MAC distributing dividends.

*** Please see the next page for more information on the operating subsidiaries' insurance regulatory dividend limitations**

1. In November 2013, AGL became tax resident in the United Kingdom. As a U.K. tax resident, AGL does not expect any material change in the Assured Guaranty group's overall tax charge. Dividends from Assured Guaranty US Holdings Inc. to AGL will be subject to a reduced withholding tax of 0% to 5% under the U.S.-U.K. double tax treaty.

Assured Guaranty Overview
Dividend Limitations[1]

Assured Guaranty Re Ltd.
(Bermuda)

Dividend Limitations[1]
Based on regulatory capital requirements, AG Re has $600 million in excess capital and surplus. However, dividends cannot exceed outstanding statutory surplus of $276 million. In addition, annual dividends cannot exceed 25% of total statutory capital and surplus, which is $280 million, without AG Re certifying to the BMA that it will continue to meet required margins. **As of March 31, 2014, AG Re had unencumbered assets of approximately $201 million.** Such amount fluctuates during the quarter based upon factors including the market value of previously posted assets and any additional ceded reserves.

Municipal Assurance Corp.
(U.S.)

Dividend Limitations[1]
The Company does not currently anticipate MAC distributing dividends.

Assured Guaranty Corp.
(U.S.)

Dividend Limitations[1]
Under Maryland insurance law, AGC may, with prior notice to the Maryland Insurance Commissioner, pay an ordinary dividend that, together with all dividends paid in the prior 12 months, does not exceed 10% of its policyholders' surplus (as of the prior December 31) or 100% of its adjusted net investment income during that period. **AGC did not pay any dividends in First Quarter 2014. The aggregate amount available in 2014 for AGC to distribute as ordinary dividends will be approximately $69 million.**

Assured Guaranty Municipal Corp.
(U.S.)

Dividend Limitations[1]
Under New York insurance law, AGM may pay dividends only out of "earned surplus"[2]. AGM may pay a dividend that, together with all dividends paid in the prior 12 months, does not exceed the lesser of 10% of its policyholders' surplus (as of the last annual or quarterly statement filed) or 100% of its adjusted net investment income during that period. **AGM did not pay any dividends in First Quarter 2014. The aggregate amount available in 2014 for AGM to distribute as dividends without regulatory approval is estimated to be approximately $175 million.**

Other Considerations:

- **Standard & Poor's: Assured Guaranty is $450-$500 million above the AAA capital level[3] as of June 12, 2013**
- **Moody's: Has not provided the Company a capital adequacy model, but believes ratings remain well positioned at current levels from substantial current financial resources and improving capital adequacy profile[4]**
- **Dividend costs of approximately $75 million in 2013**
- **Interest cost of approximately $80 million in 2013**

1. Represents dividend capacity as of March 31, 2014. Please see our Form 10-K for the year ended December 31, 2013 for a discussion of the dividend limitations to which we are subject under applicable U.S. and Bermuda law, including the New York Insurance Law and the Code of Maryland Regulations.
2. Please see our Form 10-K for the year ended December 31, 2013 for the definition of earned surplus.
3. S&P's "Assured Guaranty Ltd. Operating Companies" released June 12, 2013.
4. Moody's "Rating Action: Moody's affirms Assured Guaranty's ratings; outlook remains stable for AGM and AGC; AG Re's outlook changed to negative." released February 10, 2014.

Underlying Value

Underlying Value
Selected Company Assets and Liabilities

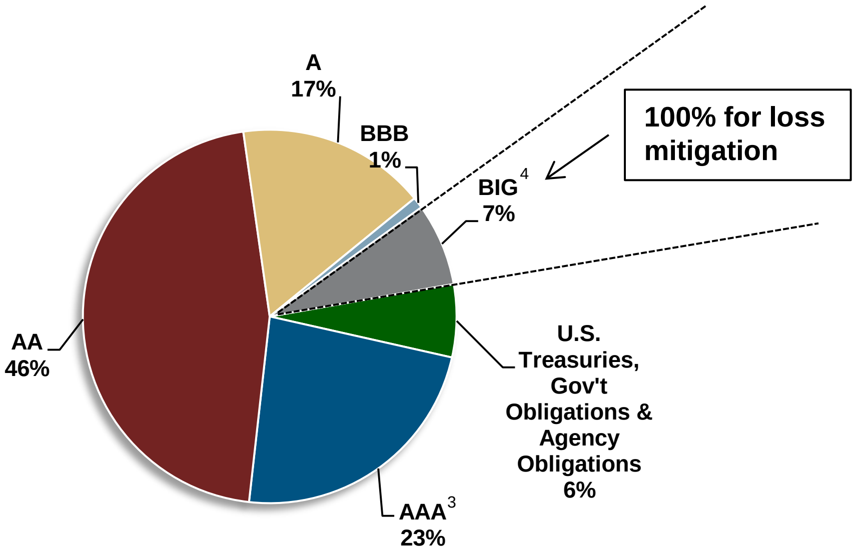
Selected Company Assets and Liabilities As of March 31, 2014 ($ in millions, except per share)	
Total investment portfolio	$10,948
Cash	$219
Premiums receivable, net of ceding commissions payable	$863
Salvage and subrogation recoverable	$241
Ceded unearned premium reserve	$454
Unearned premium reserve	$4,504
Expected loss to be paid, net of expected recoveries to be collected	$984
Debt	$812
Reinsurance payable	$165
Total investment portfolio and cash, per share	**$61.64**
Expected loss to be paid, net of expected recoveries, per share	**$5.43**
Debt, per share	**$4.48**

- **Investment portfolio comprises 72% of our total assets, of which 92% is invested in fixed income securities**
- **Premiums receivable of $863 million are financial guaranty insurance payments to be received in installments, discounted at the risk free rate**
- **Deferred revenue comprises 46% of our total liabilities**
  - Liability diminishes over time as the portfolio amortizes

Underlying Value

High Quality Investment Portfolio

Investments Available for Sale by Rating[1,2]



$11.1 billion, AA- average rating

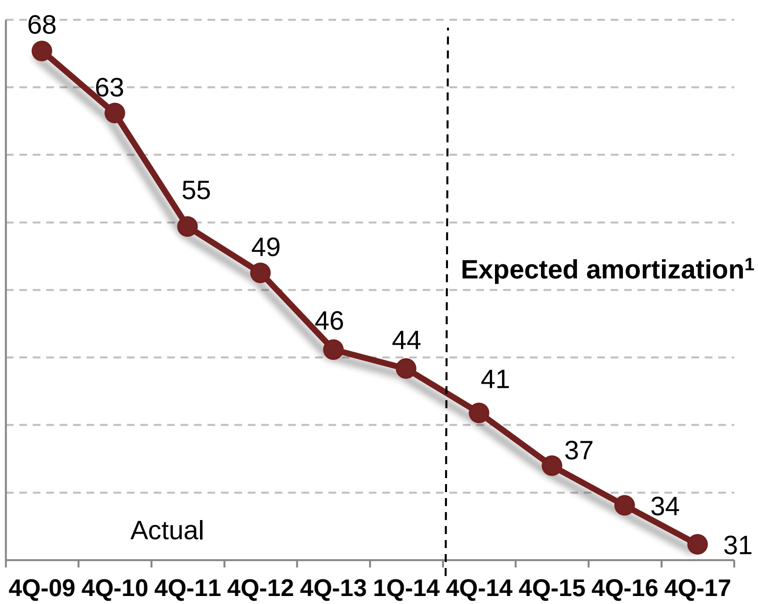
- **Highly rated, with 75% of fixed maturity and short-term investments rated AA or higher**
- **Very liquid, with approximately $1 billion invested in short-term investments and cash**
- **Overall duration of portfolio is 4.9 years**
- **100% of BIG investments are part of loss-mitigation strategy**

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 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 bonds purchased for loss mitigation or risk management strategies, which use internal ratings classifications.
3. Included in the AAA category are short-term securities and cash.
4. The BIG category consists of securities purchased or obtained as part of loss mitigation or other risk management strategies with a total fair value of $795 million.

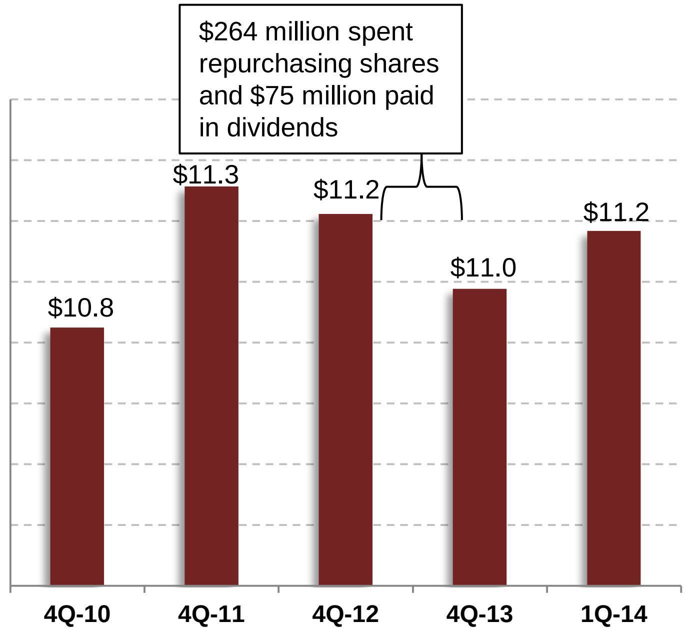
Underlying Value
Deleveraging While Maintaining Total Invested Assets

- **Our net par outstanding to total invested assets and cash net of losses to be paid has declined from 68:1 in 4Q-09 to 44:1 as of 1Q-14, putting us in a stronger capital position**
  - Deleveraging should continue in the near term as new business is not expected to replace the amortization of the structured finance portfolio
- **Deleveraging has occurred while year-end total invested assets and cash has remained comparable to those of prior years**

Portfolio Leverage
Net Par Outstanding /
Total Invested Assets + Cash – Losses to be paid



Total Invested Assets and Cash[2]
($ in billions)



1. Assumes no new business production and calculates estimated amortization divided by current total invested assets and cash, less current losses to be paid.
2. As reported on the balance sheet.

