EMBRACE POSSIBILITIES, INVEST IN CERTAINTIES

Equity Investor Presentation

December 31, 2019

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 its subsidiaries (collectively with AGL, 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) changes in the world’s credit markets, segments thereof, interest rates, credit spreads or general economic conditions; (2) developments in the world’s financial and capital markets that adversely affect insured obligors’ repayment rates, Assured Guaranty’s insurance loss or recovery experience, investments of Assured Guaranty or assets it manages; (3) reduction in the amount of available insurance opportunities and/or in the demand for Assured Guaranty's insurance; (4) the loss of investors in Assured Guaranty's asset management strategies or the failure to attract new investors to Assured Guaranty's asset management business; (5) the possibility that budget or pension 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; (6) insured losses in excess of those expected by Assured Guaranty or the failure of Assured Guaranty to realize loss recoveries that are assumed in its expected loss estimates for insurance exposures; (7) increased competition, including from new entrants into the financial guaranty industry; (8) poor performance of Assured Guaranty's asset management strategies compared to the performance of the asset management strategies of Assured Guaranty's competitors; (9) the possibility that investments made by Assured Guaranty for its investment portfolio, including alternative investments and investments it manages in funds, collateralized loan obligations (CLOs) and separately managed account, do not result in the benefits anticipated or subject Assured Guaranty to reduced liquidity at a time it requires liquidity or to unanticipated consequences; (10) the impact of market volatility on the mark-to-market of Assured Guaranty’s assets and liabilities subject to mark-to-market, including certain of its investments, most of its contracts written in credit default swap (CDS) form, and variable interest entities (VIEs) as well as on the mark-to-market of assets Assured Guaranty manages; (11) 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 insurance subsidiaries, and/or of any securities AGL or any of its subsidiaries have issued, and/or of transactions that AGL’s insurance subsidiaries have insured; (12) the inability of Assured Guaranty to access external sources of capital on acceptable terms; (13) changes in applicable accounting policies or practices; (14) changes in applicable laws or regulations, including insurance, bankruptcy and tax laws, or other governmental actions; (15) the failure of Assured Guaranty to successfully integrate the business of BlueMountain Capital Management, LLC (BlueMountain) and its associated entities; (16) the possibility that acquisitions made by Assured Guaranty, including its acquisition of BlueMountain (BlueMountain Acquisition), do not result in the benefits anticipated or subject Assured Guaranty to unanticipated consequences; (17) difficulties with the execution of Assured Guaranty’s business strategy; (18) loss of key personnel; (19) the effects of mergers, acquisitions and divestitures; (20) natural or man-made catastrophes, or pandemics; (21) other risk factors identified in AGL’s filings with the United States (U.S.) Securities and Exchange Commission (the SEC); (22) other risks and uncertainties that have not been identified at this time; and (23) management’s response to these factors.
- 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 Assured Guaranty’s most recent 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 this presentation 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 Assured Guaranty’s insured portfolio and on bonds purchased pursuant to our loss mitigation or 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 S&P Global 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 are determined on the basis of methodologies other than in accordance with GAAP (non-GAAP financial measures), and are defined in the Appendix. Wherever possible, the Company has separately disclosed the effect of consolidating VIEs on the non-GAAP financial measures. See the Appendix for a more comprehensive description of non-GAAP financial measures.
- Subsequent to the BlueMountain Acquisition, BlueMountain operates within the Assured Investment Management platform.
- When a financial measure is described as “adjusted operating,” it is a non-GAAP measure. In prior quarters, these financial measures were identified as “non-GAAP operating” measures.

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Fourth Quarter 2019 Accomplishments

- **Earned $87 million of adjusted operating income[1], or $0.90 per share**
- **Increased shareholders' equity per share, adjusted operating shareholders' equity[1] per share and adjusted book value[1] per share, reaching new record highs of $71.18, $66.96 and $96.86, respectively**
- **Generated $286 million of new insurance business production PVP[1]**
- **Repurchased an additional 3.3 million common shares ($160 million) at an average price of $47.97 per share[2].**
- **Completed the acquisition of all of the outstanding equity interests in BlueMountain Capital Management, LLC (BlueMountain) and its associated entities for a purchase price of $157 million**

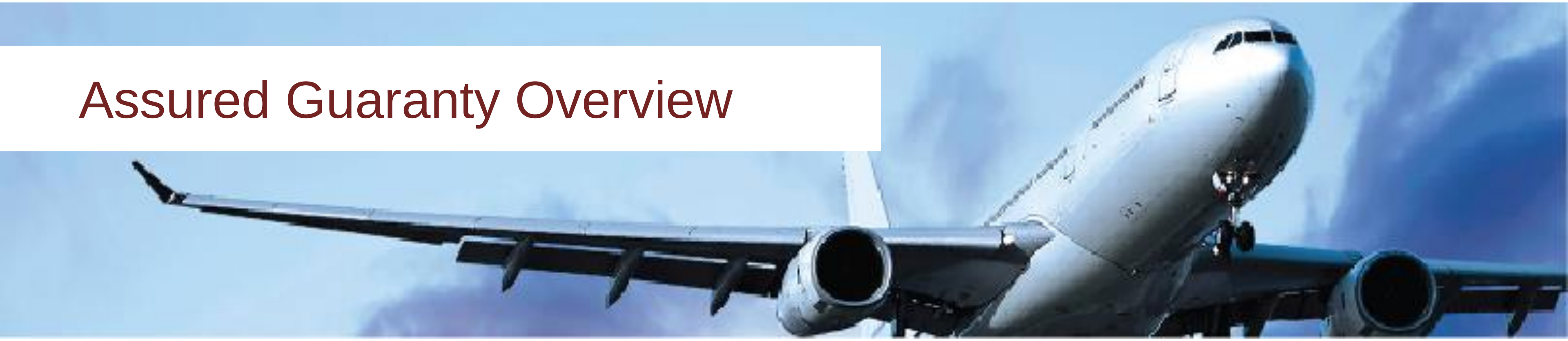
1. This is a non-GAAP financial measure. For an explanation and reconciliation of non-GAAP financial measures, please refer to the Appendix.
2. Additionally, 0.8 million common shares were repurchased for approximately $40 million between January 1, 2020 and February 27, 2020

2019 Accomplishments

- **Earned $391 million of adjusted operating income[1], or $3.91 per share.**
- **Increased shareholders' equity per share and adjusted book value[1] per share by 13%, and adjusted operating shareholders' equity[1] per share by 9%. This marks the 5th consecutive record year for each of these metrics.**
- **Generated $463 million of new insurance business production PVP[1].**
- **Repurchased an additional 11.2 million common shares ($500 million) at an average price of $44.79 per share[2].**
- **Successfully completed the restructuring of the Company's insured Puerto Rico Sales Tax Financing Corporation (COFINA) bonds, culminating with confirmation of the COFINA plan of adjustment in February 2019 and sale of the COFINA exchange bonds in September 2019[3].**
- **Executed a Restructuring Support Agreement relating to the Company's Puerto Rico Electric Power Authority (PREPA) exposure[3].**
  - Closing of the restructuring transaction is subject to a number of conditions, including approval by the Title III Court and a minimum of 67% support for the Plan of Adjustment by voting bondholders.
- **Completed the acquisition of all of the outstanding equity interests in BlueMountain Capital Management, LLC (BlueMountain) and its associated entities for a purchase price of $157 million.**

1. This is a non-GAAP financial measure. For an explanation and reconciliation of non-GAAP financial measures, please refer to the Appendix.
2. Additionally, 0.8 million common shares were repurchased for approximately $40 million between January 1, 2020 and February 27, 2020
3. See slide 23 for additional information.

Assured Guaranty Overview



Assured Guaranty Overview

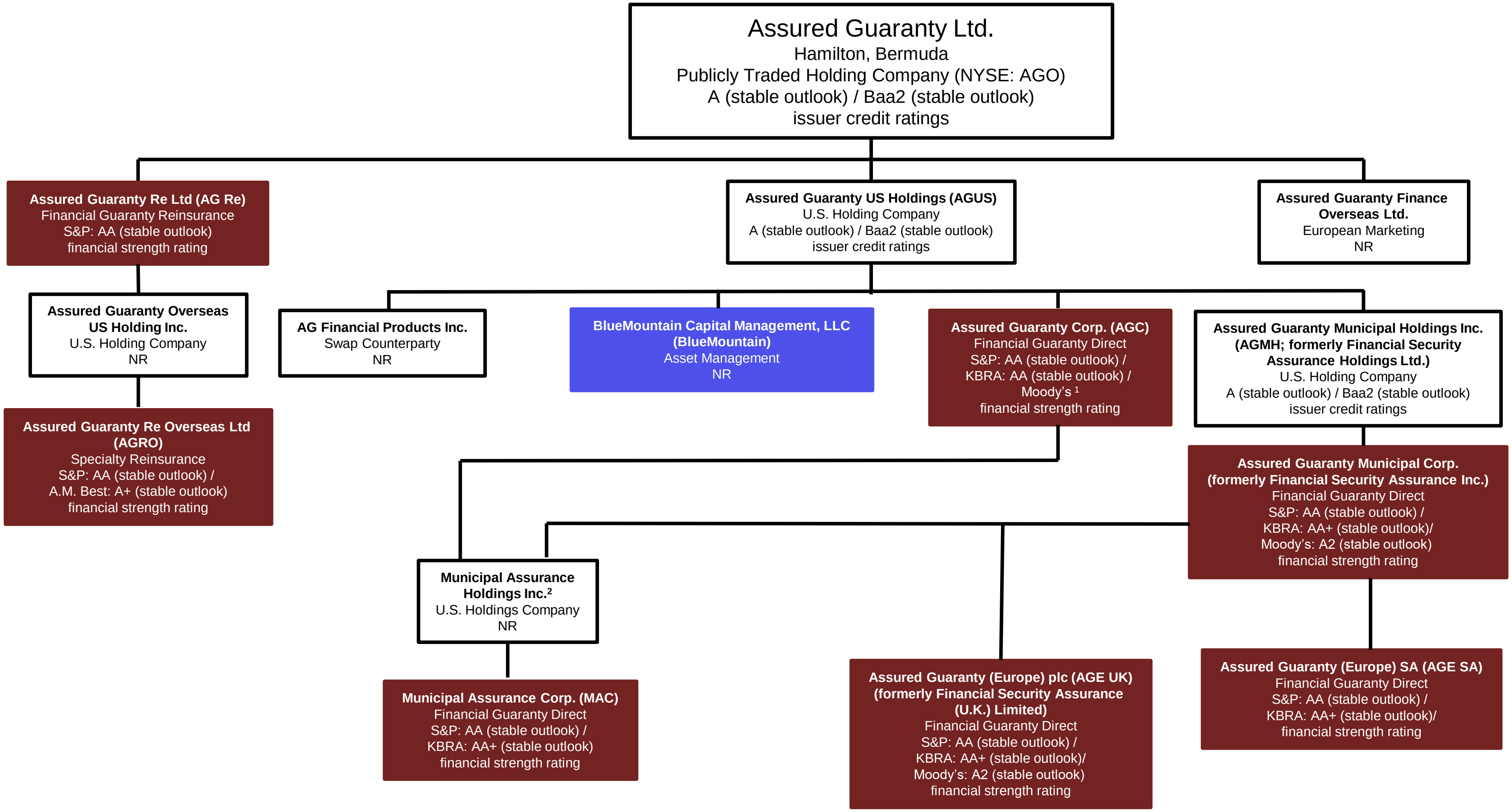
Assured Guaranty Ltd.

($ in billions)	Dec 31, 2019	Sept 30, 2009
Insured net par outstanding	**$236.8**	$646.6
U.S. public finance	**$175.5**	$424.9
U.S. structured finance	**$9.3**	$142.2
Non-U.S.	**$52.0**	$79.5
Assured Investment Management assets under management (AUM)	**$17.8**	N/A
Total investment portfolio + cash	**$10.4**	$10.2
Net unearned premium reserve[1]	**$3.7**	$7.5
Claims-paying resources[2]	**$11.2**	$12.8
Ratio of net par outstanding / claims-paying resources[2]	**21:1**	**51:1**

1. Unearned premium reserve net of ceded unearned premium reserve.
2. Based upon statutory accounting. Aggregate data for insurance subsidiaries within the Assured Guaranty group. Claims on each insurance subsidiary's insurance policies/financial guarantees are paid from the insurance subsidiary's separate claims-paying resources. See page 34.
3. In January 2017, AGC requested that Moody's withdraw AGC's financial strength rating, but Moody's denied that request and continues to rate AGC.

- **We are the leading financial guaranty franchise, with over three decades of experience in the municipal and structured finance markets**
- **In the U.S., we serve the bond insurance market through three platforms:**
  - Assured Guaranty Municipal Corp. (AGM) focuses on global public finance and infrastructure transactions
    - Rated AA+ (stable) by KBRA, AA (stable) by S&P and A2 (stable) by Moody's
  - Municipal Assurance Corp. (MAC) focuses on smaller U.S. public finance transactions
    - Rated AA+ (stable) by KBRA and AA (stable) by S&P
  - Assured Guaranty Corp. (AGC) guarantees structured finance transactions, global infrastructure and U.S. public finance
    - Rated AA (stable) by KBRA and AA (stable) by S&P[3]
- **Our insured portfolio has an average internal rating of A-**
- **We provide asset management services through our Assured Investment Management platform**

Assured Guaranty Ltd.
Corporate Structure

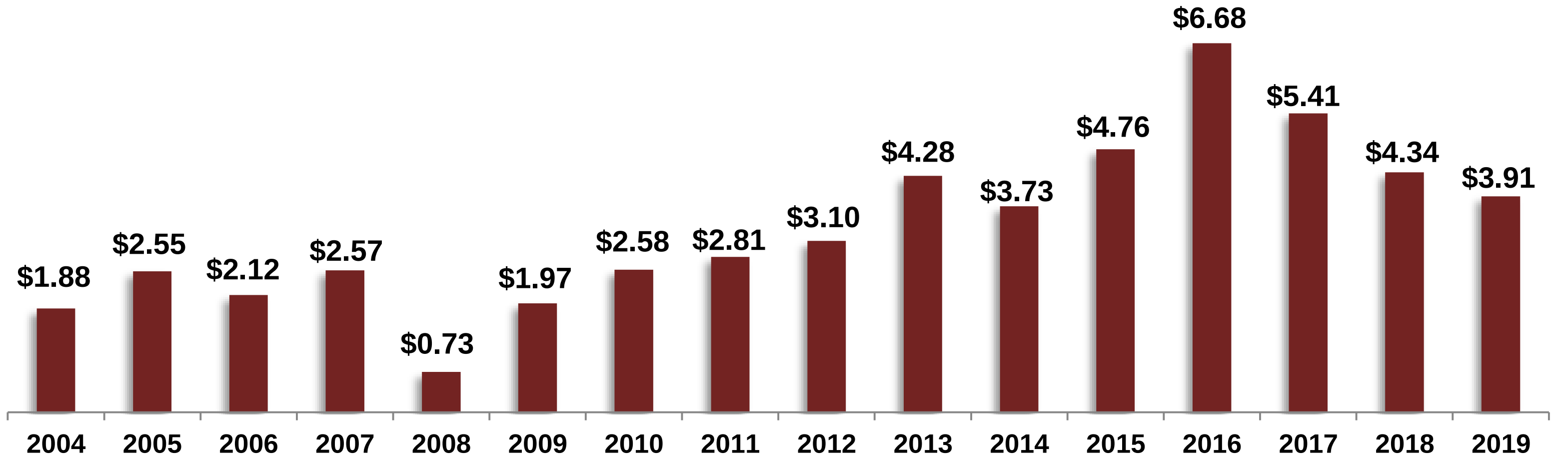


As of February 26, 2020.
S&P / Moody's (unless otherwise specified)
NR = Not rated
1. Assured Guaranty requested in January 2017 that Moody's drop its rating of AGC; Moody's declined, and continues to rate AGC.
2. AGM and AGC own 60.7% and 39.3%, respectively, of the outstanding stock of MAC Holdings, which owns 100% of the outstanding common stock of MAC.