Underlying Value

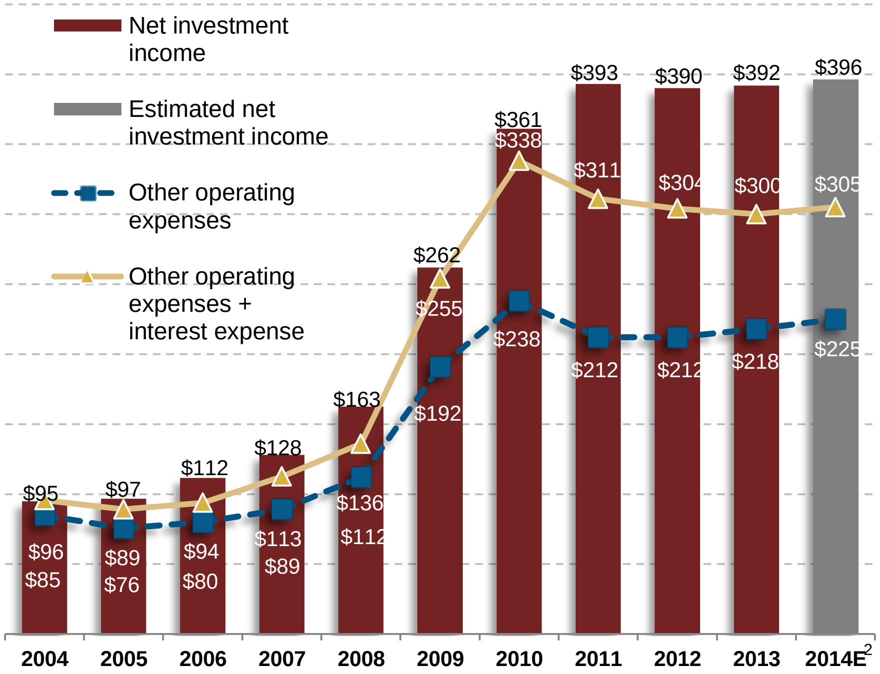
Investment Income Generates Capital

- **Investment income[1] is higher than the combination of operating and interest expenses, a spread that fosters capital growth**

- **Other operating expenses plus interest expenses have consistently been lower than in 2010**

Investment Income[1]

($ in millions)

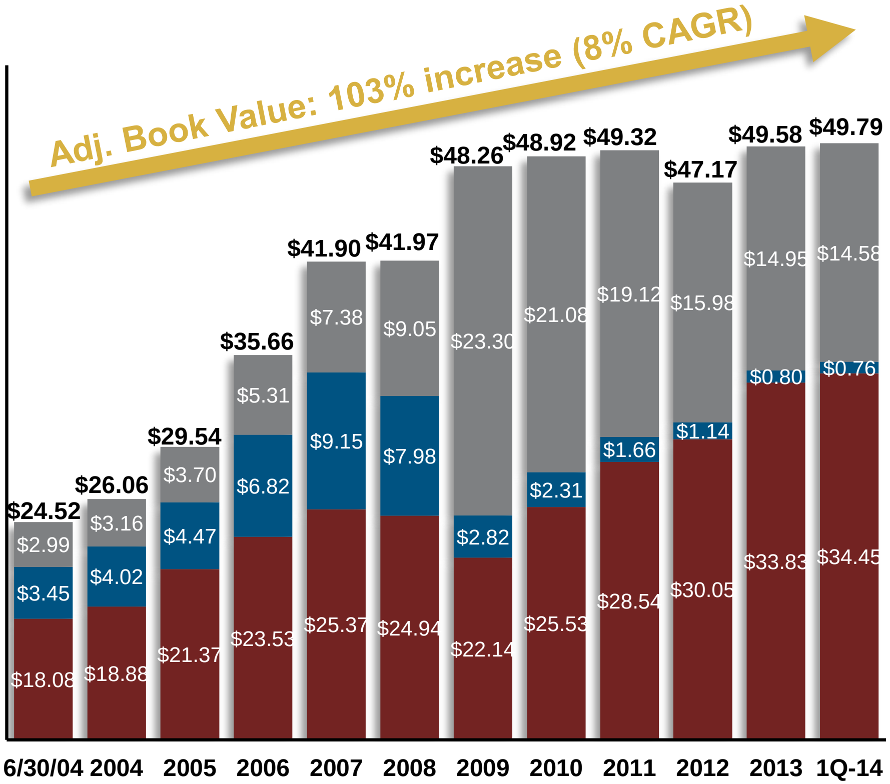


1. Investment income is used in calculating operating income, a non-GAAP financial measure. For an explanation of operating income, which is a non-GAAP financial measure, please refer to the Appendix.
2. Estimated 2014 values based on 1Q-14 net investment income of $99 million, other operating expenses of $60 million and interest expenses of $20 million annualized after removing $5 million in 1Q-14 retirement-eligible expenses.

Underlying Value
Historical Growth

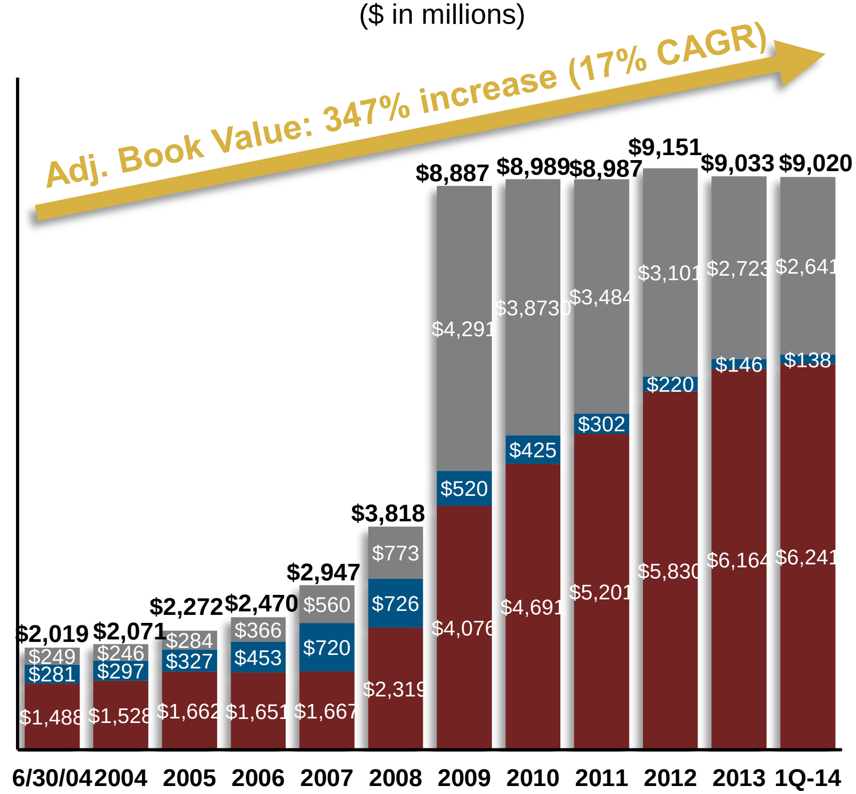
ASSURED GUARANTY

Adjusted Book Value[1] per Share



Adjusted Book Value[1]

($ in millions)



- Net unearned premium reserve on financial guaranty contracts in excess of net expected loss to be expensed less deferred acquisition costs, after tax
- Net present value of estimated net future credit derivative revenue in force and net unearned revenue on credit derivatives, after tax
- Operating shareholders' equity per share

1. For explanations of adjusted book value and net present value of estimated net future credit derivative revenue and operating shareholders' equity, which are non-GAAP financial measures, please refer to the Appendix. Effective January 1, 2012, the Company adopted new guidance on acquisition costs with retroactive application. This affected operating shareholders' equity per share and deferred acquisition cost per share, but had no effect on adjusted book value per share. Effective January 1, 2010, GAAP accounting required the consolidation of financial guaranty variable interest entities (FG VIEs) where the Company is determined to be the control party through rights under our financial guaranty insurance contracts. For those FG VIEs that the Company consolidates, it records all of the activities of the VIEs and eliminates the related insurance accounting. Operating shareholders' equity reverses the financial effect of consolidating these entities and accounts for them as financial guaranty insurance contracts in order to present the Company's insured obligations on a consistent basis.

Creating Value

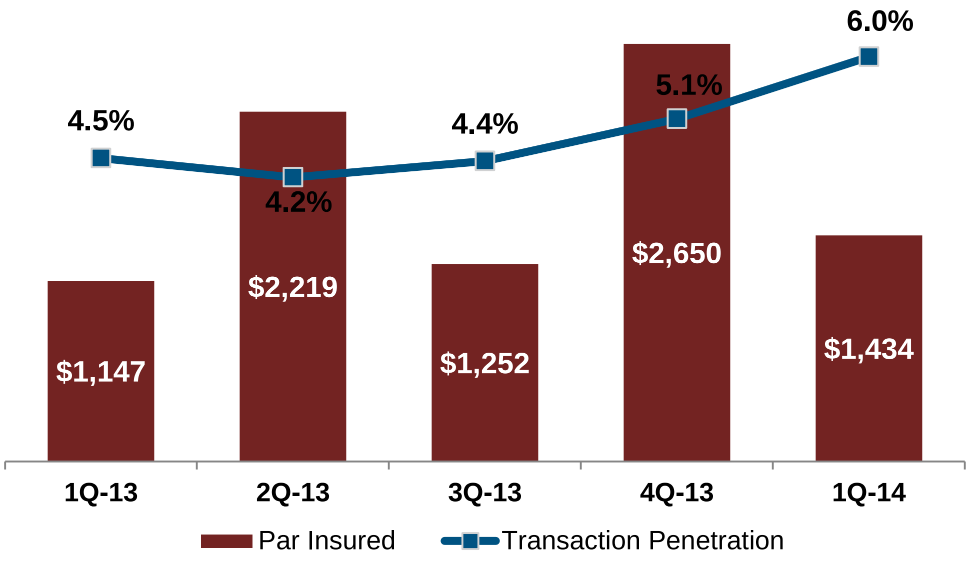
Creating Value

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**
  - Secondary market policies totaled 140 in 1Q-14
- **Lower market issuance and a challenging market environment have put pressure on market penetration by the financial guaranty insurance industry**
  - Industry penetration of the number of transactions with underlying A ratings increased to 39.8% in 1Q-14, up from 32.1% in 4Q-13
  - Industry par penetration for all transactions with underlying A ratings increased to 15.2% in 1Q-14, up from 12.3% in 4Q-13
- **Industry penetration for smaller deals remains strong at 11.7% of all transactions under $25 million in 1Q-14**

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



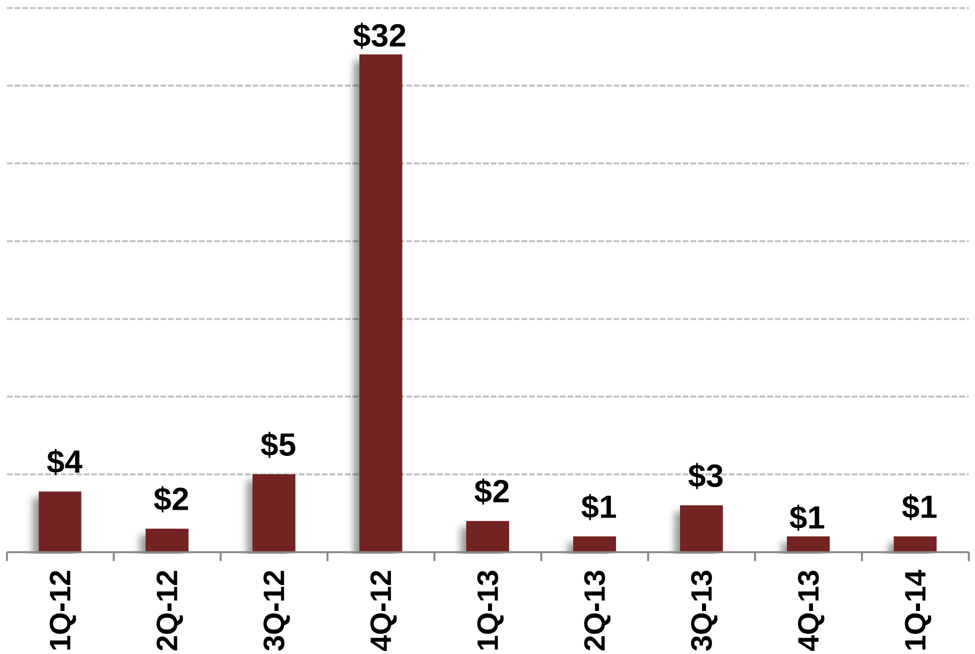
	1Q-13	2Q-13	3Q-13	4Q-13	1Q-14
Total Par Issued ($ in billions)	$80.9	$89.2	$68.3	$73.7	$60.6
Total Transactions Issued	2,783	3,352	2,160	2,287	1,947

1. Source: SDC database. As of March 31, 2014.

Creating Value
New Business Production
U.S. Structured Finance Business Activity

- **1Q-14 U.S. structured finance PVP[1] was $1 million**
- **New business production tends to fluctuate as large, complex transactions require a long time frame**
- **Our future pipeline should benefit from new regulations, such as the implementations of Solvency II and Basel III, that may limit the lending ability of banks**

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

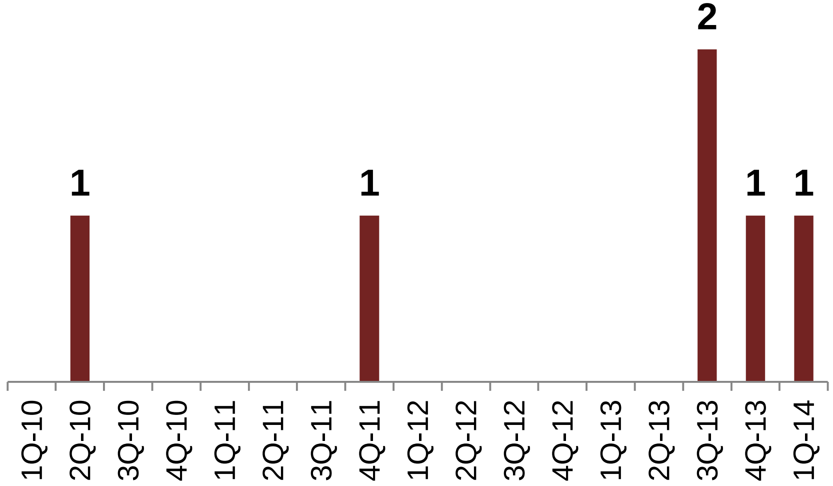


1. For an explanation of new business production, or "PVP", which is a non-GAAP financial measure, please refer to the Appendix.

Creating Value
New Business Production
International Business Activity

- **During 1Q-14, guaranteed a U.K. infrastructure bond**
  - £77 million bond issued by Solutions 4 North Tyneside (Finance) PLC, to finance the development and refurbishment of social housing in the U.K.
- **In 2013, closed the first three wrapped bond issues for U.K. PPP infrastructure financings issued since 2008**
- **Our future pipeline should benefit from increased issuance, as well as new regulations, such as Basel III, that may limit the lending ability of banks**

Number of Public Finance International Transactions by Quarter



Creating Value
New Business Production
Underwriting and Pricing Discipline

- **Continued focus on underwriting discipline and pricing**
- **New business written reflects the current economic environment**
  - Lower market issuance
  - Tighter credit spreads in the bond market

Gross Par Written for 1Q-14 and 1Q-13

	Quarter Ended March 31, 2014		Quarter Ended March 31, 2013	
Sector:	Gross Par Written	Avg. Rating[1]	Gross Par Written	Avg. Rating[1]
U.S. public finance	$1,737	BBB+	$1,580	A-
Non-U.S. public finance	128	BBB-	-	-
Total public finance	**$1,865**	**BBB+**	**$1,580**	**A-**
U.S. structured finance	4	A-	14	A-
Non-U.S. structured finance	-	-	-	-
Total structured finance	**$4**	**A-**	**$14**	**A-**
Total gross par written	**$1,869**	**BBB+**	**$1,594**	**A-**

1. Average internal rating.

Creating Value
Previously Ceded Par

- **Reassumption of previously ceded business has increased the unearned premium reserve and adjusted book value[1]**
  - Reassumed $2.9 billion of par in 2009
  - Reassumed $15.5 billion of par in 2010
  - Reassumed $0.3 billion of par in 2011
  - Reassumed $19.2 billion of par in 2012
  - Reassumed $0.2 billion of par in 2013
  - Reassumed $0.9 billion of par in 1Q-14

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

Ceded Par Outstanding by Reinsurer[2]
As of March 31, 2014

($ in millions)	Net Par Outstanding
American Overseas Re (formerly RAM Re)	$8,113
Tokio Marine	6,273
Radian	4,696
Syncora	4,192
Mitsui	2,139
Others	2,113
Total	$27,526

1. For an explanation of adjusted book value, which is a non-GAAP financial measure, please refer to the Appendix.
2. Includes $3,038 million in ceded par outstanding related to insured credit derivatives.

Creating Value
R&W Activity

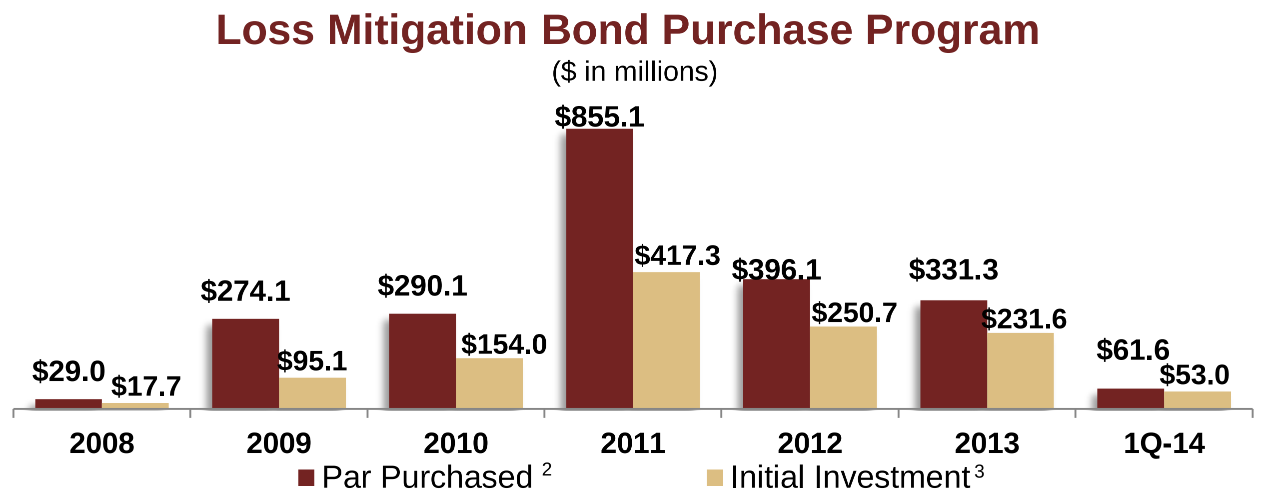
- **The cumulative total (gross of reinsurance) of settlement receipts and commitments and R&W putback receipts was approximately $3.7 billion[1,2].**
- **Favorable ruling in Flagstar trial was a positive development for ongoing and future R&W litigation**
- **Our largest agreement was with Bank of America / Countrywide, which was signed in April 2011. We have also signed agreements with Deutsche Bank in May 2012, with UBS in May 2013, with Flagstar in June 2013 as well as parties to other confidential agreements.**
- **We are currently in litigation with Credit Suisse / DLJ Mortgage Capital**

($ in millions)	Future Net R&W Benefit as of		
	March 31, 2014	**December 31, 2013**	**December 31, 2012**
R&W pursuant to agreements[1]	$384	$413	$367
R&W not pursuant to agreements	337	299	843
Total	**$721**	**$712**	**$1,370**
Number of counterparties not pursuant to agreements	5	5	12

1. As of March 31, 2014. 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.

Creating Value
Loss Mitigation Bond Purchases

- **We have a program to purchase securities we have insured in order to reduce our losses and potentially relieve rating agency capital charges, enhance yield and increase future investment income**
  - We have purchased approximately $2.2 billion of par on insured securities through March 31, 2014 with an initial purchase price of approximately $1.2 billion; $1.7 billion of par remains outstanding
- **Targeted purchases are BIG securities on which claims are expected to be paid**
  - 79% of all purchases are for RMBS securities
  - Since the start of the program, 67% of purchased insured par has benefited AGM and 33% has benefited AGC
- **Purchasing wrapped bonds has increased adjusted book value[1] because the amount of reserves released and the ongoing principal and interest from the bonds are expected to be greater than the purchase price**



1. For an explanation of adjusted book value, which is a non-GAAP financial measure, please refer to the Appendix.
2. Par at the time of purchase.
3. Cost of purchase.

Creating Value
Agreements to Terminate Guaranties

- **Actively pursue termination of contracts**
  - At beneficiary's request: keep all economics, possibly more
  - At our request: share economics with beneficiary
  - To eliminate high capital charges: share or possibly give up some economics
- **Since January 1, 2011, we have agreed with beneficiaries of our policies to terminate insurance coverage on approximately $25 billion of net par outstanding to reduce our leverage and potentially relieve rating agency capital charges**
- **Targeted terminations are investment grade securities for which claims are not expected but which carry a disproportionate rating agency capital charge**

Completed[1] Terminations Since January 1, 2011

($ in millions)

	# of Terminations	Net Par	Estimated Rating Agencies' Model Benefit
Pooled Corporates and Other Structured Finance	119	$14,302	$100-$200
CMBS and Commercial Receivables	108	3,204	50-400
Regulated Utilities	36	2,876	50-150
RMBS	51	2,102	20-100
Infrastructure	18	1,733	100-180
Muni	28	1,271	10-20
Totals	**360**	**$25,488**	**$330-$1,050**

1. Through March 31, 2014.

Financial Results
March 31, 2014

First Quarter 2014 Operating Results
(Excluding Consolidation of VIEs)

($ in millions, except per share data)	Quarter Ended March 31,		% Change vs. 1Q-13
	2014	2013	
Net earned premiums and credit derivative revenues[1]	$169	$294	(43)%
Net investment income[2]	99	94	5%
Total revenues included in operating income	297	390	(24)%
Loss & LAE and incurred losses on credit derivatives[3]	32	(45)	NM
Total expenses included in operating income	117	39	200%
Operating income	132	260	(49)%
Operating income per diluted share	**0.72**	**1.34**	**(46)%**
Operating ROE[4]	**8.5%**	**17.5%**	**(9.0) pp**
After-tax gain (loss) on derivatives	$(171)	$(434)	(61)%
Net income (loss)	42	(144)	NM
Net income (loss) per diluted share	**0.23**	**(0.74)**	**NM**

NM = Not meaningful pp = percentage points
1. Included $17 million and $18 million of adjustments to GAAP reported amounts that was eliminated during the quarter ended March 31, 2014 and 2013, respectively.
2. Included $(4) million and $0 million of adjustments to GAAP reported amounts during the quarter ended March 31, 2014 and 2013, respectively.
3. Included $(1) million and $(7) million of adjustments to GAAP reported amounts during the quarters ended March 31, 2014 and 2013, respectively.
4. ROE calculations represent annualized returns.