Assured Guaranty Overview

- **Since our initial public offering in 2004, we have grown our annual adjusted operating income[1] from \$1.88 per share to \$3.91 per share in 2019, a 5% compounded annual growth rate (CAGR)**
  - Our annual adjusted operating income[1] grew from \$141 million in 2004 to \$391 million in 2019
- **Repurchases of our shares improve adjusted operating income[1] per share, adjusted operating shareholders' equity[1] per share and adjusted book value[1] per share**
- **Adjusted operating income[1] is generated from premium earned from our insured portfolio, investment earnings from our investment portfolio and other strategic activities**

Adjusted Operating Income[1] per Share by Year



	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Gain (loss) related to FG VIE consolidation included in adjusted operating income[1]:	N/A	N/A	N/A	N/A	N/A	N/A	\$(0.88)	\$(0.43)	\$0.29	\$1.03	\$0.90	\$0.07	\$0.10	\$0.10	\$(0.03)	\$0.00

1. This is a non-GAAP financial measure. For an explanation and reconciliation of non-GAAP financial measures, please refer to the Appendix.

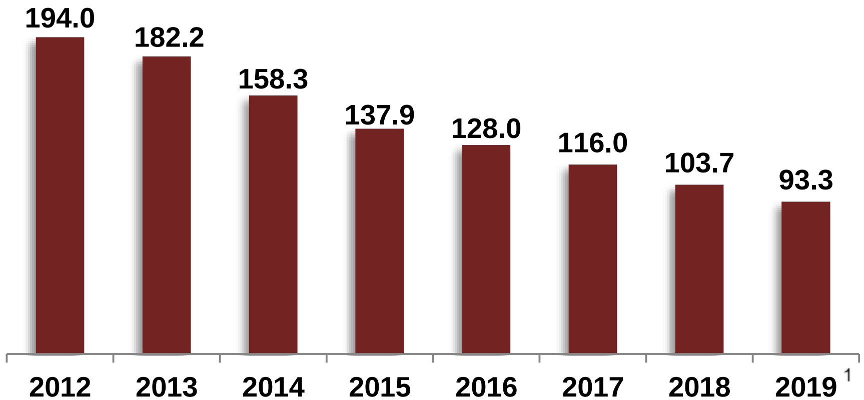
Assured Guaranty Overview

Track Record of Creating Shareholder Value

- **We have returned excess capital to shareholders by distributing dividends and repurchasing our common shares**
  - Since 2013, when we started our capital management strategy of repurchasing our common shares, through February 27, 2020, we have repurchased nearly 106.6 million shares, or approximately 55% of our shares outstanding at the beginning of the repurchase program in 2013, for approximately $3.3 billion.
  - In the fourth quarter of 2019, we repurchased 3.3 million common shares for $160 million at an average price per share of $47.97. Between January 1, 2020 and February 27, 2020, the Company repurchased an additional 0.8 million common shares for approximately $40 million at an average price per share of $47.41.
  - On February 26, 2020, the Board of Directors authorized the repurchase of another $250 million of common shares. As of February 27, 2020, the Company's remaining share repurchase authorization was $408 million.
  - Since our 2004 IPO, we have more than tripled our quarterly dividend per share. In February 2020, our Board of Directors authorized an increase in the quarterly dividend to $0.20 per share. We have raised our quarterly dividends for nine consecutive years.

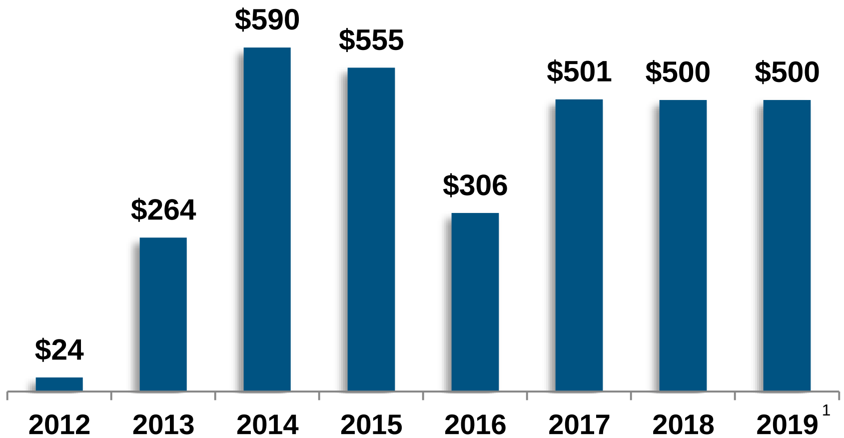
End of Period Share Count

(in millions)



Share Repurchase Amounts

($ in millions)



1. Additionally, 0.8 million common shares were repurchased for approximately $40 million between January 1, 2020 and February 27, 2020

U.S. Insurance Subsidiary Dividend Limitation Calculations

ASSURED GUARANTY

Assured Guaranty Municipal Corp. (Domiciled in New York)	Assured Guaranty Corp. (Domiciled in Maryland)	Assured Guaranty Re Ltd. (AG Re) (Domiciled in Bermuda)
• Based on most recently filed quarterly or annual statement • Only out of "earned surplus"[1] • Cannot exceed the lesser of: (i) 10% of policyholders' surplus, and (ii) 100% of adjusted net investment income – Prior 12 months' net investment income (excluding realized gains) increased by the excess, if any, of net investment income over dividends paid for the 24 months preceding the prior 12 months.	• Based on most recently filed annual statement • Cannot exceed the lesser of: (i) 10% of policyholders' surplus, and (ii) 100% of adjusted net investment income – Prior year net investment income (excluding realized gains) increased by the excess, if any, of net investment income for the three years preceding the prior year over dividends paid for the three prior years.	• Cannot exceed 25% of prior year total statutory capital and surplus without certification to the regulator • Cannot exceed current outstanding statutory surplus • Must be paid from current unencumbered assets • Additionally, AG Re can make capital distributions that do not exceed 15% of its total prior year statutory capital (total stat capital of $857 million, 15% of which is $128 million)

($ in millions)

Assured Guaranty Municipal Corp.

Policyholders' surplus	$2,691
10% of policyholders' surplus	**$269**
1Q-19 through 4Q-19 investment income	**$218**
Net investment income	
1Q-17 through 4Q-17	190
1Q-18 through 4Q-18	172
Total	**$362**
Dividends paid	
1Q-17 through 4Q-17	(196)
1Q-18 through 4Q-18	(171)
Total	**($367)**
Excess of investment income over dividends	**$0**
Adjusted net investment income ($218 + $0 = $218)	**$218**
2020 Current Dividend Limitation	**$218**

Assured Guaranty Corp.

Policyholders' surplus	$1,775
10% of policyholders' surplus	**$178**
2019 investment income	**$166**
Net investment income	
2016	107
2017	133
2018	123
Total	**$363**
Dividends paid	
2017	(107)
2018	(133)
2019	(123)
Total	**($363)**
Excess of investment income over dividends	**$0**
Adjusted net investment income ($166 + 0 = $166)	**$166**
2020 Dividend Limitation	**$166**

Assured Guaranty Re Ltd. (AG Re)

Total stat capital and surplus	$1,100
25% of stat capital and surplus	**$275**
Outstanding statutory surplus	**$240**
Unencumbered assets	**$264**
2020 Current Dividend Limitation	**$240**

1. Earned surplus is currently approximately $2.0 billion. Earned surplus is the portion of the company's surplus that represents the net earnings, gains or profits (after deduction of all losses) that have not been distributed to shareholders as dividends or transferred to stated capital or capital surplus, or applied to other purposes permitted by law, but does not include unrealized appreciation of assets.

Assured Guaranty Overview

Simplified Corporate Structure With Dividend Capacity[1]

Shareholders

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

- Total investment portfolio and cash of $135 million[2]
- 2019 net expenses of $31 million
- 2019 dividend distribution of $74 million

Assured Guaranty Re Ltd.
(Bermuda)

In 2020, AG Re has the capacity to (i) make capital distributions in an aggregate amount up to $128 million without prior regulatory approval and (ii) declare and pay dividends in an aggregate amount up to the limit of its outstanding statutory surplus, which is $274 million as of December 31, 2019. Such dividend capacity is further limited by (i) the actual amount of AG Re's unencumbered assets, which was approximately $264 million as of December 31, 2019 and (ii) the amount of statutory surplus, which was $240 million as of December 31, 2019

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

- Combined investment portfolio and cash of $230 million[2,3]
- 2019 net debt service of $84 million

Municipal Assurance Holdings Inc.
(U.S.)

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

Assured Guaranty Corp.
(U.S.)

The maximum amount available during 2020 for AGC to distribute as ordinary dividends is approximately $166 million, of which approximately $85 million is available for distribution in the first quarter of 2020.

Municipal Assurance Corp.
(U.S.)

MAC paid dividends of $105 million in the first half of 2019 including a special dividend of $100 million. The maximum amount available during 2020 for MAC to distribute to MAC Holdings as dividends without regulatory approval is estimated to be approximately $21 million, none of which is available for distribution in the first quarter of 2020.[4,5]

Assured Guaranty Municipal Corp.
(U.S.)

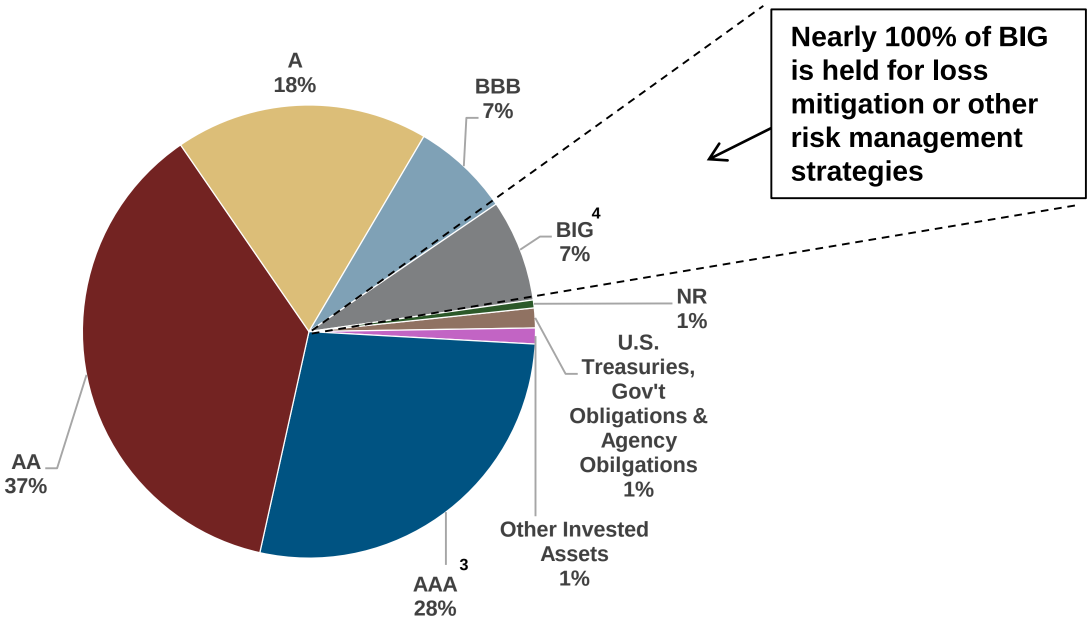
The maximum amount available during 2020 for AGM to distribute as dividends without regulatory approval is estimated to be approximately $218 million, of which $72 million is available for distribution in the first quarter of 2020

1. Represents dividend capacity of U.S. insurance subsidiaries as of December 31, 2019. BlueMountain is not expected to pay dividends in 2020. Please see our Form 10-K dated December 31, 2019 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 Maryland Insurance Code.
2. As of December 31, 2019. The investment portfolio includes fixed-maturity securities and short-term investments.
3. Excludes AGUS's investment in AGMH's debt and investments in affiliates.
4. Dividends from MAC are distributed to AGM and AGC, which may affect AGM's and AGC's dividend capacity in future periods.
5. In March 2019, MAC received approval from its domiciling regulator to distribute a dividend to MAC Holdings of $100 million in 2019. MAC distributed a $100 million dividend to MAC Holdings during the second quarter of 2019.

Underlying Value

Underlying Value
High-Quality Investment Portfolio

Total Invested Assets and Cash[1,2]
As of December 31, 2019



$10.4 billion, AA- average rating[2]

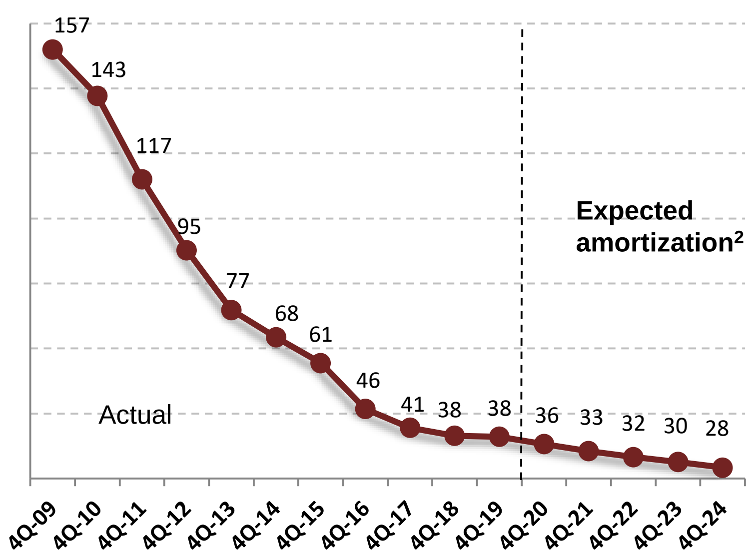
- **Predominately consists of highly rated, fixed maturity and short-term investments, and cash; 66% rated AA or higher**
- **Approximately $1.4 billion invested in liquid, short-term investments and cash**
- **Overall duration of the fixed maturity securities and short-term investments is 4.1 years**

1. Includes securities purchased or obtained as part of loss mitigation or other risk management strategies.
2. Ratings are represented by the lower of the Moody's and S&P classifications except for bonds purchased for loss mitigation or other risk management strategies, which use internal ratings classifications. Other invested assets are not rated.
3. Included in the AAA category are short-term securities and cash.
4. Includes long-term BIG securities that were purchased or obtained as part of loss mitigation or other risk management strategies of $1,101 million in par with carrying value of $758 million.