Loss Expense Accounting and Economic Loss Development

- **Loss expense included in operating income[1] does not necessarily represent the Company's economic loss development in a period**
  - All losses must be calculated on a transaction by transaction basis, and each transaction's expected loss estimate plus contra-paids, net of estimated recoveries ("total losses"), is compared with the deferred premium reserve of that transaction. When the total losses exceed the deferred premium revenue, a loss is recognized in operating income for the amount of such excess
  - A portion of loss expense is the recognition of previous economic loss development that had not previously breached unearned premium reserve
- **Management uses economic loss development to evaluate credit impairments or improvements**
  - Economic loss development calculates the expected change in future losses due to change in delinquencies, interest rates, loss severities and loss mitigation and other factors that affect ultimate loss experience, excluding the effects of deferred premium revenue
  - The effect of changes in discount rates that is included in total economic loss development is not indicative of credit impairment or improvement

($ in millions, except per share data)	1Q-14	1Q-13
Loss expense (benefit) on FG and CDS included in operating income:		
Before tax	$32	$(45)
After tax	$29	$(25)
Per diluted share	$0.16	$(0.13)
Economic loss development unfavorable (favorable)		
Before tax	$12	$(98)
After tax	$15	$(64)
Per diluted share	$0.08	$(0.33)

1. For an explanation of operating income, a non-GAAP financial measure, please refer to the Appendix.

Portfolio Overview

March 31, 2014

Four Discrete Operating Companies with Separate Capital Bases

Consolidated Claims Paying Resources and Statutory-Basis Exposures

($ in millions)	As of March 31, 2014 AGM	AGC	MAC[1]	AG Re[2]	Eliminations[4]	Consolidated
Claims paying resources						
Policyholders' surplus	$ 1,770	$ 678	$ 513	$ 1,030	$ (813)	$ 3,178
Contingency reserve[1]	1,850	1,191	330	-	(330)	3,041
Qualified statutory capital	**3,620**	**1,869**	**843**	**1,030**	**(1,143)**	**6,219**
Unearned premium reserve[1]	1,869	701	649	926	(649)	3,496
Loss and loss adjustment expense reserves[5, 6]	316	166	-	283	-	765
Total policyholders' surplus and reserves	**5,805**	**2,736**	**1,492**	**2,239**	**(1,792)**	**10,480**
Present value of installment premium[1,6]	387	253	5	193	(5)	833
Standby line of credit/stop loss	200	200	-	-	-	400
Excess of loss reinsurance facility [3]	450	450	450	-	(900)	450
Total claims paying resources (including MAC adjustment for AGM and AGC)	**$ 6,842**	**$ 3,639**	**$ 1,947**	**$ 2,432**	**$ (2,697)**	**$ 12,163**
Adjustment for MAC[7]	909	588	-	-	(1,497)	-
Total claims paying resources (excluding MAC adjustment for AGM and AGC)	**$ 5,933**	**$ 3,051**	**$ 1,947**	**$ 2,432**	**$ (1,200)**	**$ 12,163**
Statutory net par outstanding[8]	$169,281	$54,855	$93,866	$110,008	$(1,788)	$426,222
Equity method adjustment[9]	56,977	36,889	-	-	(93,866)	-
Adjusted statutory net par outstanding[8]	$226,258	$91,744	$93,866	$110,008	$(95,654)	$426,222
Net debt service outstanding[8]	$260,597	$79,261	$140,850	$174,435	$(3,695)	$651,448
Equity method adjustment[9]	85,496	55,354	-	-	(140,850)	-
Adjusted net debt service outstanding[8]	$346,093	$134,615	$140,850	$174,435	$(144,545)	$651,448
Ratios:						
Adjusted net par outstanding to qualified statutory capital	63:1	49:1	111:1	107:1	N/A	69:1
Capital ratio[10]	96:1	72:1	167:1	169:1	N/A	105:1
Financial resources ratio[11]	51:1	37:1	72:1	72:1	N/A	54:1

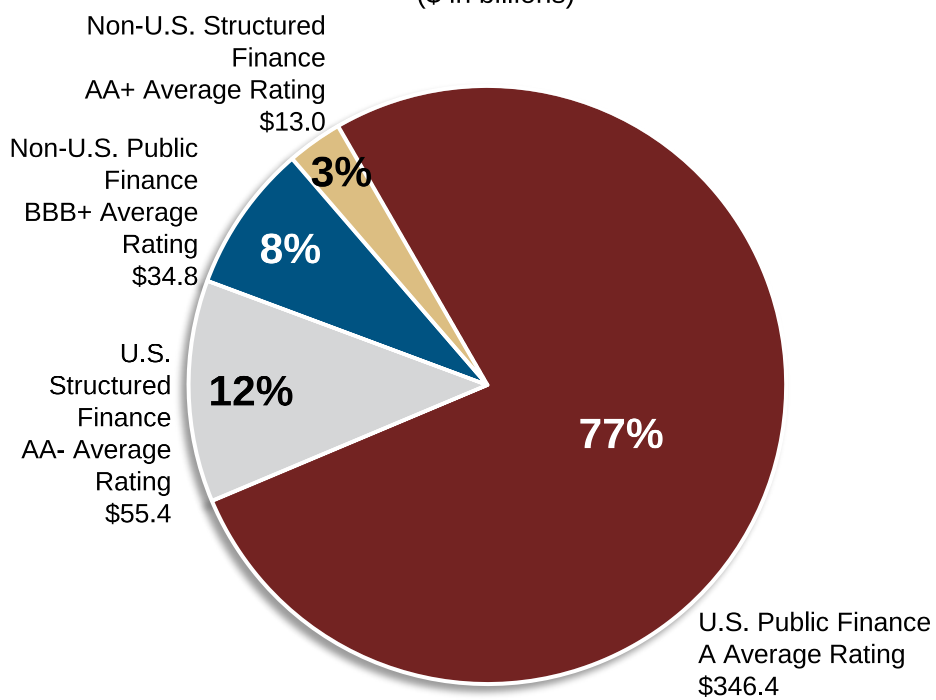
1. The numbers shown for Assured Guaranty Municipal Corp. (AGM) and Assured Guaranty Corp. (AGC) have been adjusted to include their indirect share of Municipal Assurance Corp. (MAC). AGM and AGC own 60.7% and 39.3%, respectively, of the outstanding stock of Municipal Assurance Holdings Inc., which owns 100% of the outstanding common stock of MAC.
2. 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.
3. Represents an aggregate $450 million excess-of-loss reinsurance facility for the benefit of AGC, AGM and MAC, which became effective January 1, 2014, The facility terminates on January 1, 2016, unless AGC, AGM and MAC choose to extend it.
4. In 2009, AGC issued a $300 million note payable to AGM. AGM and AGC policyholders' surplus includes their indirect share of MAC's policyholders' surplus. The Adjustment for MAC reflects the adjustments made as a result of footnote 1 above. 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. Reserves are reduced by approximately $0.7 billion for benefit related to representation and warranty recoverables.
6. Includes financial guaranty insurance and credit derivatives.
7. Represents adjustment for AGM's and AGC's indirect ownership of MAC's total policyholders' surplus and loss reserves and present value of installment premium.
8. Net par outstanding and net debt service outstanding are presented on a separate company 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).
9. 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.
10. The capital ratio is calculated by dividing adjusted net debt service outstanding by qualified statutory capital.
11. The financial resources ratio is calculated by dividing adjusted net debt service outstanding by total claims-paying resources (including MAC adjustment for AGM and AGC).

Net Par Outstanding By Sector

- **Assured Guaranty's portfolio is largely concentrated in U.S. public finance**
  - 77% U.S. public finance
  - 12% U.S. structured finance
  - 11% International
- **Our portfolio has an A average internal credit rating**
  - 4.9% below investment grade
- **U.S. RMBS is our largest BIG exposure**
  - $7.4 billion (34% of total BIG) is U.S. RMBS (excludes $803 million purchased for loss mitigation)
  - Plus $598 million of triple-X life securitization transactions with assets invested in RMBS (excludes $325 million purchased for loss mitigation)

Consolidated Net Par Outstanding

As of March 31, 2014
($ in billions)



$449.6 billion, A average rating

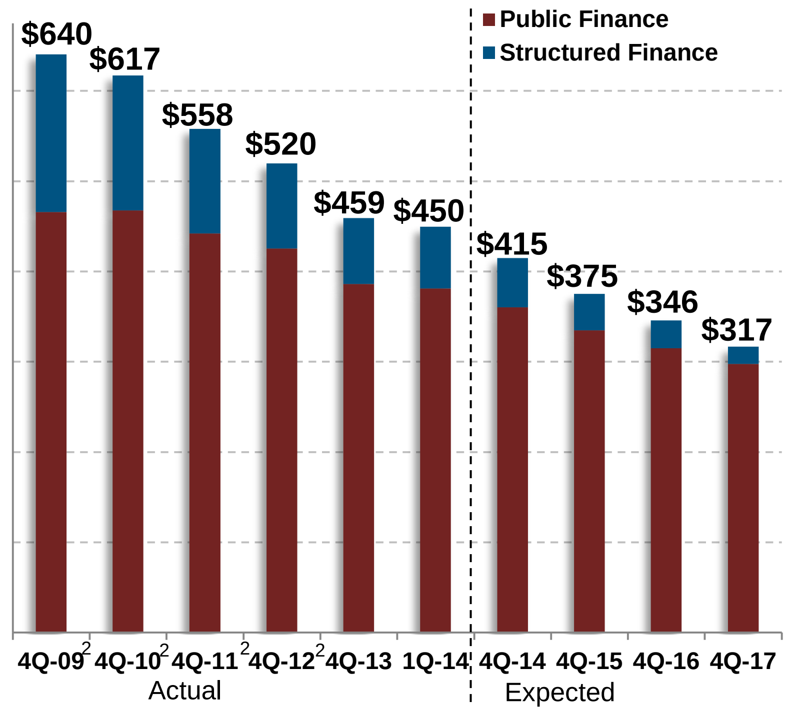
Net Par Outstanding Amortization

- **Amortization of the portfolio reduces rating agency capital charges, but also embedded future earned premiums**
- **Public finance exposure amortizes at a steady rate**
  - $381 billion outstanding
  - 5% expected to amortize by the end of 2014; 12% by the end of 2015; 17% by the end of 2016
- **Structured finance exposure amortizes quickly**
  - $68 billion outstanding
  - 20% expected to amortize by the end of 2014; 41% by the end of 2015; 55% by the end of 2016
- **New direct or assumed business originations, and reassumptions, will increase future premiums**

Consolidated Net Par Outstanding Amortization[1]

As of March 31, 2014

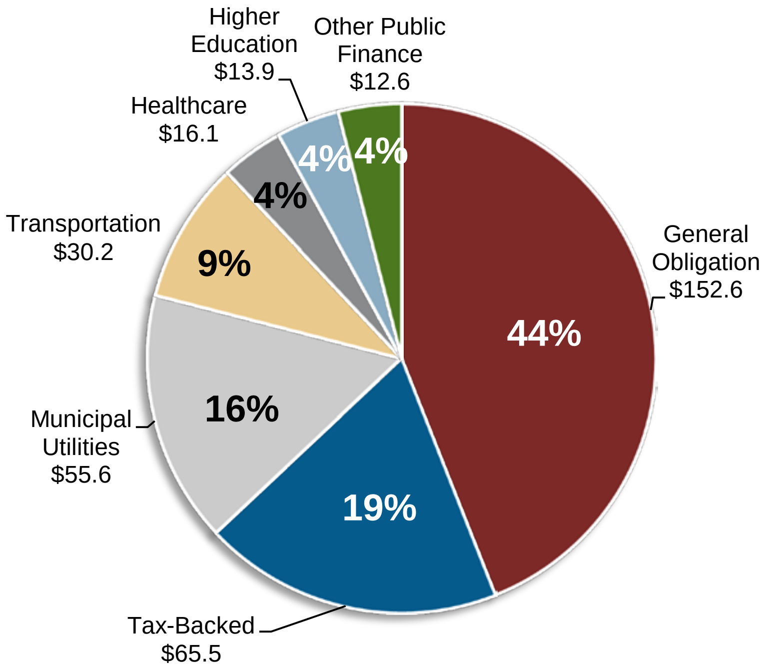
($ in billions)



1. Represents the future expected amortization of current net par outstanding as of March 31, 2014. Actual amortization of the existing portfolio will differ from the expected shown here because, for example, (1) some obligors may call, prepay or defease guaranteed obligations (e.g., in the context of U.S. public finance refundings), and (2) 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 in the same direction and one portfolio may amortize more quickly while the other may amortize more slowly.
2. Gross of wrapped bond purchases made primarily for loss mitigation.

U.S. Public Finance
Net Par Outstanding

U.S. Public Finance
As of March 31, 2014
($ in billions)



$346.4 billion, A average rating

- **U.S. public finance net par outstanding is $346.4 billion, which is 77% of our total as of March 31, 2014**
- **Our U.S. public finance portfolio has performed well despite increased financial pressure on municipal obligors caused by the recession**
  - Out of approximately 10,000 direct U.S. public finance obligors, we expect future losses to be paid, net of recoveries, on less than a dozen. In 1Q-14, we made payments on only two.
- **General obligation, tax-backed and municipal utilities represent 79% of U.S. public finance net par outstanding**
  - 61% of total net par outstanding

Public Finance
Puerto Rico Exposure

- **In February 2014, S&P, Moody's and Fitch Ratings downgraded much of the debt of Puerto Rico and its related authorities and public corporations to below investment grade, citing various factors including limited liquidity and market access risk. The Commonwealth has not defaulted on any of its debt. Puerto Rico is not an eligible debtor under Chapter 9 of the U.S. Bankruptcy Code.**
- **Commonwealth officials have adopted substantive pension reform, increased rates for various revenue streams and tripled the excise tax on petroleum products**
- **In March 2014, the Commonwealth issued $3.5 billion of general obligations, which has provided additional liquidity**
- **In April 2014, the Governor introduced a balanced budget for 2015**

Exposure ($ in millions)	**Net Par Outstanding** As of March 31, 2014	**Net Par Amortization Schedule** 2014	2015	2016	2017
Commonwealth - General Obligation Bonds	$1,852	$93	$108	$127	$95
Puerto Rico Highway and Transportation Authority (Transportation Revenue Bonds)	872	28	22	29	32
Puerto Rico Electric Power Authority	852	46	106	19	5
Puerto Rico Municipal Finance Agency	450	50	51	48	41
Puerto Rico Aqueduct and Sewer Authority	384	-	14	15	-
Puerto Rico Highway and Transportation Authority (Highway Revenue Bonds)	302	8	6	31	5
Puerto Rico Sales Tax Finance Corp. (COFINA)	268	(1)	(1)	(1)	(1)
Puerto Rico Convention Center District Authority	185	10	11	11	-
Puerto Rico Public Buildings Authority[1]	124	17	12	9	31
Government Development Bank for Puerto Rico[1]	33	-	33	-	-
Puerto Rico Infrastructure Financing Authority	18	-	-	-	-
University of Puerto Rico	1	<1	<1	<1	<1
Total[2]	**$5,341**	**$252**	**$363**	**$288**	**$207**

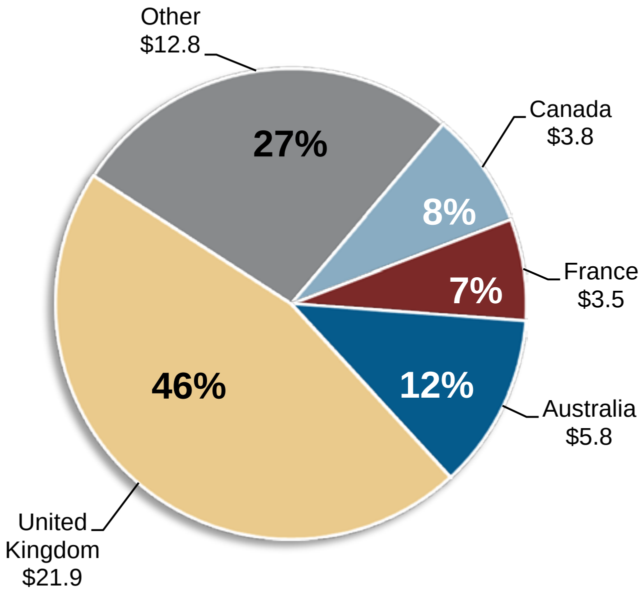
1. Further secured by guarantee of Commonwealth.
2. AGL's consolidated net par outstanding is divided between its subsidiaries as follows: $2.4 billion at AGM, $1.5 billion at AGC, $1.5 billion at AGRe, and $0 at MAC. A portion of the subsidiary level exposure is eliminated upon consolidation due to instances where one subsidiary insured bonds that were previously insured by another subsidiary.

Update on Select U.S. Municipal Exposures

Exposure	Net Par Outstanding	Current Status
Stockton	$119 million	On October 3, 2013, the Company reached a tentative settlement with the City regarding the treatment of the bonds insured by the Company in the City's proposed plan of adjustment. The court proceeding to determine whether to confirm the plan of adjustment is expected to begin in May 2014. The Company expects the plan to be confirmed and implemented during 2014. All $119 million of net par outstanding is rated below investment grade.
Harrisburg	$175 million PEDFA debt ($53 million rated BIG)	In December 2013, the defaulted resource recovery facility bonds were paid off with funds from the sale of the resource recovery facility, the sale of parking system revenue bonds issued by the Pennsylvania Economic Development Financing Authority ("PEDFA") and claim payments made by the Company. The Company guaranteed some of the parking facility revenue bonds issued by PEDFA and is entitled to receive reimbursements for claims it paid from residual cash flow on the parking system after the payment of debt service on the PEDFA bonds. The Company has approximately $53 million rated below investment grade and approximately $121 million rated investment grade.
Detroit	$1,802 million water & sewer	The Company has exposure of $784 million to the water revenue bonds and $1,018 million to the sewer revenue bonds, both of which the Company rates BBB. Both the water and sewer systems provide services to areas that extend significantly beyond the city limits. These obligations are secured by a lien on "special revenues."
	$146 million of general obligation unlimited tax bonds and $175 million of certificates of participation	The General Obligation / General Fund exposure is $146 million of general obligation unlimited tax bonds and $175 million of certificates of participation, both of which the Company rates below investment grade. On April 9, 2014, the City and the Company reached a tentative settlement with respect to the treatment of the general obligation unlimited tax bonds insured by the Company. The agreement provides for the confirmation of both the secured status of such general obligation bonds and the existence of a valid lien on the City's pledged property tax revenues, a finding that such revenues constitute "special revenues" under the U.S. Bankruptcy Code, and the provision of additional security for such general obligation bonds in the form of a statutory lien on, and intercept of, the City's distributable state aid. After giving effect to post-petition payments made by Assured Guaranty on such general obligation bonds, the settlement results in a minimum ultimate recovery of approximately 74% on such general obligation bonds, with the ability to achieve a higher ultimate recovery rate over time if other debt creditors' recoveries reach certain specified thresholds. The settlement is subject to a number of conditions, including confirmation of a plan of adjustment. The City has filed a proposed plan of adjustment and disclosure statement with the Bankruptcy Court, amended most recently on May 5, 2014.

Consolidated International Finance
International Public and Structured Finance

International Finance
As of March 31, 2014
($ in billions)



$47.8 billion, A average rating

- **International exposure is 73% public finance and 27% structured finance**
- **Approximately 80% of international structured exposure is to pooled corporates**
  - 83% are rated A or higher
- **Direct sovereign debt is limited to:**
  - Poland $233 million

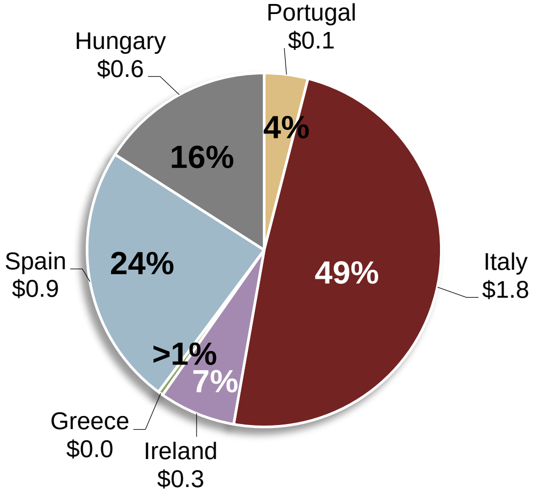
Insured Obligations Within Troubled Eurozone Countries[1]

- **Approximately 40%, or $1.5 billion, of net par outstanding of exposure to troubled Eurozone countries is to structured finance transactions**
- **M6 Toll Road is a 58km dual carriage motorway from Budapest south towards the Croatian border**
  - 100% availability paid by the Minister of Economy and Transport, representing the Hungarian government
- **Spanish exposures are linked to the regional governments of Valencia, Castile La Mancha, and Catalunya**

Insured Obligations Within Troubled Eurozone Countries[1]

As of March 31, 2014

($ in billions)



$3.7 billion, BBB average rating

BIG Exposures to Troubled Eurozone Countries

($ in millions)

Name or Description	Country	Internal Rating	Expected Maturity	Net Par Outstanding
M6 (Hungary) - Refinancing – Senior	Hungary	BB-	2025	$370
Valencia Fair	Spain	BB-	2026, 2027	262
Autovia de la Mancha, S.A.	Spain	BB-	2031, 2033	149
FHB 8.95% 2016	Hungary	BB	2016, 2019	125
OTP 10.0% 2012	Hungary	BB+	2019	87
Metro de Porto, Portugal	Portugal	B+	2028, 2030	56
Metro Lisboa Rail Equip Lease	Portugal	B+	2025	24
Metropolitano De Lisboa	Portugal	B+	2016	18
Caminhos de Ferro Portugueses, EP[2]	Portugal	B+	2014, 2015	12
Catalunya, Generalitat De (Spain)	Spain	BB-	2015	11
Gleneagles Funding Limited	Ireland	BB	2037	7
OTP Mortgage Bank Ltd.	Hungary	BB+	2019	5
Universidades De Generalidad De Valencia	Spain	BB-	2017, 2020, 2022	4
CACSA	Spain	BB-	2019, 2021, 2025	3
Total				**$1,134**

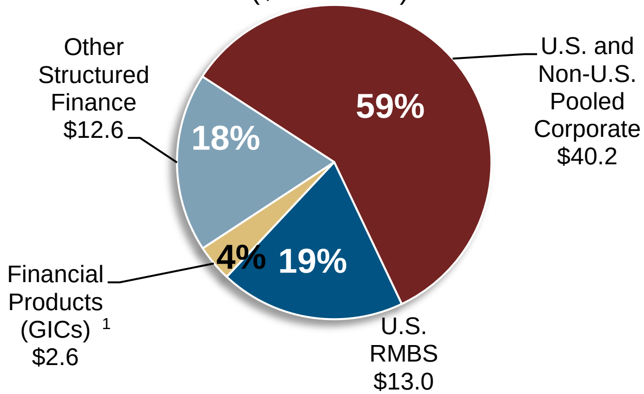
1. Exposure to insured obligations in troubled Eurozone countries refers to the economies of Portugal, Italy, Ireland, Greece, Spain and Hungary.
2. $0.8 million expected to mature in 2014.