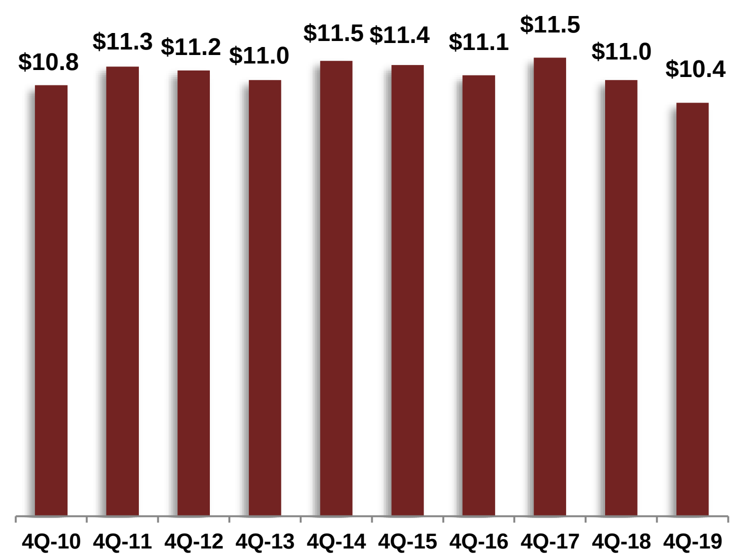
Underlying Value
Deleveraging While Maintaining Total Invested Assets

- **Our insured net par outstanding to adjusted operating shareholders' equity[1] has declined from 157:1 in 4Q-09 to 38:1 as of year-end 2019**
  – We expect that beginning in 2020, our rate of new business written should tend to equal or exceed that of exposures amortized in a given year, stabilizing UPR and future earned revenue
- **Meanwhile, total invested assets and cash remains comparable to prior amounts**

Adjusted Operating Portfolio Leverage
Insured Net Par Outstanding / Adjusted Operating Shareholders' Equity[1]



Total Invested Assets and Cash
($ in billions)



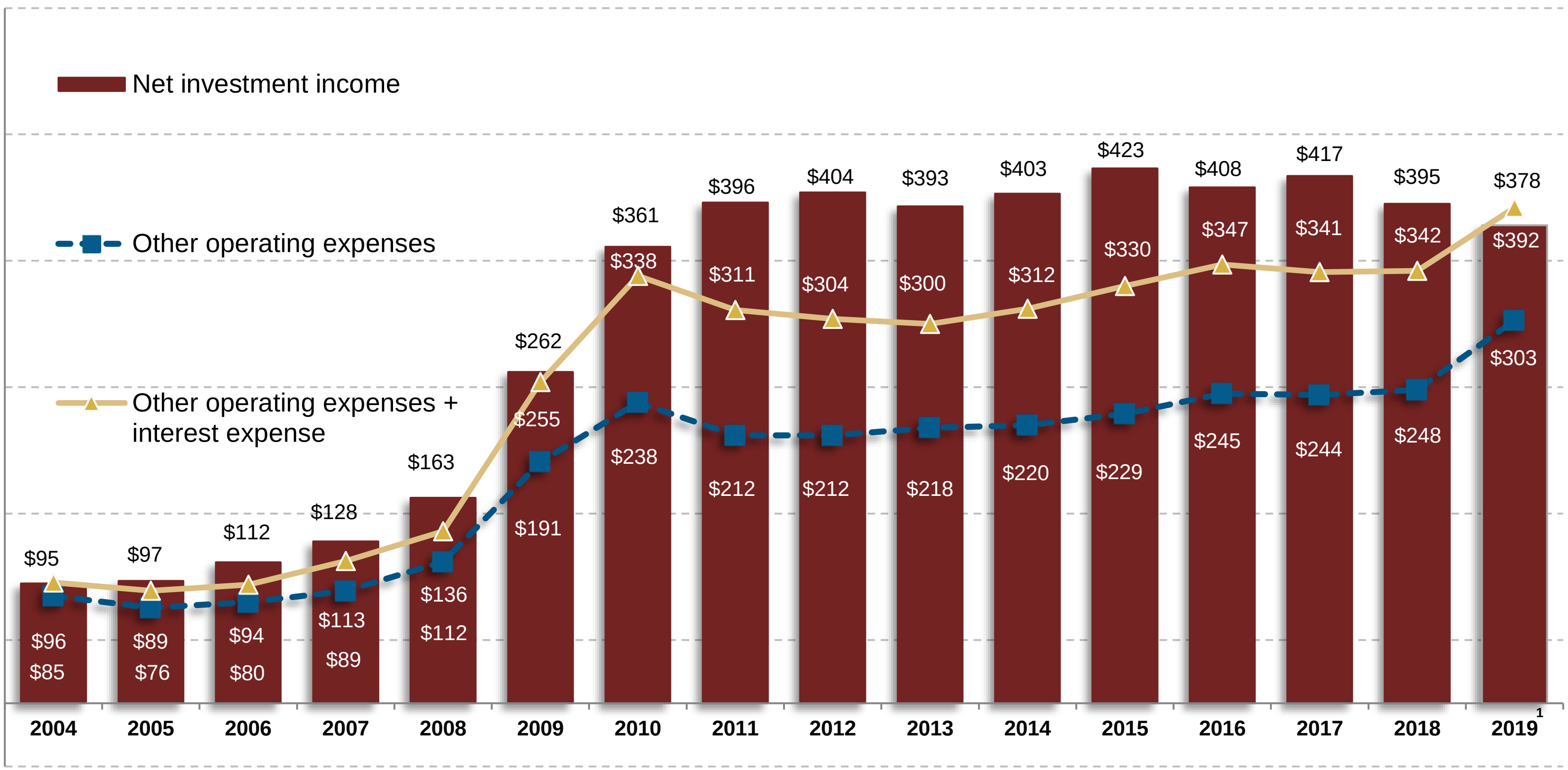
1. This is a non-GAAP financial measure. For an explanation and reconciliation of non-GAAP financial measures, please refer to the Appendix.
2. Assumes no new business production and calculates estimated amortization divided by current adjusted operating shareholders' equity.

Underlying Value
Net Investment Income to Operating Expenses and Interest Expense

- **Net investment income fees generally covers the combination of operating and interest expenses**

Net Investment Income

($ in millions)



1. In 2019, other operating expenses include $7 million of non-recurring restructuring expenses related to purchase of BlueMountain.

Underlying Value
Historical Growth

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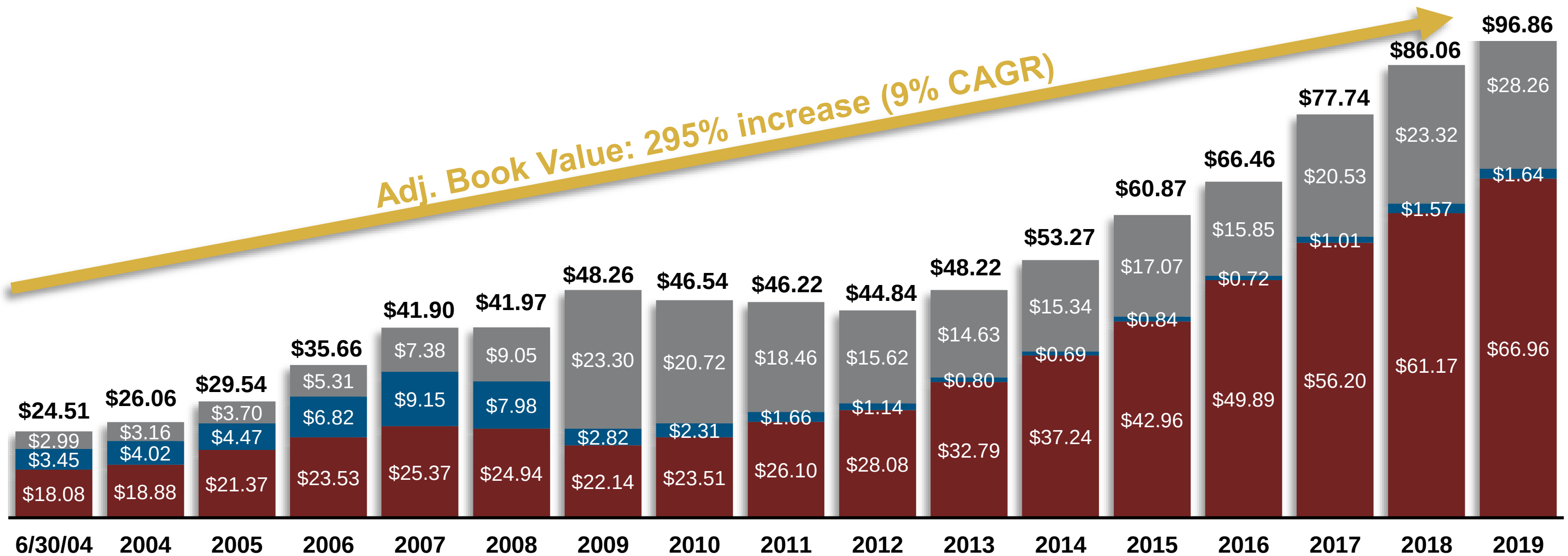
Adjusted Book Value[1] per Share



	6/30/04	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Shareholders' equity attributable to AGL per share (GAAP):	$18.73	$20.19	$22.22	$24.44	$20.33	$20.62	$18.76	$19.97	$25.52	$25.74	$28.07	$36.37	$43.96	$50.82	$58.95	$63.23	$71.18
Gain (loss) related to VIE consolidation included in adjusted operating shareholders' equity per share[1]:								$(2.02)	$(2.44)	$(1.97)	$(1.04)	$(0.24)	$(0.15)	$(0.06)	$0.03	$0.03	$0.07
Gain (loss) related to VIE consolidation included in adjusted book value per share[1]:								$(2.38)	$(3.10)	$(2.33)	$(1.36)	$(0.39)	$(0.31)	$(0.18)	$(0.12)	$(0.15)	$(0.05)

- Net deferred 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 revenue in force, after tax
- Adjusted operating shareholders' equity

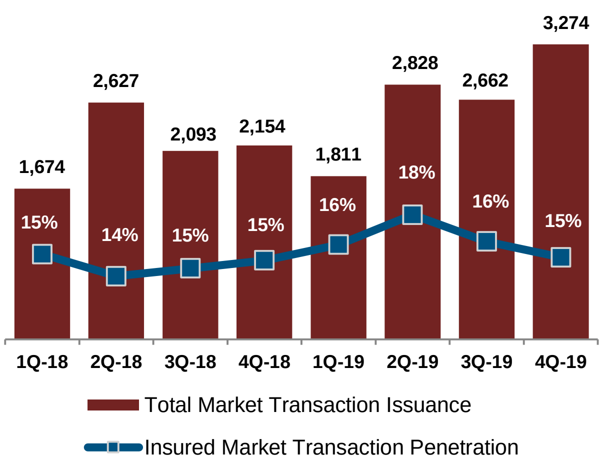
1. This is a non-GAAP financial measure. For an explanation and reconciliation of non-GAAP financial measures, please refer to the Appendix.

Creating Value

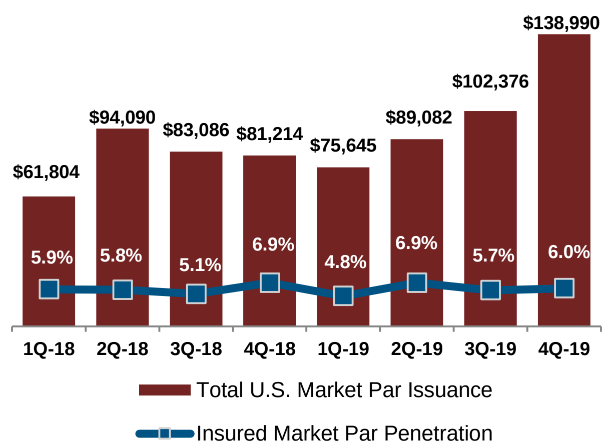
Creating Value
Insurance
Penetration in the U.S. Public Finance Market (excluding SGI portfolio)

- **We are focused on building demand for our guarantees, both in the primary and the secondary markets for U.S. public finance**
  - In 2019, we insured 840 primary market transactions totaling $14.7 billion, and 392 secondary market policies totaling $1.3 billion
  - We increased our U.S. public finance primary market par insured by nearly 34% and primary transaction count by nearly 41%
  - We increased our U.S. public finance secondary market par insured by nearly 52% and secondary transaction count by nearly 35%
- **Industry insured par penetration in 2019 was consistent with 2018, with insurance obtained on 5.9% of U.S. public finance par**
  - Insurance was utilized on 55% of all transactions with an underlying A rating, up from 53% in 2018
  - Insurance was utilized on 21% of the par of all transactions with an underlying A rating, up from 18% in 2018
- **Assured Guaranty wrote 60% of the total insured par of U.S. public finance insured new issues[2] in 2019.**

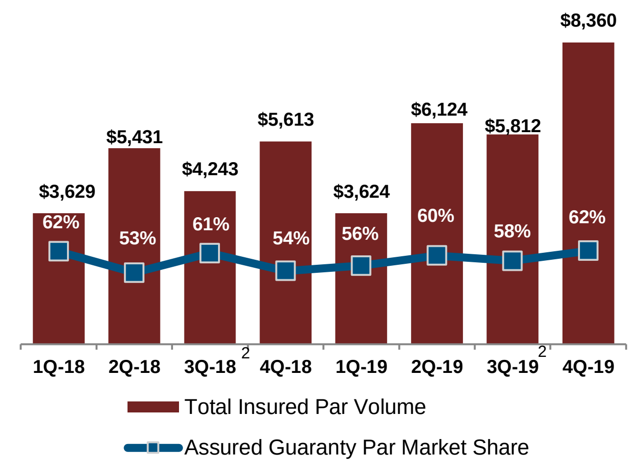
Insured Market Transaction Penetration Rate and Total U.S. Public Finance Transaction Volume[1]



Insured Market Par Penetration Rate and Total U.S. Public Finance Market Volume[1]
($ in millions)



Assured Guaranty's Insured Market Share and Insured Market Primary Par Insured[1]
($ in millions)



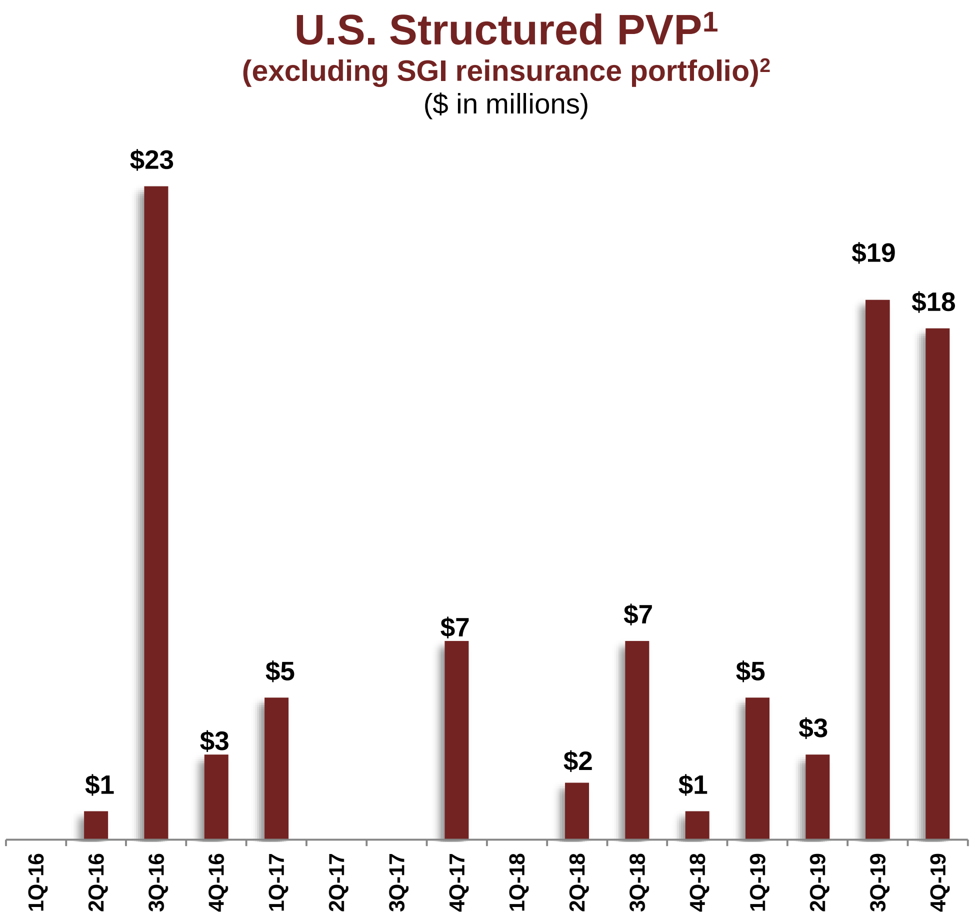
1. Source: Refinitiv as of December 31, 2019.
2. In each of 3Q-18 and 3Q-19, market share calculation includes one Assured Guaranty transaction not included in Refinitiv insured market volume.