Structured Finance Exposures

Net Par Outstanding

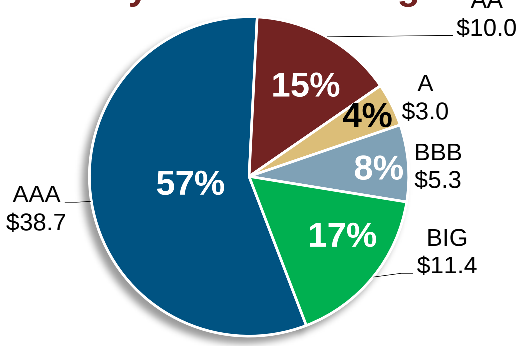
By Type

As of March 31, 2014
($ in billions)



$68.4 billion, AA- average rating

By Internal Rating



- **We expect Assured Guaranty's global structured finance insured portfolio ($68.4 billion as of March 31, 2014) to amortize rapidly – 20% by year-end 2014 and 55% by year-end 2016**
  - $40.2 billion in global pooled corporate obligations expected to be reduced by 27% by year-end 2014 and by 68% by year-end 2016
  - $13.0 billion in U.S. RMBS expected to be reduced by 14% by year-end 2014 and by 44% by year-end 2016
- **Assured Guaranty and AGM's total structured finance exposures of $240.9 billion at December 31, 2007 have declined by $172.5 billion to $68.4 billion through March 31, 2014, a 72% reduction, or approximately $28 billion per year**

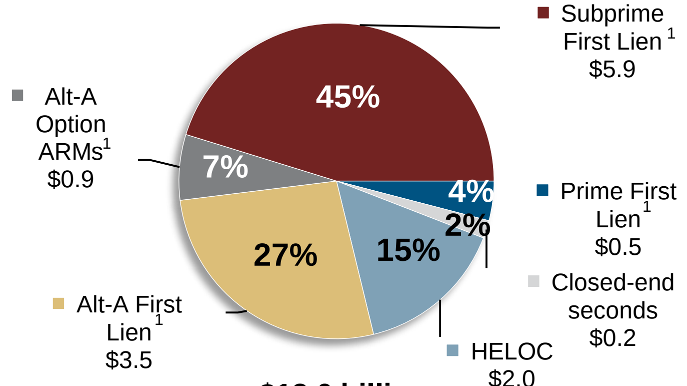
1. Assured Guaranty did not acquire Financial Security Assurance Holdings Ltd.'s Financial Products (FP) segment. Assured Guaranty and its subsidiaries are indemnified against exposure to the FP segment by Dexia. As of March 31, 2014, the aggregate accreted balance of the guaranteed investment contracts (GICs) was approximately $2.6 billion. As of the same date, with respect to the assets supporting the GIC business, the aggregate accreted principal balance was approximately $3.9 billion, the aggregate market value was approximately $3.7 billion and the aggregate market value after agreed reductions was approximately $2.6 billion. Cash and positive derivative value roughly offset the negative derivative values and other projected costs.

Consolidated U.S. RMBS

- **Our $13.0 billion U.S. RMBS portfolio is amortizing 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 $13.0 billion at March 31, 2014, a $16.2 billion or 55% reduction
- **Our loss reserving methodology is driven by our assumptions on several factors with a key variable on new delinquencies:**
  - Conditional default rate
  - Conditional prepayment rate
  - Loss severity
- **We have significantly mitigated ultimate losses**
  - R&W putbacks, litigation and agreements
  - Wrapped bond purchases
  - Terminations

U.S. RMBS by Exposure Type

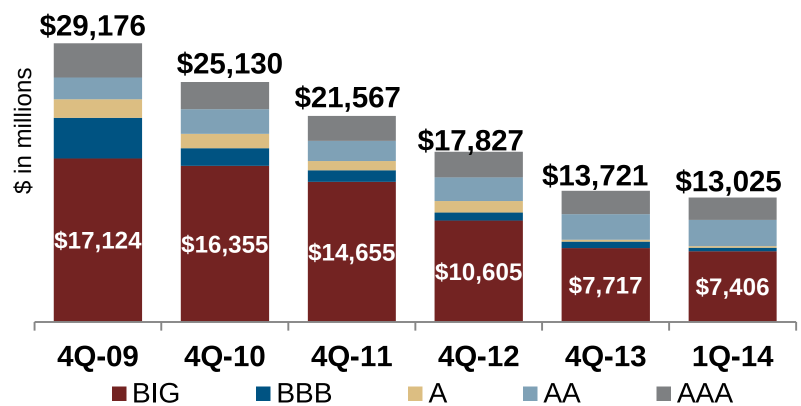
As of March 31, 2014
($ in billions)



$13.0 billion
(2.9% of net par outstanding)

By Internal Rating

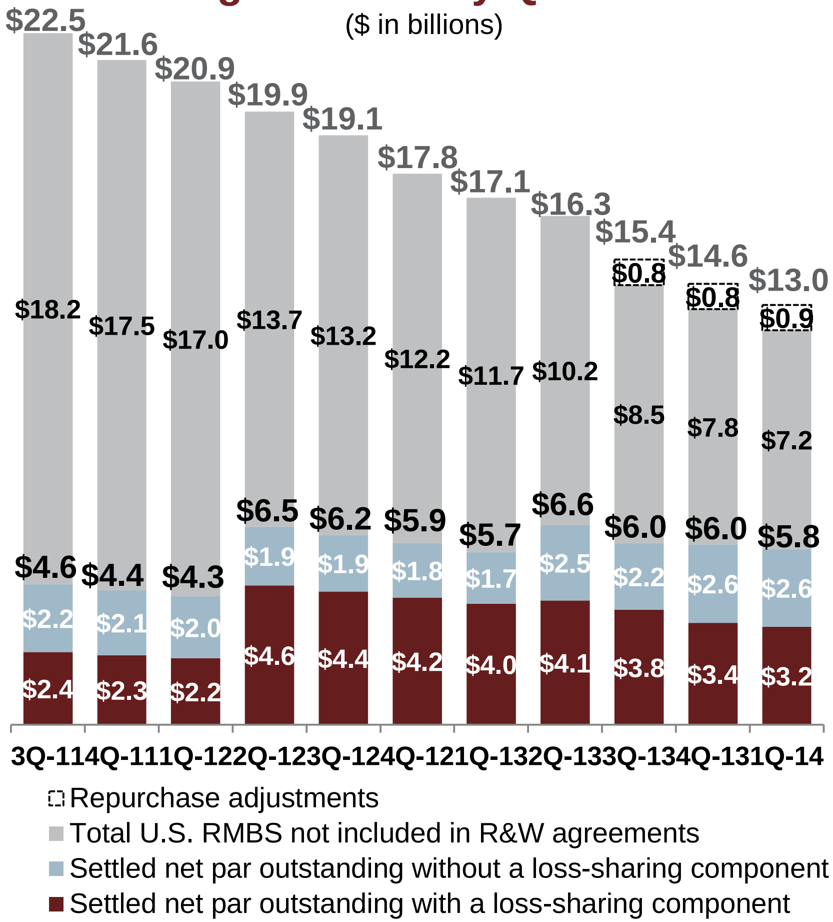
Net Par Outstanding from December 31, 2009 to March 31, 2014



1. The Company has reclassified certain net par outstanding from below investment grade to investment grade due to reinsurance agreements or arrangements.

U.S. RMBS Exposure
Loss-Sharing Arrangements

Net Par Outstanding Included in R&W Agreements by Quarter
($ in billions)



- **45% of total U.S. RMBS is included in R&W agreements**
  - 64% of our exposure to troubled U.S. RMBS transactions (below investment grade plus reclassified par due to loss sharing arrangements) is included in R&W agreements
- **25% of total U.S. RMBS is included in loss-share arrangements**
  - 35% of our exposure to troubled U.S. RMBS transactions (below investment grade plus reclassified par due to loss sharing arrangements) is covered by ongoing loss-sharing agreements
- **Counterparties include Bank of America, Deutsche Bank, UBS, Flagstar, as well as parties to other confidential agreements**
  - UBS agreed to reimburse 85% of future claims with no ceiling
  - Flagstar agreed to reimburse 100% of future losses

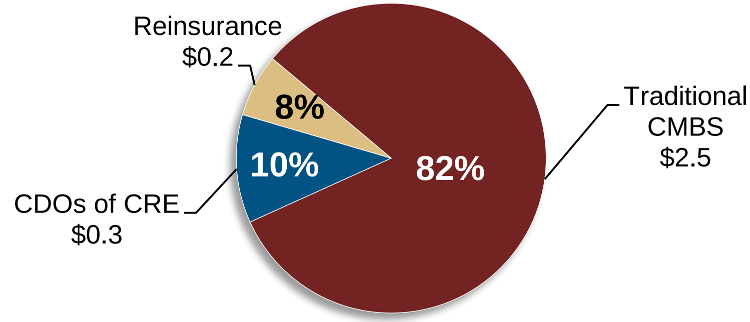
U.S. CMBS Exposure

- **We have three types of U.S. commercial mortgage-backed securities (CMBS) transactions**
  - Traditional CMBS - $2.5 billion
  - Collateralized debt obligations (CDOs) of commercial real estate (CRE) - $316 million
  - We also have assumed par of $237 million
- **We have maintained a conservative underwriting stance on CMBS**
  - Low levels of CMBS historically
  - Focus on senior exposures and whole loans
  - AGM did not underwrite CMBS
- **Our portfolio was largely triple-A at underwriting and remains highly rated as of March 31, 2014**
  - Most deals written with triple-A rating at inception with high attachment points
  - One deal was single-A at underwriting
  - Approximately 99% of traditional direct U.S. CMBS exposure had internal rating of AAA as of March 31, 2014

U.S. CMBS by Exposure Type

As of March 31, 2014

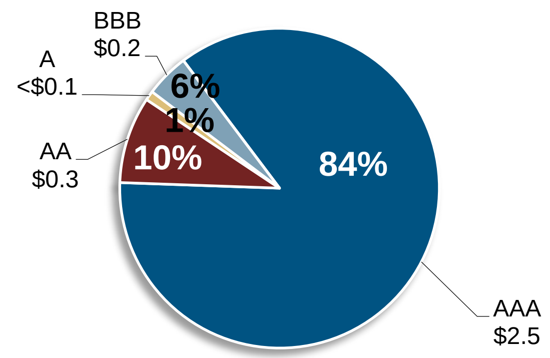
($ in billions)



$3.0 billion

(0.7% of total net par outstanding)

By Internal Rating



Direct Pooled Corporate Obligations

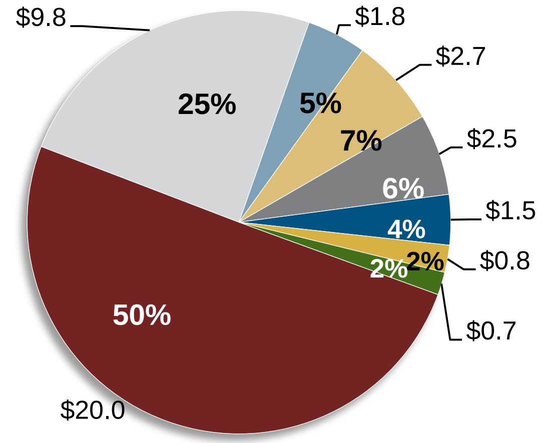
- **Our direct pooled corporate exposure is highly rated and well protected**
  - 82.3% rated AAA
  - Average credit enhancement (CE) of 31.3%

- **Within our direct pooled corporate exposure, our $4.8 billion of Trust Preferred Securities (TruPS) CDO is diversified by region and collateral type**
  - Includes more than 1,400 underlying issuers
  - All our exposure at the CDO level is to the most senior debt tranche
  - Weighted average rating of BBB-, weighted average adjusted current CE[2] of 37.3%

Direct Pooled Corporate Obligations By Asset Class

As of March 31, 2014

($ in billions)



$39.8 billion, AAA average rating

- CLOs/CBOs[1]
- Synthetic investment grade pooled corporates
- Market value CDOs of corporates
- Synthetic high yield pooled corporates
- TruPS - Banks and insurance
- TruPS - U.S. mortgage and REITs
- TruPS - European mortgage and REITs
- Other pooled corporates

1. CLOs are collateralized loan obligations. CBOs are collateralized bond obligations.
2. Adjusted current CE (Credit Enhancement) is the amount of collateral par above senior liabilities (and shown as a percentage of total collateral) with adjustments made for restructured collateral (to reflect expected reduced cashflow) and for non-performing collateral; U.S. Mortgage & Real Estate TruPS CDOs also include an adjustment to reflect overhedging and outstanding hedge termination payments obligations.