Creating Value

Insurance

U.S. Structured Finance Business Activity

- **During 4Q-19, we insured a refinancing and extension of an existing triple-X life reinsurance transaction, a participation in a new insurance reserve financing transaction, as well as several whole business securitizations and residual value reinsurance policies**
- **During 3Q-19, we entered into a commitment to insure an insurance reserve financing transaction**
- **During 1Q-19, we insured a collateralized loan obligation**
- **Focus has been on bilateral transactions to improve policy beneficiaries' capital management efficiency**
- **New structured finance business production tends to have longer lead times, causing production levels to vary significantly from period to period.**

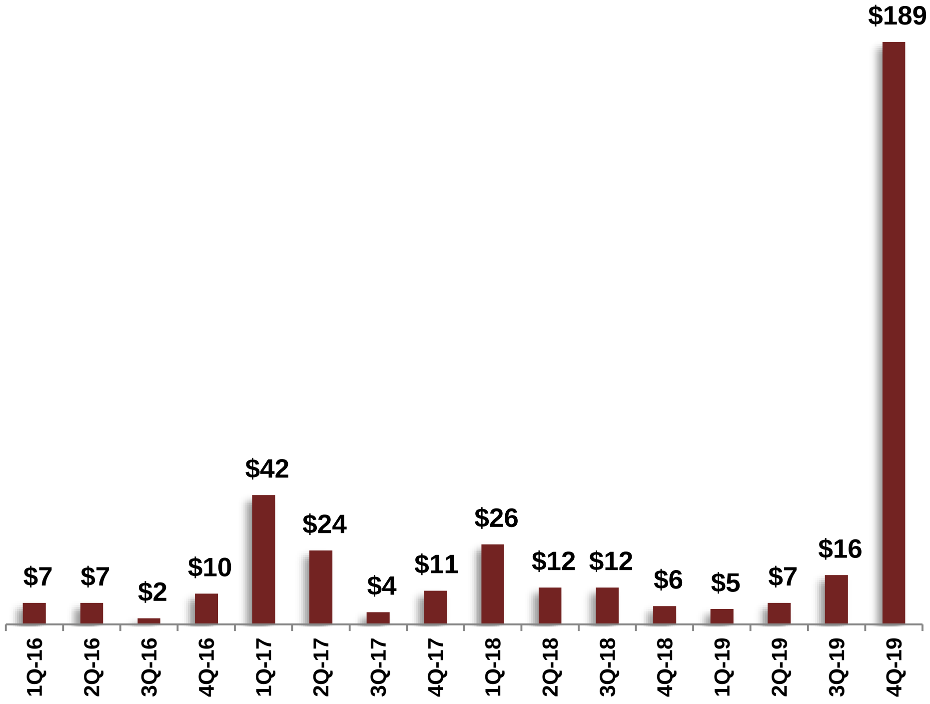


1. This is a non-GAAP financial measure. For an explanation and reconciliation of non-GAAP financial measures, please refer to the Appendix.
2. In 2Q 2018, the SGI reinsurance transaction created $156 million of U.S. structured finance PVP on $349 million of gross written par

Creating Value
Insurance
Non-U.S. Business Activity

- **During 4Q-19, we issued privately executed, bilateral guarantees on a large number of European sub-sovereign credits, guaranteed U.K. university housing transactions and restructured a previously insured regulated utility transaction**
- **During 3Q-19, we guaranteed on a debt financing for the construction of university student accommodations in the United Kingdom**
- **During 2Q-19, we guaranteed on a debt refinancing of Spanish solar plants and a Scottish housing association transaction**
- **During 1Q-19, we issued a debt service reserve guarantee on a water and sewerage company in the United Kingdom and provided reinsurance on an aircraft residual value insurance policy**
- **We are optimistic about the pipeline of infrastructure transactions. International business typically comprises a small number of high-value transactions that have longer development periods and multiple counterparties, so the timing of closing transactions is often uncertain**

Non-U.S. PVP[1]
(excluding SGI reinsurance portfolio)[2]
($ in millions)



1. This is a non-GAAP financial measure. For an explanation and reconciliation of non-GAAP financial measures, please refer to the Appendix.
2. In 2Q 2018, the SGI reinsurance transaction created $50 million of non-U.S. PVP on $3.3 billion of gross written par

Creating Value

Insurance

Underwriting Principles and Pricing Discipline

ASSURED GUARANTY

Gross Par Written[1]

	Quarter Ended December 31,				Year-Ended December 31,			
	2019		2018		2019		2018	
Sector:	Gross Par Written	Avg. Rating[2]	Gross Par Written	Avg. Rating[2]	Gross Par Written	Avg. Rating[2]	Gross Par Written	Avg. Rating[2]
U.S. public finance	$6,452	BBB+	$4,555	BBB+	$16,337	A-	$19,572	A-
Non-U.S. public finance	5,635	AA-	96	A-	6,347	A+	3,817	BBB
Total public finance	**$12,087**	**A**	**$4,651**	**BBB+**	**$22,684**	**A**	**$23,389**	**A-**
U.S. structured finance	$422	A+	$25	BBB	$1,581	A+	$902	BB+
Non-U.S. structured finance	45	BBB+	174	BBB-	88	BBB+	333	BBB
Total structured finance	**$467**	**A+**	**$199**	**BBB-**	**$1,669**	**A+**	**$1,235**	**BBB-**
Total gross par written	**$12,554**	**A**	**$4,850**	**BBB+**	**$24,353**	**A**	**$24,624**	**A-**
Total PVP	**$286**		**$96**		**$463**		**$663**	
PVP to gross par written	**2.28%**		**1.98%**		**1.90%**		**2.69%**	

Gross Par Written Excluding SGI Reinsurance Transaction

	Year-Ended December 31,	
	2019	2018
Sector:	Gross Par Written	Gross Par Written
U.S. public finance	$16,337	$12,013
Non-U.S. public finance	6,347	472
Total public finance	**$22,684**	**$12,485**
U.S. structured finance	$1,581	$553
Non-U.S. structured finance	88	314
Total structured finance	**$1,669**	**$867**
Total gross par written	**$24,353**	**$13,352**
Total PVP	**$463**	**$272**
PVP to gross par written	**1.90%**	**2.04%**

- **Excluding the 2018 assumed SGI insured portfolio, total gross par written and total PVP both increased significantly in 2019 compared with 2018**
  - Total public finance gross par written increased by 83%
  - Total structured finance gross par written increased by 92%
  - Total PVP increased by 70%

1. Includes $11.3 billion of gross written par and $391 million of PVP related to the SGI reinsurance transaction in the second quarter of 2018.
2. Average internal rating.

- **In February 2019, consummated a resolution under an RSA relating to the Company's Puerto Rico Sales Tax Financing Corporation (COFINA) exposure**
  - Paid off the entire exposure of $273 million, plus accrued and unpaid interest
  - Received $152 million of uninsured COFINA Exchange Senior Bonds, along with cash
  - The total par recovery under the RSA represents 60% of the Company's Title III claim
  - The Company sold all of the uninsured COFINA Exchange senior bonds it received under the RSA in the third quarter of 2019

- **In May 2019, executed a restructuring support agreement relating to the Company's Puerto Rico Electric Power Authority (PREPA) exposure**
  - Closing of the restructuring transaction is subject to a number of conditions, including approval by the Title III Court and a minimum of 67% support for the Plan of Adjustment by voting bondholders
  - Upon consummation of the restructuring transaction, PREPA's revenue bonds will be exchanged into new securitization bonds issued by a special purpose corporation and secured by a segregated charge assessed on electricity bills
  - The basic terms of the restructuring support agreement calls for Assured Guaranty to receive:
    - Tranche A bonds with a par equal to 67.5% of the Company's outstanding par subject to the exchange. These bonds will be paid senior in the waterfall.
    - Tranche B bonds with a par equal to 10.0% of the Company's outstanding par subject to the exchange. These bonds will be paid after the Tranche A bonds are paid off.
    - A waiver and support fee in the form of Tranche A bonds equal to 1.885% of the par amount of PREPA bonds held or insured by Assured Guaranty.
    - Insurance premiums if Assured Guaranty chooses to insure any portion of the Tranche A and/or Tranche B bonds.

Creating Value
Insurance
Acquisitions and Reinsurance of Legacy Monolines

- **Radian Asset Assurance acquisition closed on April 1, 2015**
  - Resulted in an increase of $654 million to claims-paying resources, an increase of $193 million to adjusted operating shareholders' equity[1] and $570 million to adjusted book value[1]

- **CIFG acquisition closed on July 1, 2016**
  - Resulted in a benefit of $293 million in adjusted operating income[1] and $512 million to adjusted book value[1]

- **MBIA UK Limited (MBIA UK) acquisition closed on January 10, 2017**
  - Resulted in a benefit to adjusted operating income[1] of $57 million, or $0.45 per share, at the acquisition date
  - MBIA UK was subsequently renamed AGLN
  - AGLN transferred its insurance portfolio to and merged with and into AGE on November 7, 2018

- **SGI reinsurance transaction closed on June 1, 2018**
  - Resulted in $11.3 billion of gross written par and $391 million of PVP[1], which helped lead the Company to a 10-year record high for PVP[1]
  - Increased adjusted book value[1] by $2.25 per share

1. This is a non-GAAP financial measure. For an explanation and reconciliation of non-GAAP financial measures, please refer to the Appendix.

Creating Value
Assured Investment Management Platform

- **On October 1, 2019, Assured Guaranty completed the acquisition of all of the outstanding equity interests in BlueMountain and its associated entities for a purchase price of $157 million**
  - Assured Guaranty contributed $60 million of cash to BlueMountain at closing and contributed an additional $30 million of cash in February 2020 for certain restructuring costs and future strategic investments
  - In addition to the cash and common stock included in the acquisition, Assured Guaranty intends initially to invest $500 million into funds managed by the Assured Investment Management platform plus additional amounts in other accounts managed by the Assured Investment Management platform
  - As of the date of acquisition, BlueMountain managed $18.3 billion in assets across CLOs and long-duration opportunity funds that build on its corporate credit, asset-backed finance and healthcare experience, as well as certain funds now subject to orderly wind-down.
- **In February 2018, the Company acquired a minority interest in Rubicon Infrastructure Advisors**
  - Rubicon is a firm based in Dublin, Ireland that provides investment banking services in the global infrastructure sector
- **In September 2017, the Company acquired a minority interest in Wasmer, Schroeder & Company LLC ("Wasmer")**
  - Independent investment advisory firm specializing in separately managed accounts (SMAs)
  - The Charles Schwab Corporation announced on February 24, 2020 that it had entered into an agreement to acquire Wasmer
- **In February 2017, the Company agreed to its first major asset management investment**
  - The Company agreed to purchase up to $100 million of limited partnership interests in a fund that invests in the equity of private equity managers; as of December 31, 2019, $86 million has yet to be invested.
- **The Company intends to use the investment knowledge and experience acquired with BlueMountain to expand the categories and types of investments included in its investment portfolio**
- **The Company plans to continue its current capital management strategy, including share repurchases, while continuing to investigate additional opportunities in the asset management business**

- **Reassumption of previously ceded business has increased the unearned premium reserve and adjusted book value[1]**

Commutations Since 2009
As of December 31, 2019

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	0.9	23	28
2016	0.0	-	8
2017	5.1	82	328
2018	1.5	64	(16)
2019	1.1	15	1
Total	**$47.9**	**$495**	**$519**

Ceded Par Outstanding by Reinsurer
As of December 31, 2019

($ in millions)	Net Par Outstanding
American Overseas Re	$352
Others	$997
Total	$1,349

1. This is a non-GAAP financial measure. For an explanation and reconciliation of non-GAAP financial measures, please refer to the Appendix.

Financial Results

December 31, 2019

Fourth Quarter 2019 Results
Select Financial Items

ASSURED GUARANTY®

Select GAAP Results ($ in millions, except per share data and percentages)	**Quarter Ended December 31,**		**% Change vs. 4Q-18**
	2019	**2018**	
Net income (loss) attributable to AGL	**$137**	**$88**	**56%**
Net income (loss) attributable to AGL per diluted share	**$1.42**	**$0.83**	**71%**
Net earned premiums	**$123**	**$125**	**(2)%**
Net investment income	**$82**	**$98**	**(16)%**
Loss and LAE	**$18**	**$21**	**(14)%**
GAAP ROE[2]	**8.2%**	**5.4%**	**2.8pp**

Select Non-GAAP Results[3] ($ in millions, except per share data and percentages)	**Quarter Ended December 31,**				**% Change vs. 4Q-18**
	2019		**2018**		
	Amount	Effect of VIE Consolidation[4]	Amount	Effect of VIE Consolidation[4]	
Adjusted operating income	$87	$(4)	$92	$(3)	(5)%
Adjusted operating income per diluted share	$0.90	$(0.05)	$0.87	$(0.02)	3%
Adjusted operating loss and LAE[1]	$16	$2	$18	$3	(11)%
Adjusted operating ROE[2]	5.6%	(0.3)%	5.8%	(0.2)%	(0.2)pp

NM = Not meaningful pp = percentage points
1. Please see page 32 for a description of adjusted operating loss and LAE
2. ROE calculations represent annualized returns.
3. Please refer to the explanation of Non-GAAP Financial Measures set forth in the Appendix.
4. The "Effect of VIE Consolidation" column represents amounts included in the consolidated statements of operations and adjusted operating income that the Company removes to arrive at the core financial measures that management uses in certain of its compensation calculations and its decision-making process.

YTD 2019 Results
Select Financial Items

Select GAAP Results ($ in millions, except per share data and percentages)	YTD December 31, 2019	YTD December 31, 2018	% Change vs. YTD 18
Net income (loss) attributable to AGL	**$402**	**$521**	**(23)%**
Net income (loss) attributable to AGL per diluted share	**$4.00**	**$4.68**	**(14)%**
Net earned premiums	**$476**	**$548**	**(13)%**
Net investment income	**$378**	**$395**	**(4)%**
Loss and LAE	**$93**	**$64**	**45%**
GAAP ROE[2]	**6.1%**	**7.8%**	**(1.7)pp**

Select Non-GAAP Results[3] ($ in millions, except per share data and percentages)	YTD December 31, 2019		YTD December 31, 2018		% Change vs. YTD 18
	Amount	Effect of VIE Consolidation[4]	Amount	Effect of VIE Consolidation[4]	
Adjusted operating income	$391	$-	$482	$(4)	(19)%
Adjusted operating income per diluted share	$3.91	$-	$4.34	$(0.03)	(10)%
Adjusted operating loss and LAE[1]	$73	$20	$61	$3	20%
Adjusted operating ROE[2]	6.2%	-%	7.5%	(0.1)%	(1.3)pp

NM = Not meaningful pp = percentage points

1. Please see page 32 for a description of adjusted operating loss and LAE
2. ROE calculations represent annualized returns.
3. Please refer to the explanation of Non-GAAP Financial Measures set forth in the Appendix.
4. The "Effect of VIE Consolidation" column represents amounts included in the consolidated statements of operations and adjusted operating income that the Company removes to arrive at the core financial measures that management uses in certain of its compensation calculations and its decision-making process.

Fourth Quarter 2019 Results

Select Segment Results

Select Segment Results ($ in millions, except per share data and percentages)	Quarter Ended December 31, 2019				
	Insurance	Asset Management	Corporate	Other	Total
Adjusted operating income (loss)	$133	$(10)	$(32)	$(4)	$87
Net earned premiums and credit derivative revenues	$129	$-	$-	$(2)	$127
Net investment income	$85	$-	$1	($4)	$82
Loss expense	$20	$-	$-	$2	$22
Employee compensation, benefit expenses and other operating expenses[1]	$55	$31	$15	$10	$111

Select Segment Results ($ in millions, except per share data and percentages)	Quarter Ended December 31, 2018				
	Insurance	Asset Management	Corporate	Other	Total
Adjusted operating income (loss)	$129	$-	($34)	($3)	$92
Net earned premiums and credit derivative revenues	$133	$-	$-	($3)	$130
Net investment income	$99	$-	$1	($2)	$98
Loss expense	$24	$-	$-	$3	$27
Employee compensation, benefit expenses and other operating expenses[1]	$56	$-	$9	$-	$65

1. Please see page 32 for a description of adjusted operating loss and LAE as well as a reconciliation of GAAP loss and LAE to adjusted operating loss and LAE
2. ROE calculations represent annualized returns.

Year Ended 2019 Results
Select Segment Results

Select GAAP Results ($ in millions, except per share data and percentages)	Year Ended December 31, 2019				
	Insurance	Asset Management	Corporate	Other	Total
Adjusted operating income (loss)	$512	($10)	($111)	$-	$391
Net earned premiums and credit derivative revenues	$511	$-	$-	($18)	$493
Net investment income	$383	$-	$4	($9)	$378
Loss expense	$86	$-	$-	$20	$106
Employee compensation, benefit expenses and other operating expenses[1]	$220	$31	$39	$10	$300

Select GAAP Results ($ in millions, except per share data and percentages)	Year Ended December 31, 2018				
	Insurance	Asset Management	Corporate	Other	Total
Adjusted operating income (loss)	$582	$-	($96)	($4)	$482
Net earned premiums and credit derivative revenues	$580	$-	$-	($12)	$568
Net investment income	$396	$-	$6	($7)	$395
Loss expense	$70	$-	$-	$3	$73
Employee compensation, benefit expenses and other operating expenses[1]	$216	$-	$32	$-	$248

1. Please see page 32 for a description of adjusted operating loss and LAE as well as a reconciliation of GAAP loss and LAE to adjusted operating loss and LAE
2. ROE calculations represent annualized returns.

Loss Measures

Economic loss development (all contracts):

- Represents the estimated change in expected losses due to changes in transaction performance, discount rates, loss mitigation and other factors. Economic loss development excludes 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.