Below Investment Grade Exposures
Net Par Outstanding by BIG Category[1]

- **The majority of our BIG exposures in categories 2 and 3 are in structured finance – specifically RMBS**
- **Category 1 BIG which are transactions that show sufficient deterioration to make future losses possible but although none are currently expected, totaled $14.3 billion at March 31, 2014**

Financial Guaranty Insurance and Credit Derivatives Surveillance Categories[2]

($ in millions)	March 31, 2014	December 31, 2013
Category 1		
U.S. public finance	$8,117	$8,205
Non-U.S. public finance	989	1,009
U.S. structured finance	4,130	4,513
Non-U.S. structured finance	1,014	1,024
Total Category 1	$14,250	$14,751
Category 2		
U.S. public finance	$419	$440
Non-U.S. public finance	622	599
U.S. structured finance	2,632	2,862
Non-U.S. structured finance	48	48
Total Category 2	$3,721	$3,949
Category 3		
U.S. public finance	$441	$449
Non-U.S. public finance	-	-
U.S. structured finance	3,531	3,389
Non-U.S. structured finance	-	-
Total Category 3	$3,972	$3,838
BIG Total	**$21,943**	**$22,538**

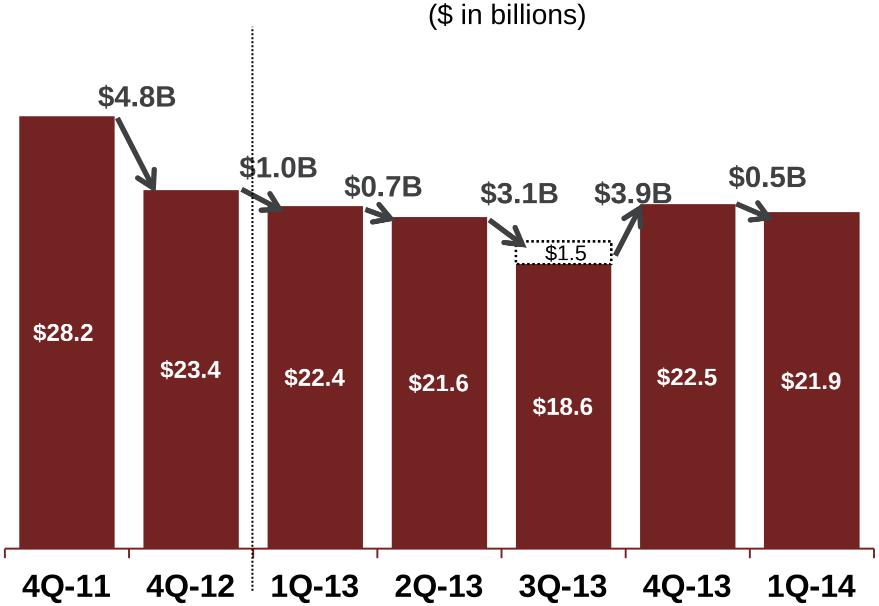
1. Assured Guaranty's surveillance department is responsible for monitoring our portfolio of credits and maintains a list of BIG credits. BIG Category 1: Below investment grade transactions showing sufficient deterioration to make lifetime losses possible, but for which none are currently expected. Transactions on which claims have been paid but are expected to be fully reimbursed (other than investment grade transactions on which only liquidity claims have been paid) are in this category. BIG Category 2: Below investment grade transactions for which lifetime losses are expected but for which no claims (other than liquidity claims) have yet been paid. BIG Category 3: Below investment grade transactions for which lifetime losses are expected and on which claims (other than liquidity claims) have been paid. Transactions remain in this category when claims have been paid and only a recoverable remains.
2. In accordance with the terms of certain credit derivative contracts, the referenced obligations in such contracts have been delivered to the Company, and they therefore are included in the investment portfolio. Such amounts are still included in the financial guaranty insured portfolio, and totaled $165 million and $195 million in gross par outstanding as of March 31, 2014 and December 31, 2013, respectively.

BIG Exposure Decline

- **Since 4Q-11, BIG net par outstanding has declined by $6.3 billion[1]**
- **R&W agreements help decrease our BIG net par outstanding by reinsuring poorly performing transactions with collateralized trust accounts, thereby enabling Assured Guaranty to reclassify large percentages into AA rated policies**
- **Two reporting changes in 3Q-13 decreased BIG net par by $1,475 million; eliminated net par of owned loss mitigation securities of $1,211 million and made ratings forward looking $264 million**

BIG Net Par Outstanding

($ in billions)



Changes in BIG Net Par Outstanding

($ in millions)	Full Year 2012	Full Year 2013	1Q-14
Beginning BIG par	**$28,214**	**$23,392**	**$22,537**
Amortization / Paid	(4,049)	(2,660)	(489)
R&W RMBS Settlement Reclassifications	(1,782)	(531)	-
FX Change	48	(98)	18
Terminations	-	(452)	-
Removals / Upgrades	(711)	(1,346)	(146)
Additions / Downgrades	1,672	5,746	84
Adjustments	-	(1,513)	(61)
Total Decrease	**(4,822)**	**(854)**	**(594)**
Ending BIG par	**$23,392**	**$22,537**	**$21,943**

1. The Company has reclassified certain net par outstanding from below investment grade to investment grade due to reinsurance agreements or arrangements.

BIG Exposures > $250 Million

($ in millions)

BIG Exposures Greater Than $250 Million as of March 31, 2014

Type[1]	Name or Description	Net Par Outstanding (excluding loss mitigation bonds)	Internal Rating	Current Credit Enhancement	60+ Day Delinquencies[2]
PF	Puerto Rico General Obligation, Appropriations and Guarantees of the Commonwealth	$ 2,027	BB	-	-
PF	Puerto Rico Highway and Transportation Authority	1,174	BB-	-	-
PF	Skyway Concession Company LLC	1,148	BB	-	-
PF	Puerto Rico Electric Power Authority	852	BB-	-	-
PF	Reliance Rail Finance Pty. Limited	620	BB	-	-
SF	Deutsche Alt-A Securities Mortgage Loan 2007-2	533	BB	0.0%	24.1%
PF	Puerto Rico Municipal Finance Agency	450	BB-	-	-
SF	MABS 2007-NCW	423	CCC	12.8%	52.1%
SF	Orkney Re II, Plc	423	CCC	N/A	-
PF	Puerto Rico Aqueduct & Sewer Authority	384	BB-	-	-
PF	M6 Duna Autopalya Koncesszios Zartkoruen Mukodo Reszvenytarsasag	371	BB-	-	-
PF	Louisville Arena Authority Inc.	337	BB	-	-
SF	Option One 2007-FXD2	332	CCC	0.2%	25.7%
PF	Detroit (City of) Michigan	321	D	-	-
SF	Private Residential Mortgage Transaction	313	CCC	0.9%	24.7%
SF	Countrywide HELOC 2006-I	292	BB	0.0%	2.6%
SF	Taberna Preferred Funding IV, LTD	286	B-	23.8%	-
SF	Deutsche Alt-A Securities Mortgage Loan 2007-3	277	B	0.1%	20.0%
SF	Private Residential Mortgage Transaction	265	B	12.4%	25.4%
SF	Private Residential Mortgage Transaction	263	CCC	-	28.3%
PF	Valencia Fair	262	BB-	-	-
SF	Taberna Preferred Funding III, LTD	262	CCC	19.0%	-
SF	MortgageIT Securities Corp. Mortgage Loan 2007-2	258	CCC	1.8%	19.0%
	Total	**$11,873**			

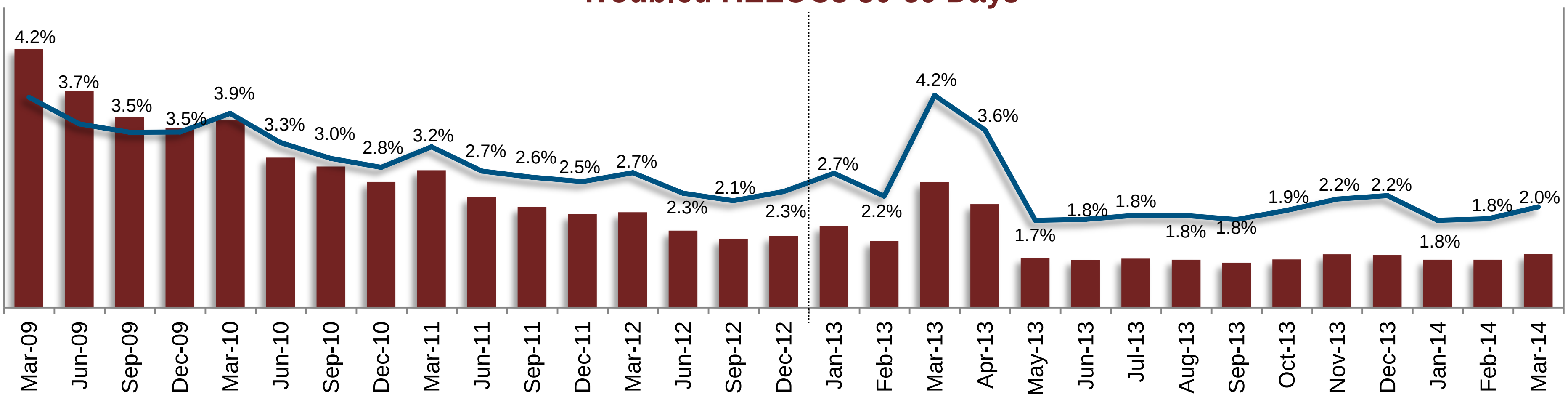
1. “PF” signifies a public finance transaction and “SF” signifies a structured finance transaction.
2. 60+ day delinquencies are defined as loans that are greater than 60 days delinquent and all loans that are in foreclosure, bankruptcy or REO divided by net par outstanding.
3. N/A stands for not applicable.