Loss and LAE reported on the GAAP Consolidated Statement of Operations:

- Represents loss and loss adjustment expenses (LAE) for contracts accounted for as financial guaranty insurance only
  - GAAP accounting model generally recognizes loss and LAE in the income statement only to the extent and for the amount that such losses exceed deferred premium revenue on a transaction by transaction basis.

Adjusted operating loss and LAE[1]:

- Comprises:
  - Loss and LAE described above, and
  - Losses attributable to credit derivatives

($ in millions) Loss/(Benefit)	4Q-19	4Q-18	YE 19	YE 18
GAAP Loss and LAE	**$18**	**$21**	**$93**	**$64**
Insurance segment loss and LAE	$20	$24	86	$70

1. Please refer to the explanation of Non-GAAP Financial Measures set forth in the Appendix.

Insurance Portfolio Overview

December 31, 2019

Four Discrete Insurance Companies with Separate Capital Bases

ASSURED GUARANTY®

Consolidated Statutory-Basis Claims-Paying Resources and Exposures

	As of December 31, 2019					
($ in millions)	AGM	AGC	MAC	AG Re[8]	Eliminations[3]	Consolidated
Claims-paying resources						
Policyholders' surplus	$2,691	$1,775	$276	$799	$(485)	$5,056
Contingency reserve[1]	986	621	192	-	(192)	1,607
Qualified statutory capital	**3,677**	**2,396**	**468**	**799**	**(677)**	**6,663**
UPR and net deferred ceding commission income[1]	2,027	431	143	583	(223)	2,961
Loss and loss adjustment expense reserves[1]	196	151	(1)	182	1	529
Total policyholders' surplus and reserves	**5,900**	**2,978**	**610**	**1,564**	**(899)**	**10,153**
Present value of installment premium[1]	296	151	-	162	-	609
Committed Capital Securities	200	200	-	-	-	400
Total claims-paying resources (including MAC adjustment for AGM and AGC)[2]	**$6,396**	**$3,329**	**$610**	**$1,726**	**$(899)**	**$11,162**
Adjustment for MAC[4]	370	240	-	-	(610)	-
Total claims-paying resources (excluding MAC adjustment for AGM and AGC)[2]	**$6,026**	**$3,089**	**$610**	**$1,726**	**($289)**	**$11,162**
Statutory net exposure[5]	$129,562	$22,937	$18,150	$61,990	($514)	$232,125
Equity method adjustment[4]	11,017	7,133	-	-	(18,150)	-
Adjusted statutory net exposure[1]	$140,579	$30,070	$18,150	$61,990	$(18,664)	$232,125
Net debt service outstanding[5]	$212,011	$35,172	$26,808	$96,001	$(1,221)	$368,771
Equity method adjustment[4]	16,273	10,535	-	-	(26,808)	-
Adjusted net debt service outstanding[1]	$228,284	$45,707	$26,808	$96,001	$(28,029)	$368,771
Ratios:						
Adjusted net exposure to qualified statutory capital	38:1	13:1	39:1	78:1		35:1
Capital ratio[6]	62:1	19:1	57:1	120:1		55:1
Financial resources ratio[7]	36:1	14:1	44:1	56:1		33:1
Adjusted statutory net exposure to claims-paying resources	22:1	9:1	30:1	36:1		21:1
Separate Company Statutory Basis:						
Admitted Assets	$5,403	$2,927	$638			
Total Liabilities	2,711	1,152	362			
Contingency Reserves	869	546	192			
Surplus to Policyholders	2,691	1,775	276			

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. AGM has been adjusted to include a 100% share of AGE UK. Amounts include financial guaranty insurance and credit derivatives.
2. The excess of loss reinsurance facility represented the $180 million portion placed with an unaffiliated reinsurer of a $400 million aggregate excess-of-loss reinsurance facility for the benefit of AGC, AGM and MAC, which terminated on January 1, 2020.
3. Eliminations are primarily for (i) intercompany surplus notes between AGM and AGC, and (ii) MAC amounts, whose proportionate share are included in AGM and AGC based on ownership percentages, and (iii) eliminations of intercompany deferred ceding commissions. Net exposure 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 exposure related to intercompany cessions from AGM and AGC to MAC.
4. Represents adjustments for AGM's and AGC's indirect ownership interest in MAC.
5. Net exposure and net debt service outstanding are presented on a statutory basis.
6. The capital ratio is calculated by dividing adjusted net debt service outstanding by qualified statutory capital.
7. 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).
8. Assured Guaranty Re Ltd. (AG Re) numbers represent the Company's estimate of United States (U.S.) statutory accounting practices prescribed or permitted by insurance regulatory authorities, except for contingency reserves.

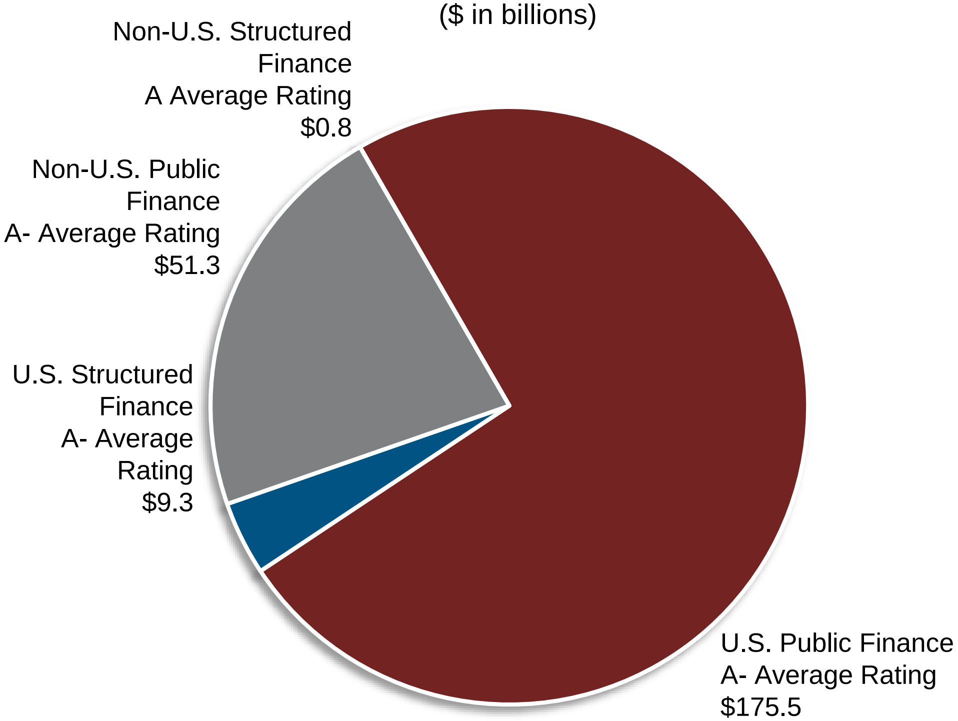
Net Par Outstanding By Sector

- **Assured Guaranty's insured portfolio is largely concentrated in U.S. public finance**
  - 74% U.S. public finance
  - 22% Non-U.S. public finance
  - 4% U.S. structured finance
  - <1% Non-U.S. structured finance
- **Our insured portfolio has an A- average internal credit rating**
  - 3.6% below investment grade
- **U.S. public finance is the sector with the largest BIG exposure**
  - $5.8 billion of U.S. public finance par exposure is BIG (68% of our total BIG)
  - Out of this $5.8 billion, $4.3 billion of net par exposure relates to Puerto Rico

Consolidated Net Par Outstanding

As of December 31, 2019

($ in billions)

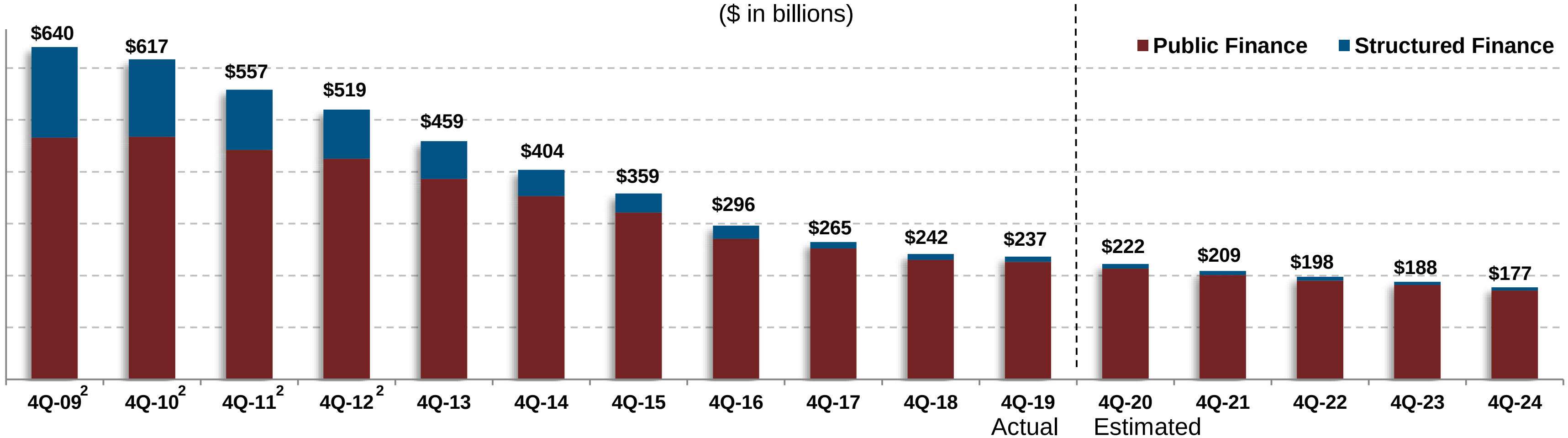


$236.8 billion, A- average rating

Net Par Outstanding Amortization

- **Amortization of the existing portfolio reduces rating agency capital charges, but also embedded future earned premiums**
  - Currently, the existing $237 billion portfolio consists of $227 billion of public finance and $10 billion of structured finance net par
  - The existing portfolio (excluding future new business) will amortize by 6% by the end of 2020; 25% by the end of 2024
- **New direct or assumed business originations, reassumptions and acquisitions will increase future premiums**
- **We expect that beginning in 2020, our rate of new business written should tend to equal or exceed that of exposures amortized in a given year, stabilizing UPR and future earned revenue**

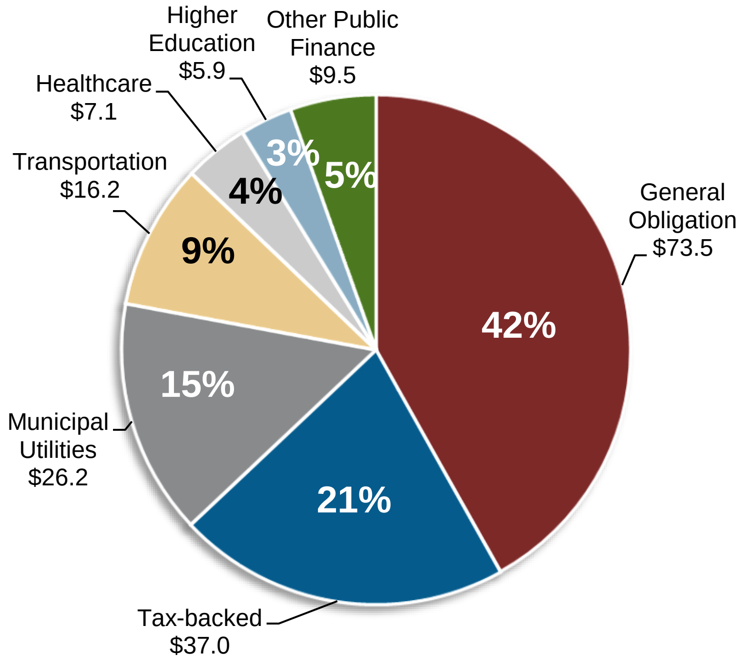
Consolidated Net Par Outstanding Amortization[1]
As of December 31, 2019
($ in billions)



1. Represents the future expected amortization of existing net par outstanding as of December 31, 2019. 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 December 31, 2019
($ in billions)



$175.5 billion, A- average rating

- **U.S. public finance net par outstanding is $175.5 billion and makes up 74% of our total insured portfolio as of December 31, 2019**
- **U.S. public finance portfolio generally performed well during the recession and in subsequent years, despite persistent financial pressures on municipal obligors**
  - Our portfolio is well-diversified with approximately 6,600 direct U.S. public finance obligors. We expect future losses to be paid, net of recoveries, on less than ten exposures[1].
  - We have proactively managed those exposures that have experienced credit deterioration and payment default, like Detroit, Harrisburg and Stockton, with relatively small expected losses in most cases.
  - Our Puerto Rico exposure represents our largest below investment grade U.S. public finance exposure.
- **General obligation, tax-backed and municipal utilities represent** 78% **of U.S. public finance net par outstanding**
  - 58% of total net par outstanding

1. Includes Puerto Rico exposures discussed on the following pages.

Public Finance
Puerto Rico Exposure

Par Exposure to the Commonwealth and its Agencies[1,2]
As of December 31, 2019

	($ in millions)	Net Par Outstanding	Gross Par Outstanding
Commonwealth Constitutionally Guaranteed	Commonwealth of Puerto Rico - General Obligation Bonds [3]	$1,253	$1,294
	Puerto Rico Public Buildings Authority (PBA) [3]	140	145
	Subtotal	**$1,393**	**$1,439**
Public Corporations – Certain Revenues Potentially Subject to Clawback	Puerto Rico Highways and Transportation Authority (PRHTA) (Transportation Revenue Bonds) [3]	$811	$842
	Puerto Rico Highways and Transportation Authority (PRHTA) (Highways Revenue Bonds) [3]	454	515
	Puerto Rico Convention Center District Authority (PRCCDA)	152	152
	Puerto Rico Infrastructure Financing Agency (PRIFA)	16	16
	Subtotal	**$1,433**	**$1,525**
Other Public Corporations	Puerto Rico Electric Power Authority (PREPA) [3,4]	822	838
	Puerto Rico Aqueduct and Sewer Authority (PRASA) [5]	373	373
	Puerto Rico Municipal Finance Agency (MFA) [5]	248	282
	University of Puerto Rico (U of PR) [5]	1	1
	Subtotal	**$1,444**	**$1,494**
	Total	**$4,270**	**$4,458**

1. The general obligation bonds of Puerto Rico and various obligations of its related authorities and public corporations are all rated BIG.
2. During the third quarter 2019, the Company sold all of its COFINA Exchange Senior Bonds.
3. As of the date of the Company's 2019 10-K filing, the seven-member financial oversight board established by the Puerto Rico Oversight, Management, and Economic Stability Act (PROMESA) has certified a filing under Title III of PROMESA for these exposures.
4. On May 3, 2019, the Company entered into a restructuring support agreement with PREPA and other stakeholders. See Assured Guaranty's 2019 Form 10-K.
5. As of the date of the Company's 2019 10-K filing, the Company has <u>not</u> paid claims on these credits.