Appendix

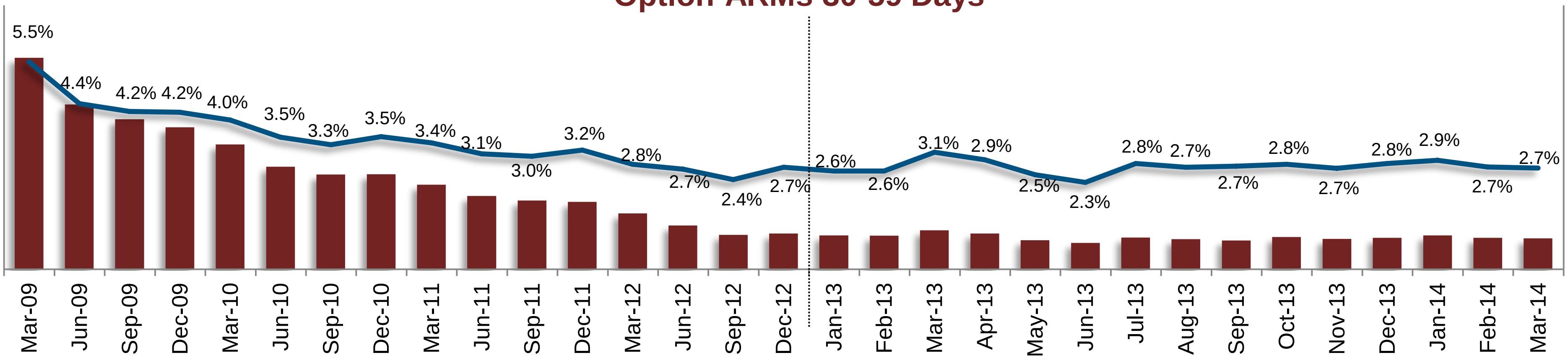
HELOC and Option-ARM Delinquencies For Financial Guaranty Direct Transactions Originated 2005-2008[1,2]

ASSURED GUARANTY

Troubled HELOCs 30-59 Days



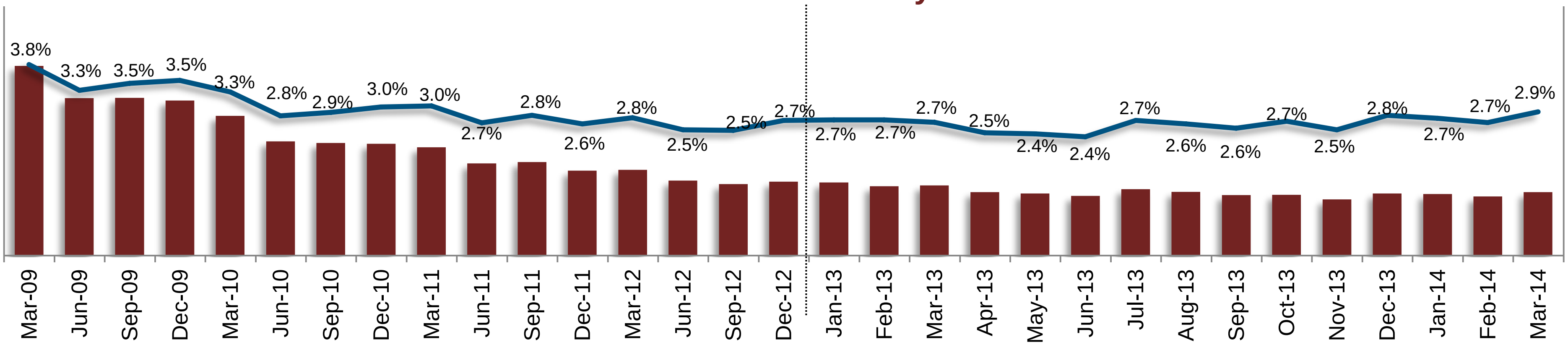
Option-ARMs 30-59 Days



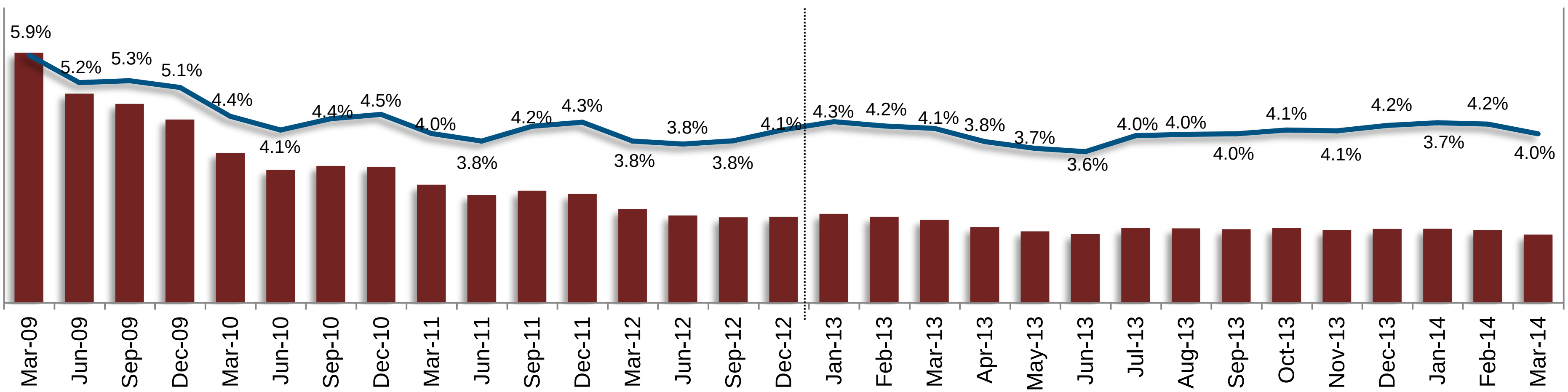
1. Assured Guaranty has not insured any U.S. RMBS since 2008.
2. Reflects actual AGC and AGM direct data.

Alt-A and Subprime 30-59 Day Delinquencies For Financial Guaranty Direct Transactions Originated 2005-2008[1]

Alt-A 30-59 Days



Subprime 30-59 Days[2]



1. Reflects actual AGC and AGM direct data.
2. Excludes one transaction with approximately $75 million of net par outstanding.

Appendix
Explanation of Non-GAAP Financial Measures

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

The Company references financial measures that are not in accordance with GAAP. Assured Guaranty's management and the board of directors utilize non-GAAP financial measures in evaluating the Company's financial performance and as a basis for determining senior management incentive compensation. By providing these non-GAAP financial measures, investors, analysts and financial news reporters have 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. Non-GAAP financial measures should not be viewed as substitutes for their most directly comparable GAAP measures.

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 Assured Guaranty Ltd., 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 committed capital securities. 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.

Appendix (Cont'd)

Explanation of Non-GAAP Financial Measures

Operating Shareholders' Equity: Management believes that operating shareholders' equity is a useful measure because it presents the equity of Assured Guaranty Ltd. 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 loss. Many investors, analysts and financial news reporters use operating shareholders' equity as the principal financial measure for valuing Assured Guaranty Ltd.'s current share price or projected share price and also as the basis of their decision to recommend, buy or sell Assured Guaranty Ltd.'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 committed capital securities. 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.

Operating return on equity (''Operating ROE''): Operating ROE represents operating income for a specified period divided by the average of operating shareholders' equity at the beginning and the end of that period. Management believes that operating ROE is a useful measure to evaluate the Company's return on invested capital. Many investors, analysts and members of the financial news media use operating ROE to evaluate Assured Guaranty Ltd.'s share price and as the basis of their decision to recommend, buy or sell the Assured Guaranty Ltd. common shares. Quarterly and year-to-date operating ROE are calculated on an annualized basis.

Appendix (Cont'd)
Explanation of Non-GAAP Financial Measures

Adjusted Book Value: 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 Assured Guaranty Ltd.'s share price and as the basis of their decision to recommend, buy or sell the Assured Guaranty Ltd. 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 Assured Guaranty 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

Reconciliation of PVP[1] to Gross Written Premiums (GWP) & Operating Income[1] to Net Income (Loss)

($ in millions, except per share data)

Consolidated New Business Production Analysis:

	1Q-14	1Q-13	Δ%
Present value of new business production (PVP)			
Public finance - U.S.:	$23	$16	44%
Public finance - non-U.S.	7	-	NM
Structured finance - U.S.	1	2	(50)%
Structured finance - non-U.S.	-	-	-
Total PVP	**$31**	**$18**	**72%**
PVP of financial guaranty insurance	$31	$18	72%
Less: Financial guaranty installment premium PVP	10	1	900%
Total: Financial guaranty upfront gross written premiums (GWP)	21	17	24%
Plus: Financial guaranty installment GWP and other GAAP adjustments[2]	9	-	NM
Total GWP	**$30**	**$17**	**76%**

Reconciliation of Consolidated Operating Income to Net Income (Loss)

	1Q-14	1Q-13
Operating income	**$132**	**$260**
Plus after-tax adjustments:		
Realized gains (losses) on investments	(1)	19
Non-credit impairment unrealized fair value gains (losses) on credit derivatives	(171)	(434)
Fair value gains (losses) on committed capital securities	(5)	(6)
Foreign exchange gains (losses) on remeasurement of premiums receivable and loss and LAE reserves	0	(11)
Effect of consolidating FG VIEs	87	28
Net income (loss)	**$42**	**$(144)**

Per Diluted Share

	1Q-14	1Q-13
Operating income	**$0.72**	**$1.34**
Plus after-tax adjustments:		
Realized gains (losses) on investments	(0.01)	0.10
Non-credit impairment unrealized fair value gains (losses) on credit derivatives	(0.93)	(2.24)
Fair value gains (losses) on committed capital securities	(0.03)	(0.03)
Foreign exchange gains (losses) on remeasurement of premiums receivable and loss and LAE reserves	0.00	(0.06)
Effect of consolidating FG VIEs	0.48	0.14
Net income (loss)	**$0.23**	**$(0.74)**

NM = Not meaningful

1. For an explanation of PVP and operating income, non-GAAP financial measures, please refer to the preceding pages of the Appendix.
2. Represents 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.

Reconciliation of Shareholders' Equity (GAAP Book Value) to Adjusted Book Value[1]

($ in millions, except per share amounts)

	As of :			
	March 31, 2014		December 31, 2013	
	Total	Per share	Total	Per share
Shareholders' equity	**$ 5,209**	**$ 28.76**	**$ 5,115**	**$ 28.07**
Less after-tax adjustments:				
Effect of consolidating FG VIEs	(87)	(0.48)	(172)	(0.95)
Non-credit impairment unrealized fair value gains (losses) on credit derivatives	(1,219)	(6.72)	(1,052)	(5.77)
Fair value gains (losses) on committed capital securities	24	0.13	30	0.16
Unrealized gain (loss) on investment portfolio excluding foreign exchange effect	250	1.38	145	0.80
Operating shareholders' equity	**$ 6,241**	**$ 34.45**	**$ 6,164**	**$ 33.83**
After-tax adjustments:				
Less: Deferred acquisition costs	159	0.87	161	0.88
Plus: Net present value of estimated net future credit derivative revenue	138	0.76	146	0.80
Plus: Net unearned premium reserve on financial guaranty contracts in excess of expected loss to be expensed	2,800	15.45	2,884	15.83
Adjusted book value[1]	**$ 9,020**	**$ 49.79**	**$ 9,033**	**$ 49.58**

1. For an explanation of adjusted book value, a non-GAAP financial measure, please refer to the preceding pages of the Appendix.

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Equity Presentation

March 31, 2014

ASSURED GUARANTY®