Public Finance
Puerto Rico Exposure

Scheduled Net Par Amortization of Exposure to the Commonwealth and its Agencies
As of December 31, 2019

($ in millions)	1Q 2020	2Q 2020	3Q 2020	4Q 2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030-2034	2035-2039	2040-2044	2045-2047	Total
Commonwealth – GO	$-	$-	$141	$-	$15	$37	$14	$73	$68	$34	$90	$33	$64	$419	$265	$-	$-	**$1,253**
PBA	-	-	5	-	13	-	7	-	6	11	40	1	-	38	19	-	-	**140**
Subtotal	**$-**	**$-**	**$146**	**$-**	**$28**	**$37**	**$21**	**$73**	**$74**	**$45**	**$130**	**$34**	**$64**	**$457**	**$284**	**$-**	**$-**	**$1,393**
PRHTA (Transportation Revenue)	$-	$-	$25	$-	$18	$28	$33	$4	$29	$24	$29	$34	$47	$166	$292	82	$-	**811**
PRHTA (Highways Revenue)	-	-	22	-	35	6	32	33	34	1	-	9	11	177	94	-	-	**454**
PRCCDA	-	-	-	-	-	-	-	-	-	-	19	-	-	76	57	-	-	**152**
PRIFA	-	-	-	-	-	-	2	-	-	-	-	-	-	-	7	7	-	**16**
Subtotal	**$-**	**$-**	**$47**	**$-**	**$53**	**$34**	**$67**	**$37**	**$63**	**$25**	**$48**	**$43**	**$58**	**$419**	**$450**	**$89**	**$-**	**$1,433**
PREPA	$-	$-	$48	$-	$28	$28	$95	$93	$68	$106	$105	$68	$39	$140	$4	$-	$-	**$822**
PRASA	-	-	-	-	-	-	-	1	25	27	28	29	-	-	2	15	246	**373**
MFA	-	-	45	-	40	40	22	18	17	34	12	10	6	4	-	-	-	**248**
U of PR	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-	-	-	**1**
Subtotal	**$-**	**$-**	**$93**	**$-**	**$68**	**$68**	**$117**	**$112**	**$110**	**$167**	**$145**	**$107**	**$45**	**$145**	**$6**	**$15**	**$246**	**$1,444**
Total	**$-**	**$-**	**$286**	**$-**	**$149**	**$139**	**$205**	**$222**	**$247**	**$237**	**$323**	**$184**	**$167**	**$1,021**	**$740**	**$104**	**$246**	**$4,270**

Public Finance
Puerto Rico Exposure

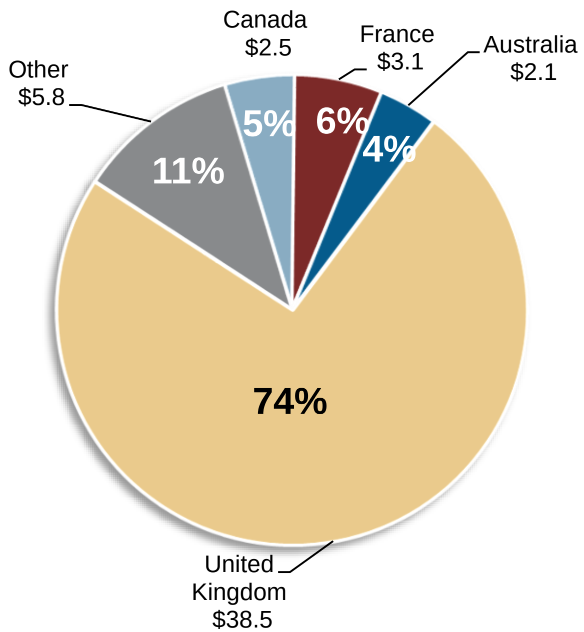
Scheduled Net Debt Service Amortization of Exposure to the Commonwealth and its Agencies

As of December 31, 2019

($ in millions)	1Q 2020	2Q 2020	3Q 2020	4Q 2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030-2034	2035-2039	2040-2044	2045-2047	Total
[redacted]																		
Commonwealth – GO	$33	$-	$173	$-	$74	$94	$70	$128	$119	$82	$136	$74	$103	$572	$294	$-	$-	**$1,952**
PBA	4	-	9	-	20	6	13	6	13	17	45	3	3	50	20	-	-	**209**
Subtotal	**$37**	**$-**	**$182**	**$-**	**$94**	**$100**	**$83**	**$134**	**$132**	**$99**	**$181**	**$77**	**$106**	**$622**	**$314**	**$-**	**$-**	**$2,161**
[redacted]																		
PRHTA (Transportation Revenue)	$21	$-	$46	$-	$59	$68	$72	$41	$65	$59	$63	$66	$78	$294	$356	$89	$-	**$1,377**
PRHTA (Highways Revenue)	12	-	34	-	58	27	52	51	51	17	15	25	26	233	101	-	-	**702**
PRCCDA	3	-	3	-	7	7	7	7	7	7	26	6	6	103	61	-	-	**250**
PRIFA	-	-	-	-	1	1	3	1	1	1	1	-	1	3	10	8	-	**31**
Subtotal	**$36**	**$-**	**$83**	**$-**	**$125**	**$103**	**$134**	**$100**	**$124**	**$84**	**$105**	**$97**	**$111**	**$633**	**$528**	**$97**	**$-**	**$2,360**
[redacted]																		
PREPA	$17	$3	$65	$3	$63	$62	$128	$121	$91	$126	$122	$81	$47	$155	$5	$-	$-	**$1,089**
PRASA	10	-	10	-	19	19	19	20	44	44	44	44	14	68	70	82	272	**779**
MFA	6	-	52	-	50	48	28	23	21	37	14	11	6	5	-	-	-	**301**
U of PR	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-	-	-	**1**
Subtotal	**$33**	**$3**	**$127**	**$3**	**$132**	**$129**	**$175**	**$164**	**$156**	**$207**	**$180**	**$136**	**$67**	**$229**	**$75**	**$82**	**$272**	**$2,170**
Total	**$106**	**$3**	**$392**	**$3**	**$351**	**$332**	**$392**	**$398**	**$412**	**$390**	**$466**	**$310**	**$284**	**$1,484**	**$917**	**$179**	**$272**	**$6,691**

Consolidated Non-U.S. Exposure
Non-U.S. Public and Structured Finance

Non-U.S. Exposure
As of December 31, 2019
($ in billions)



$52.0 billion, A- average rating

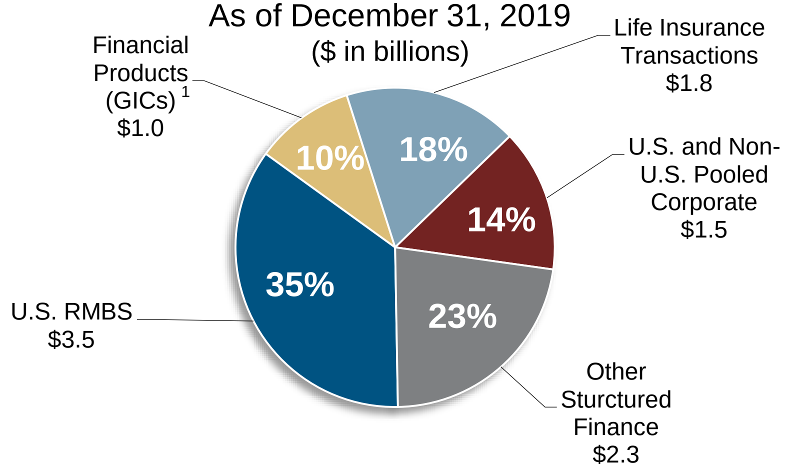
- **99% of non-U.S. exposure is Public Finance**
  - Direct sovereign debt is limited to Poland ($286 million) and Mexico ($50 million)
- **1% of non-U.S. exposure is Structured Finance**

Structured Finance Exposures

Net Par Outstanding

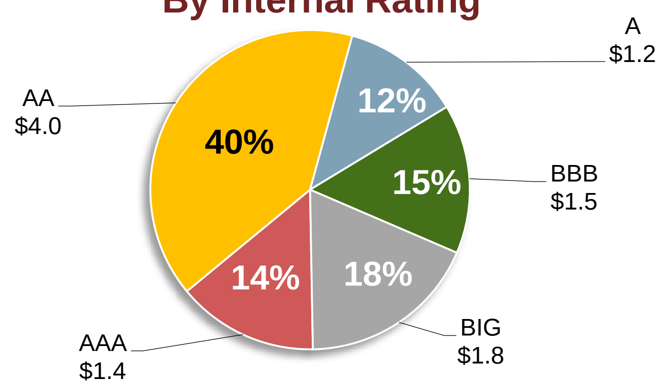
By Type

As of December 31, 2019
($ in billions)



$10.1 billion, A- average rating

By Internal Rating



- **Assured Guaranty's total structured finance exposure of $240.9 billion at December 31, 2007 has declined by $230.8 billion to $10.1 billion through December 31, 2019, a 96% reduction**
  - The existing portfolio will amortize by 11% by the end of 2020; 41% by the end of 2024

1. Assured Guaranty did not acquire Financial Security Assurance Holdings Ltd.'s financial products segment. Assured Guaranty and its subsidiaries are indemnified against exposure to such segment by Dexia.

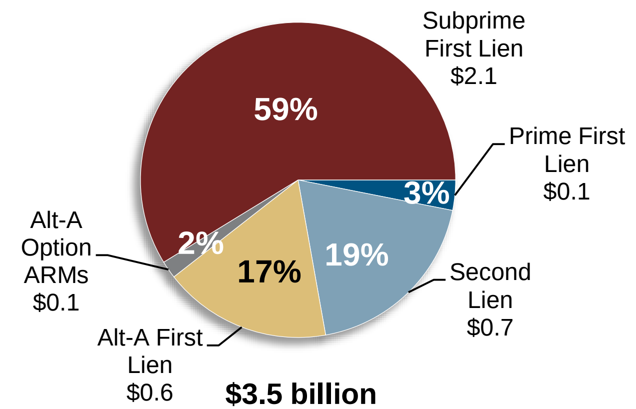
Consolidated U.S. RMBS

- **Our $3.5 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 $3.5 billion at December 31, 2019, a $25.7 billion, or 88%, reduction
  - U.S. RMBS expected to be reduced by 17% by year-end 2020 and by 51% by year-end 2023
  - As of December 31, 2019, U.S. RMBS exposure excludes $1 billion of net par related to loss mitigation strategies, including loss mitigation securities held in the investment portfolio
- **Our loss reserving methodology is driven by our assumptions on several factors:**
  - Liquidation rates
  - Conditional default rates
  - Conditional prepayment rates
  - Loss severity
  - Interest Rates
- **We have significantly mitigated ultimate losses**
  - R&W putbacks, litigation and agreements
  - Wrapped bond purchases
  - Termination of insurance on BIG credits

U.S. RMBS by Exposure Type

As of December 31, 2019

($ in billions)

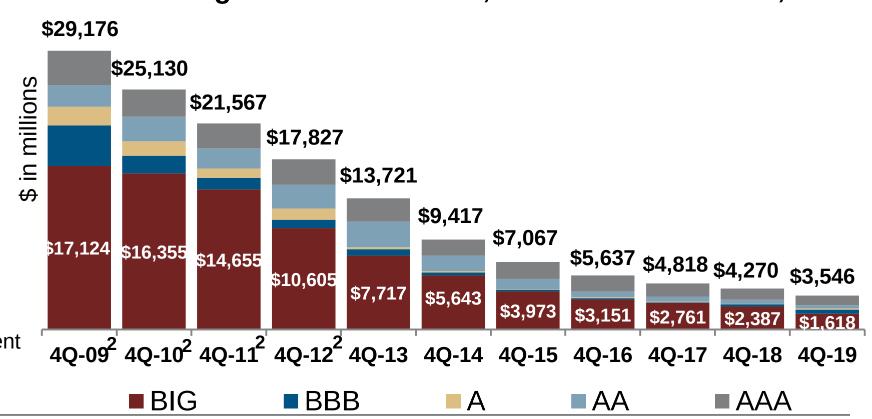


$3.5 billion

(1.5% of total net par outstanding)

U.S. RMBS by Rating[1]

Net Par Outstanding from December 31, 2009 to December 31, 2019



1. The Company has reclassified certain net par outstanding from below investment grade to investment grade due to collateralized reinsurance arrangements.
2. Gross of wrapped bond purchases made primarily for loss mitigation

Below Investment Grade Exposures

Net Par Outstanding by BIG Category[1]

- **As of December 31, 2019, approximately $2.7 billion (31%) of the aggregate BIG exposure was Category 1, which are transactions that show sufficient deterioration to make future losses possible but for which none are currently expected**

Financial Guaranty Insurance and Credit Derivatives Surveillance Categories

($ millions)	December 31, 2019	December 31, 2018
BIG Category 1		
U.S. public finance	$1,582	$1,767
Non-U.S. public finance	854	796
U.S. structured finance	191	397
Non-U.S. structured finance	40	98
Total Category 1	$2,667	$3,058
BIG Category 2		
U.S. public finance	$430	$399
Non-U.S. public finance	-	245
U.S. structured finance	136	293
Non-U.S. structured finance	-	-
Total Category 2	$566	$937
BIG Category 3		
U.S. public finance	$3,759	$4,222
Non-U.S. public finance	44	-
U.S. structured finance	1,469	1,942
Non-U.S. structured finance	1	1
Total Category 3	$5,273	$6,165
BIG Total	**$8,506**	**$10,160**

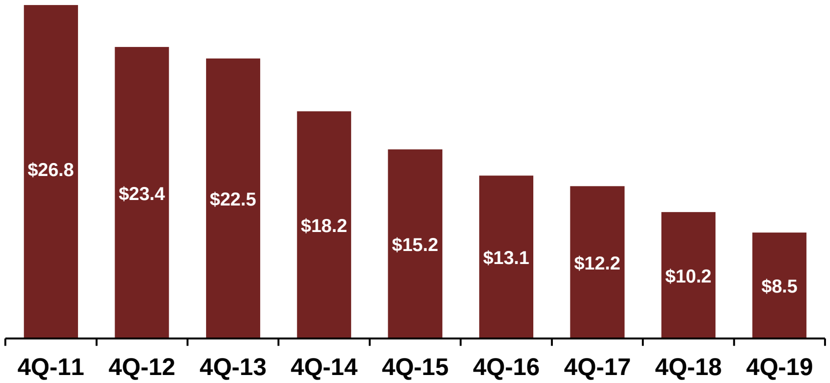
1. Assured Guaranty's surveillance department is responsible for monitoring our portfolio of credits and maintains a list of BIG credits. BIG Category 1: Below-investment-grade transactions showing sufficient deterioration to make future losses possible, but for which none are currently expected. BIG Category 2: Below-investment-grade transactions for which future losses are expected but for which no claims (other than liquidity claims, which are claims that the Company expects to be reimbursed within one year) have yet been paid. BIG Category 3: Below-investment-grade transactions for which future losses are expected and on which claims (other than liquidity claims) have been paid.

BIG Exposure Decline

- **Since 4Q-11, BIG net par outstanding has declined by $18.3 billion**
- **The largest components of our BIG exposure are Puerto Rico at 50% and U.S. RMBS at 19%**
- **The reassumption of American Overseas in Q2 2019 increased BIG exposure by $6 million**
- **BIG credits account for only 3.6% of Assured Guaranty's total exposure, the lowest level in nearly 10 years.**

BIG Net Par Outstanding

($ in billions)



Changes in BIG Net Par Outstanding

($ in millions)	Full Year 2016	Full Year 2017	Full Year 2018	Full Year 2019
Beginning BIG par	**$15,183**	**$13,074**	**$12,238**	**$10,160**
Amortization / Claim Payments	(1,901)	(1,986)	(968)	(1,008)
Acquisitions / Reinsurance Agreements	158	1,491	368	6
FX Change	(42)	217	(53)	(0)
Terminations	(600)	(326)	(88)	(45)
Removals / Upgrades	(505)	(809)	(1,791)	(719)
Additions / Downgrades	1,024	645	524	127
Bond Purchases	(242)	(68)	(70)	(15)
Total Decrease / Increase	**(2,108)**	**(836)**	**(2,078)**	**(1,654)**
Ending BIG par	**$13,074**	**$12,238**	**$10,160**	**8,506**

BIG Exposures > $250 Million

(dollars in millions)

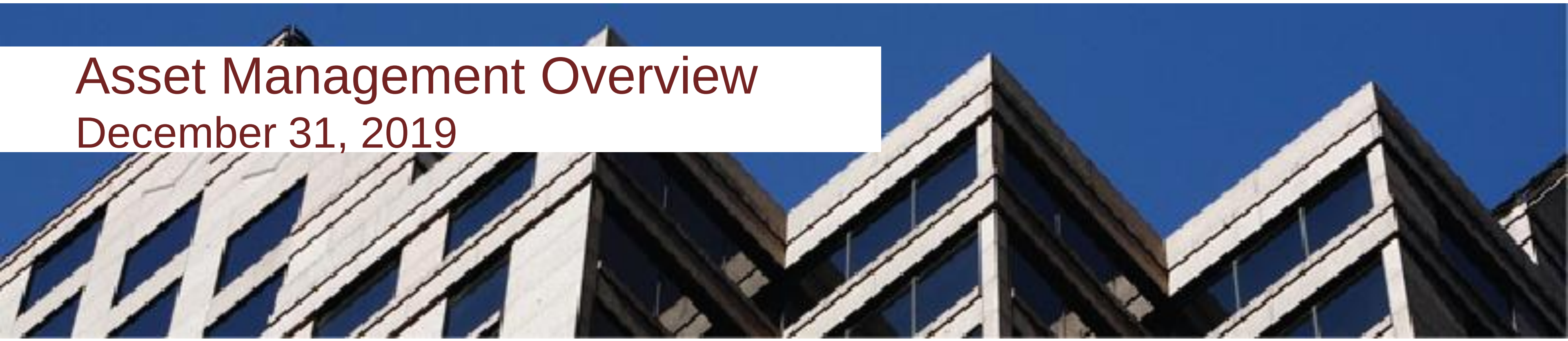
BIG Exposures Greater Than $250 Million as of December 31, 2019

Type[1]	Name or Description	Net Par Outstanding	Internal Rating[2]
PF	Puerto Rico General Obligation, Appropriations and Guarantees of the Commonwealth	$1,409	CCC
PF	Puerto Rico Highways and Transportation Authority	1,265	CCC
PF	Puerto Rico Electric Power Authority	822	CCC
PF	Puerto Rico Aqueduct & Sewer Authority	373	CCC
PF	Valencia Fair	303	BB+
	Total	**$4,172**	

1. "PF" signifies a public finance transaction and "SF" signifies a structured finance transaction, if applicable.
2. Transactions rated below B- are categorized as CCC

Asset Management Overview

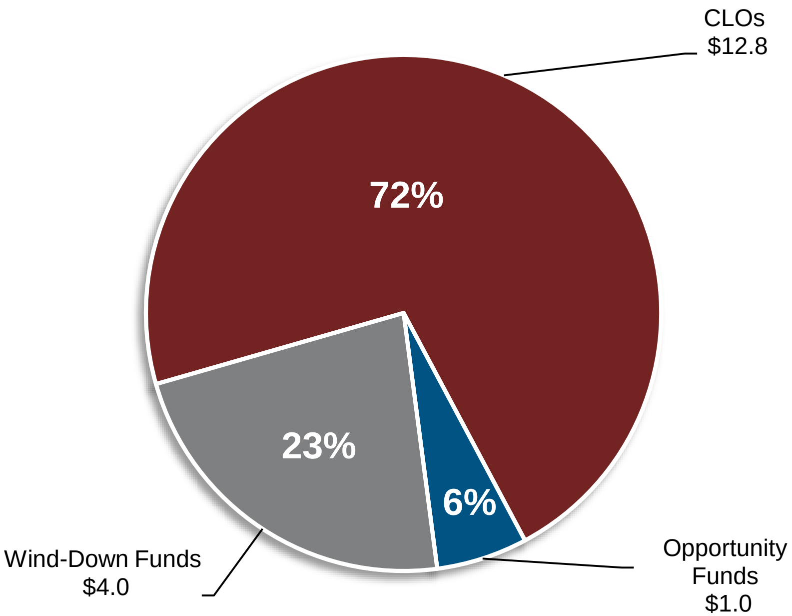
December 31, 2019



Asset Management

- **The Assured Investment Management platform currently has $17.8 billion in assets under management**
  - CLOs had net inflows of $885 million driven primarily by the launch of two new CLOs and a CLO fund
  - Opportunity funds had net inflows of $122 million, driven primarily by the launch of opportunity funds focused on asset-backed and healthcare strategies
    - Funded primarily with capital from the Insurance segment
  - Wind-down funds, which are legacy BlueMountain hedge and opportunity funds, had net outflows of $1.3 billion
- **The Assured Investment Management platform earned total asset management fees of approximately $22 million**
  - CLOs earned $3 million
  - Opportunity funds earned $2 million
  - Wind-down funds earned $13 million
  - Performance fees accounted for an additional $4 million

Assets Under Management
As of December 31, 2019
($ in billions)



$17.8 billion AUM

Asset Management
Assets Under Management

Select GAAP Results ($ in millions, except per share data and percentages)	Quarter Ended December 31, 2019			
	CLOs	Opportunity Funds	Wind-Down Funds	Total
AUM beginning of period, October 1, 2019	$11,844	$923	$5,528	$18,295
Inflows	977	165	-	1,142
Outflows:				
Redemptions	-	-	(171)	(171)
Distributions	(92)	(43)	(1,126)	(1,261)
Total Outflows	(92)	(43)	(1,297)	(1,432)
Net Flows	885	122	(1,297)	(290)
Change in fund value	29	(22)	(185)	(178)
AUM end of period[1]	$12,758	$1,023	$4,046	$17,827
Funded AUM[2]	$12,721	$796	$3,980	$17,497
Unfunded AUM[2]	$37	$227	$66	$330
Fee Earning AUM[3]	$3,438	$695	$3,838	$7,971
Non-Fee Earning AUM[3]	$9,320	$328	$208	$9,856

1. Includes $49 million and $142 million of AUM related to intercompany investments in Assured Investment Management CLO fund and opportunity fund, respectively.
2. Funded AUM refers to assets that have been deployed or invested into the funds or CLOs. Unfunded AUM refers to unfunded capital commitments from closed-end funds and CLO warehouse fund.
3. Fee Earning AUM refers to assets where Assured Investment Management collects fees and has elected not to waive or rebate fees to investors. Non-Fee Earning AUM refers to assets where Assured Investment Management does not collect fees or has elected to waive or rebate fees to investors.

Appendix

Appendix
Explanation of Non-GAAP Financial Measures

To reflect the key financial measures that management analyzes in evaluating the Company's operations and progress towards long-term goals, the Company discloses both financial measures determined in accordance with GAAP and financial measures not determined in accordance with GAAP (non-GAAP financial measures).

Financial measures identified as non-GAAP should not be considered substitutes for GAAP financial measures. The primary limitation of non-GAAP financial measures is the potential lack of comparability to financial measures of other companies, whose definitions of non-GAAP financial measures may differ from those of the Company.

By disclosing non-GAAP financial measures, the Company gives investors, analysts and financial news reporters access to information that management and the Board of Directors review internally. The Company believes its presentation of non-GAAP financial measures, along with the effect of VIE consolidation, provides information that is necessary for analysts to calculate their estimates of Assured Guaranty's financial results in their research reports on Assured Guaranty and for investors, analysts and the financial news media to evaluate Assured Guaranty's financial results.

GAAP requires the Company to consolidate certain FG VIEs and investment vehicles. The Company does not own such FG VIEs and its exposure is limited to its obligation under the financial guaranty insurance contract, which is captured in the Insurance segment results. The economic effect of its consolidated investment vehicles is also captured in its Insurance segment results through the insurance subsidiaries' economic interest in such vehicles. Management and the Board of Directors use non-GAAP financial measures further adjusted to remove VIE consolidation (which the Company refers to as its core financial measures), as well as GAAP financial measures and other factors, to evaluate the Company's results of operations, financial condition and progress towards long-term goals. The Company uses these core financial measures in its decision making process and in its calculation of certain components of management compensation. Wherever possible, the Company has separately disclosed the effect of VIE consolidation.

Management believes that many investors, analysts and financial news reporters use adjusted operating shareholders' equity, further adjusted to remove the effect of VIE consolidation, 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. Management also believes that many of the Company's fixed income investors also use this measure to evaluate the Company's capital adequacy.

Management believes that many investors, analysts and financial news reporters also use adjusted book value, further adjusted to remove the effect of VIE consolidation, to evaluate AGL's share price and as the basis of their decision to recommend, buy or sell the AGL common shares. Adjusted operating income further adjusted for the effect of VIE consolidation enables investors and analysts to evaluate the Company's financial results in comparison with the consensus analyst estimates distributed publicly by financial databases.

The core financial measures that the Company uses to help determine compensation are: (1) adjusted operating income, further adjusted to remove the effect of VIE consolidation, (2) adjusted operating shareholders' equity, further adjusted to remove the effect of VIE consolidation, (3) growth in adjusted book value per share, further adjusted to remove the effect of VIE consolidation, and (4) PVP.

The following paragraphs define each non-GAAP financial measure disclosed by the Company and describe why it is useful. To the extent there is a directly comparable GAAP financial measure, a reconciliation of the non-GAAP financial measure and the most directly comparable GAAP financial measure is presented within this financial supplement.

Appendix

Explanation of Non-GAAP Financial Measures

Adjusted Operating Income: Management believes that adjusted operating income is a useful measure because it clarifies the understanding of the underwriting results and financial condition of the Company and presents the results of operations of the Company excluding the fair value adjustments on credit derivatives and CCS that are not expected to result in economic gain or loss, as well as other adjustments described below. Management further adjusts adjusted operating income by removing VIE consolidation to arrive at its core operating income measure. Adjusted operating income is defined as net income (loss) attributable to AGL, as reported under GAAP, adjusted for the following:

1) Elimination of 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.

2) Elimination of non-credit-impairment unrealized fair value gains (losses) on credit derivatives that are recognized in net income, which is the amount of unrealized fair value gains (losses) 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, the Company's credit spreads, and other market factors and are not expected to result in an economic gain or loss.

3) Elimination of fair value gains (losses) on the Company's CCS that are recognized in net income. Such amounts are affected by changes in market interest rates, the Company's credit spreads, price indications on the Company's publicly traded debt, and other market factors and are not expected to result in an economic gain or loss.

4) Elimination of foreign exchange gains (losses) on remeasurement of net premium receivables and loss and LAE reserves that are recognized in net income. Long-dated receivables and loss and LAE reserves represent the present value of future contractual or expected cash flows. 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 tax effects related to the above adjustments, which are determined by applying the statutory tax rate in each of the jurisdictions that generate these adjustments.

Adjusted Operating Shareholders' Equity and Adjusted Book Value: Management believes that adjusted operating shareholders' equity is a useful measure because it presents the equity of the Company excluding the fair value adjustments on investments, credit derivatives and CCS that are not expected to result in economic gain or loss, along with other adjustments described below. Management further adjusts adjusted operating shareholders' equity by removing VIE consolidation to arrive at its core operating shareholders' equity and core adjusted book value.

Adjusted operating shareholders' equity is the basis of the calculation of adjusted book value (see below). Adjusted operating shareholders' equity is defined as shareholders' equity attributable to AGL, as reported under GAAP, adjusted for the following:

1) Elimination of non-credit-impairment unrealized fair value gains (losses) on credit derivatives, which is the amount of unrealized fair value gains (losses) 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.

2) Elimination of fair value gains (losses) on the Company's CCS. Such amounts are affected by changes in market interest rates, the Company's credit spreads, price indications on the Company's publicly traded debt, and other market factors and are not expected to result in an economic gain or loss.

3) Elimination of 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.

4) Elimination of the tax effects related to the above adjustments, which are determined by applying the statutory tax rate in each of the jurisdictions that generate these adjustments.

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

Management uses adjusted book value, further adjusted for VIE consolidation, to measure the intrinsic value of the Company, excluding franchise value. Growth in adjusted book value per share, further adjusted for VIE consolidation (core adjusted book value), is one of the key financial measures used in determining the amount of certain long-term compensation elements to management and employees and used by rating agencies and investors. Management believes that adjusted book value is a useful measure because it enables an evaluation of the Company's in-force premiums and revenues net of expected losses. Adjusted book value is adjusted operating shareholders' equity, as defined above, further adjusted for the following:

1) Elimination of 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 net present value of estimated net future revenue. See below.

3) Addition of the deferred premium revenue 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.

4) Elimination of the tax effects related to the above adjustments, which are determined by applying the statutory tax rate in each of the jurisdictions that generate these adjustments.

The unearned 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.

Adjusted Operating Return on Equity (Adjusted Operating ROE): Adjusted Operating ROE represents adjusted operating income for a specified period divided by the average of adjusted operating shareholders' equity at the beginning and the end of that period. Management believes that adjusted 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 adjusted operating ROE, adjusted for VIE consolidation, to evaluate AGL's share price and as the basis of their decision to recommend, buy or sell the AGL common shares. Quarterly and year-to-date adjusted operating ROE are calculated on an annualized basis. Adjusted operating ROE, adjusted for VIE consolidation, is one of the key management financial measures used in determining the amount of certain long-term compensation to management and employees and used by rating agencies and investors.

Net Present Value of Estimated Net Future Revenue: Management believes that this amount is a useful measure because it enables an evaluation of the value of future estimated revenue for contracts other than financial guaranty insurance contracts (such as specialty insurance and reinsurance contracts and credit derivatives). There is no corresponding GAAP financial measure. This amount represents the present value of estimated future revenue from these contracts, net of reinsurance, ceding commissions and premium taxes, for contracts without expected economic losses, and is discounted at 6%. Estimated net future 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 management believes GAAP gross written premiums and the net credit derivative premiums received and receivable portion of net realized gains and other settlements on credit derivatives (Credit Derivative Realized Gains (Losses)) do not adequately measure. PVP in respect of 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, discounted, in each case, at 6%. Under GAAP, financial guaranty installment premiums 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 earned or written premiums and Credit Derivative Realized Gains (Losses) 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 Gross Written Premiums (GWP) to PVP

Reconciliation of GWP to PVP	Three Months Ended December 31,		Year Ended December 31,					
(dollars in millions)	2019	2018	2019	2018	2017	2016	2015	2014
Total GWP	$518	$96	$677	$612	$307	$154	$181	$104
Less: Installment GWP and other GAAP adjustments[1]	436	27	469	119	99	(10)	55	(22)
Upfront GWP	82	69	208	493	208	164	126	126
Plus: Installment premium PVP	204	27	255	170	81	50	53	42
Total PVP	$286	$96	$463	$663	$289	$214	$179	$168

PVP:	2019	2018	2019	2018	2017	2016	2015	2014
Public Finance - U.S.	$79	$89	$201	$391	$196	$161	$124	$128
Public Finance - non-U.S.	187	3	211	94	66	25	27	7
Structured Finance - U.S.	18	1	45	166	12	27	22	24
Structured Finance - non-U.S.	2	3	6	12	15	1	6	9
Total PVP	$286	$96	$463	$663	$289	$214	$179	$168

1. Includes present value of new business on installment policies discounted at the prescribed GAAP discount rates, gross written premium adjustments on existing installment policies due to changes in assumptions, any cancellations of assumed reinsurance contracts, and other GAAP adjustments.

Appendix

Reconciliation of Net Income (Loss) Attributable to AGL to Adjusted Operating Income[1]

Adjusted Operating Income[1] Reconciliation (dollars in millions, except per share amounts)	**Three Months Ended December 31, 2019**		**Three Months Ended December 31, 2018**		**Year Ended December 31, 2019**		**Year Ended December 31, 2018**	
	Total	**Per Diluted Share**	**Total**	**Per Diluted Share**	**Total**	**Per Diluted Share**	**Total**	**Per Diluted Share**
Net income (loss) attributable to AGL	**$137**	**$1.42**	**$88**	**$0.83**	**$402**	**$4.00**	**$521**	**$4.68**
Less pre-tax adjustments:								
Realized gains (losses) on investments	10	0.11	(18)	(0.17)	22	0.22	(32)	(0.29)
Non-credit impairment unrealized fair value gains (losses) on credit derivatives	19	0.19	10	0.09	(10)	(0.11)	101	0.90
Fair value gains (losses) on CCS	(18)	(0.18)	17	0.16	(22)	(0.22)	14	0.13
Foreign exchange gains (losses) on remeasurement of premiums receivable and loss and LAE reserves	45	0.46	(12)	(0.11)	22	0.21	(32)	(0.29)
Total pre-tax adjustments	56	0.58	(3)	(0.03)	12	0.10	51	0.45
Less tax effect on pre-tax adjustments	(6)	(0.06)	(1)	(0.01)	(1)	(0.01)	(12)	(0.11)
Adjusted operating income[1]	$87	$0.90	$92	$0.87	$391	$3.91	$482	$4.34
Gain (loss) related to VIE consolidation included in adjusted operating income[1]	(4)	$(0.05)	$(3)	$(0.02)	-	-	$(4)	$(0.03)

1. For an explanation of non-GAAP financial measures, please refer to the preceding pages of the Appendix.

Appendix

Reconciliation of Net Income (Loss) to Adjusted Operating Income[1] (2009-2018)

Adjusted Operating Income[1] Reconciliation (dollars in millions, except per share amounts)	Year Ended December 31, 2018 Total	2018 Per Share	2017 Total	2017 Per Share	2016 Total	2016 Per Share	2015 Total	2015 Per Share	2014 Total	2014 Per Share
Net income (loss) attributable to AGL	**$521**	**$4.68**	**$730**	**$5.96**	**$881**	**$6.56**	**$1,056**	**$7.08**	**$1,088**	**$6.26**
Less pre-tax adjustments:										
Realized gains (losses) on investments	(32.00)	(0.29)	40.00	0.33	(30.00)	(0.23)	(27.00)	(0.18)	(56.00)	(0.32)
Non-credit impairment unrealized fair value gains (losses) on credit derivatives	101.00	0.90	43.00	0.35	36.00	0.27	505.00	3.39	687.00	3.95
Fair value gains (losses) on committed capital securities (CCS)	14.00	0.13	(2.00)	(0.02)	0.00	0.00	27.00	0.18	(11.00)	(0.06)
Foreign exchange gains (losses) on remeasurement of premiums receivable and loss and loss adjustment expense (LAE) reserves	(32.00)	(0.29)	57.00	0.46	(33.00)	(0.25)	(15.00)	(0.10)	(21.00)	(0.12)
Total pre-tax adjustments	51.00	0.45	138.00	1.12	(27.00)	(0.21)	490.00	3.29	599.00	3.45
Less tax effect on pre-tax adjustments	(12.00)	(0.11)	(69.00)	(0.57)	13.00	0.09	(144.00)	(0.97)	(158.00)	(0.92)
Adjusted operating income[1]	$482	$4.34	$661	$5.41	$895	$6.68	$710	$4.76	$647	$3.73
Gain (loss) related to FG VIE consolidation included in adjusted operating income[1]	($4)	($0.0)	$11	$0.10	$12	$0.10	$11	$0.07	$156	$0.90

	Year Ended December 31, 2013 Total	2013 Per Share	2012 Total	2012 Per Share	2011 Total	2011 Per Share	2010 Total	2010 Per Share	2009 Total	2009 Per Share
Net income (loss) attributable to AGL	**$808**	**$4.30**	**$110**	**$0.57**	**$773**	**$4.16**	**$484**	**$2.56**	**$82**	**$0.63**
Less pre-tax adjustments:										
Realized gains (losses) on investments	56.00	0.30	(3.00)	(0.02)	(18.00)	(0.10)	(1.00)	(0.01)	(33.00)	(0.26)
Non-credit impairment unrealized fair value gains (losses) on credit derivatives	(49.00)	(0.26)	(672.00)	(3.53)	344.00	1.85	6.00	0.03	(106.00)	(0.82)
Fair value gains (losses) on CCS	10.00	0.05	(18.00)	(0.09)	35.00	0.19	9.00	0.05	(123.00)	(0.95)
Foreign exchange gains (losses) on remeasurement of premiums receivable and LAE reserves	(1.00)	(0.01)	21.00	0.11	(5.00)	(0.03)	(29.00)	(0.15)	27.00	0.21
Total pre-tax adjustments	16.00	0.08	(672.00)	(3.53)	356.00	1.91	(15.00)	(0.08)	(235.00)	(1.82)
Less tax effect on pre-tax adjustments	(9.00)	(0.06)	188.00	1.00	(104.00)	(0.56)	11.00	0.06	62.00	0.48
Adjusted operating income[1]	$801	$4.28	$594	$3.10	$521	$2.81	$488	$2.58	$255	$1.97
Gain (loss) related to FG VIE consolidation included in adjusted operating income[1]	$192	$1.03	$59	$0.29	($80)	($0.43)	($167)	($0.88)		

1. For an explanation of non-GAAP financial measures, please refer to the preceding pages of the Appendix.

Appendix

Reconciliation of Net Income (Loss) to Adjusted Operating Income[1] (2004-2008)

Adjusted Operating Income[1] Reconciliation (dollars in millions, except per share amounts)	Year Ended December 31, 2008 Total	2008 Per Share	2007 Total	2007 Per Share	2006 Total	2006 Per Share	2005 Total	2005 Per Share	2004 Total	2004 Per Share
Net income (loss) attributable to AGL	**$60**	**$0.67**	**($303)**	**($4.46)**	**$160**	**$2.15**	**$188**	**$2.53**	**$183**	**$2.44**
Less pre-tax adjustments:										
Realized gains (losses) on investments	(70)	(0.79)	(1)	(0.01)	(2)	(0.03)	2	0.03	8	0.11
Non-credit impairment unrealized fair value gains (losses) on credit derivatives	82	0.92	(667)	(9.63)	6	0.08	(4)	(0.05)	51	0.68
Fair value gains (losses) on CCS	43	0.48	8	0.12	-	-	-	-	-	-
Foreign exchange gains (losses) on remeasurement of premiums receivable and LAE reserves	-	-	-	-	-	-	-	-	-	-
Total pre-tax adjustments	55	0.61	(660)	(9.52)	4	0.05	(2)	(0.02)	59	0.79
Less tax effect on pre-tax adjustments	(60)	(0.67)	179	2.58	(1)	(0.02)	-	-	(17)	(0.23)
adjusted operating income[1]	$65	$0.73	$178	$2.57	$157	$2.12	$190	$2.55	$141	$1.88

1. For an explanation of non-GAAP financial measures, please refer to the preceding pages of the Appendix.

Appendix

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

Adjusted Book Value[1] reconciliation (dollars in millions, except per share amounts)	As of December 31, 2019		September 30, 2019		December 31, 2018		September 30, 2018		December 31, 2017	
	Total	Per Share	Total	Per Share	Total	Per Share	Total	Per Share	Total	Per Share
Reconciliation of shareholders' equity to adjusted book value[1]:										
Shareholders' equity	**$6,639**	**$71.18**	**$6,652**	**$68.94**	**$6,555**	**$63.23**	**$6,583**	**$61.73**	**$6,839**	**$58.95**
Less pre-tax adjustments:										
Non-credit impairment unrealized fair value gains (losses) on credit derivatives	(56)	(0.60)	(74)	(0.77)	(45)	(0.44)	(55)	(0.51)	(146)	(1.26)
Fair value gains (losses) on CCS	52	0.56	70	0.72	74	0.72	57	0.53	60	0.52
Unrealized gain (loss) on investment portfolio excluding foreign exchange effect	486	5.21	529	5.48	247	2.39	215	2.02	487	4.20
Less Taxes	(89)	(0.95)	(95)	(0.97)	(63)	(0.61)	(54)	(0.51)	(83)	(0.71)
Adjusted operating shareholders' equity[1]	6,246	66.96	6,222	64.48	6,342	61.17	6,420	60.20	6,521	56.20
Pre-tax adjustments:										
Less: Deferred acquisition costs	111	1.19	107	1.11	105	1.01	103	0.97	101	0.87
Plus: Net present value of estimated net future revenue	192	2.05	195	2.02	204	1.96	211	1.99	146	1.26
Plus: Net unearned premium reserve on financial guaranty contracts in excess of expected loss to be expensed	3,296	35.34	2,892	29.98	3,005	28.98	3,012	28.24	2,966	25.56
Plus Taxes	(588)	(6.30)	(500)	(5.19)	(524)	(5.04)	(528)	(4.95)	(512)	(4.41)
Adjusted book value[1]	$9,035	$96.86	$8,702	$90.18	$8,922	$86.06	$9,012	$84.51	$9,020	$77.74
Gain (loss) related to FG VIE consolidation included in adjusted operating shareholders' equity[1]	$7	$0.07	$12	$0.12	$3	$0.03	$3	$0.03	$5	$0.03
Gain (loss) related to FG VIE consolidation included in adjusted book value[1]	($4)	($0.05)	$-	$-	($15)	($0.15)	($14)	($0.14)	($14)	($0.12)

1. For an explanation of non-GAAP financial measures, please refer to the preceding pages of the Appendix.

Appendix

Reconciliation of Shareholders’ Equity to Adjusted Book Value[1] (2004-2010)

Adjusted Book Value[1] Reconciliation

(dollars in millions, except per share amounts)	2Q 2004		2004		2005		2006		2007		2008		2009		2010	
	Total	**Per Share**	**Total**	**Per Share**	**Total**	**Per Share**	**Total**	**Per Share**	**Total**	**Per Share**	**Total**	**Per Share**	**Total**	**Per Share**	**Total**	**Per Share**
Reconciliation of shareholders' equity to adjusted book value[1]:																
Shareholders' equity	**$1,422**	**$18.73**	**$1,528**	**$20.19**	**$1,662**	**$22.22**	**$1,651**	**$24.44**	**$1,625**	**$20.33**	**$1,876**	**$20.62**	**$3,455**	**$18.76**	**$3,670**	**$19.97**
Less pre-tax adjustments:																
Non-credit impairment unrealized fair value gains (losses) on credit derivatives	13	0.17	44	0.58	40	0.54	46	0.68	(621)	(7.76)	(539)	(5.93)	(1,049)	(5.70)	(1,044)	(5.68)
Fair value gains (losses) on CCS	0	0.00	0	0.00	0	0.00	0	0.00	8	0.10	51	0.56	10	0.05	19	0.10
Unrealized gain (loss) on investment portfolio excluding foreign exchange effect	56	0.73	93	1.23	53	0.71	46	0.68	61	0.76	(7)	(0.08)	202	1.10	114	0.62
Less Taxes	(19)	(0.25)	(38)	(0.50)	(29)	(0.40)	(30)	(0.45)	148	1.86	102	1.13	216	1.17	262	1.42
Adjusted operating shareholders' equity[1]	1,372	18.08	1,429	18.88	1,598	21.37	1,589	23.53	2,029	25.37	2,269	24.94	4,076	22.14	4,319	23.51
Pre-tax adjustments:																
Less: Deferred acquisition costs	183	2.41	186	2.46	193	2.58	217	3.21	201	2.51	216	2.37	162	0.88	145	0.79
Plus: Net present value of estimated net future credit derivative revenue	403	5.31	468	6.18	426	5.70	589	8.72	930	11.63	929	10.21	755	4.10	614	3.34
Plus: Net unearned premium reserve on financial guaranty contracts in excess of expected loss to be expensed	501	6.60	496	6.55	516	6.90	626	9.27	875	10.95	1,215	13.36	6,195	33.64	5,439	29.60
Plus Taxes	(232)	(3.07)	(234)	(3.09)	(138)	(1.85)	(179)	(2.65)	(283)	(3.54)	(379)	(4.17)	(1,977)	(10.74)	(1,677)	(9.12)
Adjusted book value[1]	$1,861	$24.51	$1,973	$26.06	$2,209	$29.54	$2,408	$35.66	$3,350	$41.90	$3,818	$41.97	$8,887	$48.26	$8,550	$46.54
Gain (loss) related to FG VIE consolidation included in adjusted operating shareholders' equity[1]															($372)	($2.02)
Gain (loss) related to FG VIE consolidation included in adjusted book value[1]															($439)	($2.38)

1. For an explanation of non-GAAP financial measures, please refer to the preceding pages of the Appendix.

Appendix

Reconciliation of Shareholders' Equity to Adjusted Book Value[1] (2011-2018)

Adjusted Book Value[1] Reconciliation

(dollars in millions, except per share amounts)	2011		2012		2013		2014		2015		2016		2017		2018	
	Total	**Per Share**	**Total**	**Per Share**	**Total**	**Per Share**	**Total**	**Per Share**	**Total**	**Per Share**	**Total**	**Per Share**	**Total**	**Per Share**	**Total**	**Per Share**
Reconciliation of shareholders' equity to adjusted book value[1]:																
Shareholders' equity	**$4,652**	**$25.52**	**$4,994**	**$25.74**	**$5,115**	**$28.07**	**$5,758**	**$36.37**	**$6,063**	**$43.96**	**$6,504**	**$50.82**	**$6,839**	**$58.95**	**$6,555**	**$63.23**
Less pre-tax adjustments:																
Non-credit impairment unrealized fair value gains (losses) on credit derivatives	(668)	(3.67)	(1,346)	(6.94)	(1,447)	(7.94)	(741)	(4.68)	(241)	(1.75)	(189)	(1.48)	(146)	(1.26)	(45)	(0.44)
Fair value gains (losses) on CCS	54	0.30	35	0.18	46	0.25	35	0.22	62	0.45	62	0.48	60	0.52	74	0.72
Unrealized gain (loss) on investment portfolio excluding foreign exchange effect	488	2.68	708	3.65	236	1.29	523	3.30	373	2.71	316	2.47	487	4.20	247	2.39
Less Taxes	21	0.11	150	0.77	306	1.68	45	0.29	(56)	(0.41)	(71)	(0.54)	(83)	(0.71)	(63)	(0.61)
Adjusted operating shareholders' equity[1]	4,757	26.10	5,447	28.08	5,974	32.79	5,896	37.24	5,925	42.96	6,386	49.89	6,521	56.20	6,342	61.17
Pre-tax adjustments:																
Less: Deferred acquisition costs	132	0.73	116	0.60	124	0.68	121	0.76	114	0.83	106	0.83	101	0.87	105	1.01
Plus: Net present value of estimated net future credit derivative revenue	434	2.38	317	1.63	214	1.17	159	1.00	169	1.23	136	1.07	146	1.26	204	1.96
Plus: Net unearned premium reserve on financial guaranty contracts in excess of expected loss to be expensed	4,790	26.28	4,301	22.17	3,791	20.81	3,461	21.86	3,384	24.53	2,922	22.83	2,966	25.56	3,005	28.98
Plus Taxes	(1,426)	(7.81)	(1,250)	(6.44)	(1,070)	(5.87)	(960)	(6.07)	(968)	(7.02)	(832)	(6.50)	(512)	(4.41)	(524)	(5.04)
Adjusted book value[1]	$8,423	$46.22	$8,699	$44.84	$8,785	$48.22	$8,435	$53.27	$8,396	$60.87	$8,506	$66.46	$9,020	$77.74	$8,922	$86.06
Gain (loss) related to FG VIE consolidation included in adjusted operating shareholders' equity[1]	($444)	($2.44)	($383)	($1.97)	($190)	($1.04)	($37)	($0.24)	($21)	($0.15)	($7)	($0.06)	$5	$0.03	$3	$0.03
Gain (loss) related to FG VIE consolidation included in adjusted book value[1]	($564)	($3.10)	($452)	($2.33)	($248)	($1.36)	($60)	($0.39)	($43)	($0.31)	($24)	($0.18)	($14)	($0.12)	$(15)	$(0.15)

1. For an explanation of non-GAAP financial measures, please refer to the preceding pages of the Appendix.

Appendix
Calculation of Adjusted Operating Portfolio Leverage

Adjusted Operating Leverage (dollars in millions, except leverage)	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**
Insured net par outstanding	$640,194	$616,686	$556,830	$518,772	$459,107	$403,729	$358,571	$296,318	$264,952	$241,802	$236,807	$222,407	$209,078	$197,596	$188,232	$177,427
Adjusted operating shareholders' equity[1]	4,076	4,319	4,757	5,447	5,974	5,896	5,925	6,386	6,521	6,342	6,246	6,246	6,246	6,246	6,246	6,246
Adjusted operating portfolio leverage	157	143	117	95	77	68	61	46	41	38	38	36	33	32	30	28

1. See prior pages for a reconciliation of GAAP shareholders' equity to non-GAAP operating shareholders' equity.

Appendix
Reconciliation of GAAP ROE[1] to Adjusted Operating ROE[1,2]

ROE Reconciliation
(dollars in millions)

	Three Months Ended December 31,		Year Ended December 31,	
	2019	2018	2019	2018
Net income (loss) attributable to AGL	**$137**	**$88**	**$402**	**$521**
Adjusted operating income[2]	87	92	391	482
Gain (loss) related to VIE consolidation included in adjusted operating income[2]	(4)	(3)	-	(4)
Average shareholders' equity attributable to AGL	**$6,646**	**$6,569**	**$6,597**	**$6,697**
Average adjusted operating shareholders' equity[2]	6,234	6,381	6,294	6,432
Gain (loss) related to VIE consolidation included in average adjusted operating shareholders' equity[2]	10	3	5	4
GAAP ROE[1]	**8.2%**	**5.4%**	**6.1%**	**7.8%**
Adjusted operating ROE[1,2]	5.6%	5.8%	6.2%	7.5%
Effect of consolidating VIEs included in adjusted operating ROE[1,2]	(0.3)%	(0.2)%	-%	(0.1)%

1. Quarterly ROE calculations represent annualized returns.
2. For an explanation of non-GAAP financial measures, please refer to the preceding pages of the Appendix.

Assured Guaranty Contacts:

Robert Tucker
Senior Managing Director, Investor Relations and Corporate Communications
Direct: 212.339.0861
rtucker@agltd.com

Andre Thomas
Managing Director, Equity Investor Relations
Direct: 212.339.3551
athomas@agltd.com

Equity Investor Presentation

December 31, 2019

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