ASSURED GUARANTY®

Financial Supplement

Assured Guaranty Inc.
June 30, 2024

Assured Guaranty Inc.[1]
June 30, 2024
Financial Supplement

Table of Contents Page

This financial supplement should be read in conjunction with documents filed by Assured Guaranty Ltd. (AGL and, together with its subsidiaries, Assured Guaranty) with the United States (U.S.) Securities and Exchange Commission (SEC), including its Annual Report on Form 10-K for the year ended December 31, 2023 and its Quarterly Reports on Form 10-Q for the quarterly periods ended March 31, 2024 and June 30, 2024. For the purposes of this financial supplement, all references to the "Company" shall mean Assured Guaranty Inc. (AG, formerly known as Assured Guaranty Corp.) and its consolidated entities. Certain prior year balances have been reclassified to conform to the current year's presentation.

[1] Effective August 1, 2024, Assured Guaranty Municipal Corp. (AGM), an affiliate of Assured Guaranty Inc. (AG), merged with and into AG, with AG as the surviving company.

Cautionary Statement Regarding Forward Looking Statements

Any forward looking statements made in this supplement reflect the current views of Assured Guaranty with respect to future events and financial performance and are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such statements involve risks and uncertainties that may cause actual results to differ materially from those set forth in these statements. Assured Guaranty's forward looking statements could be affected by many events. These events include:

(i) significant changes in inflation, interest rates, the world's credit markets or segments thereof, credit spreads, foreign exchange rates or general economic conditions, including the possibility of a recession or stagflation; (ii) geopolitical risk, terrorism and political violence risk, including those arising out of Russia's invasion of Ukraine and intentional or accidental escalation between The North Atlantic Treaty Organization and Russia, conflict in the Middle East and confrontation over Iran's nuclear program, the polarized political environment of the 2024 U.S. presidential election and U.S. – China strategic competition; (iii) cybersecurity risk and the impacts of artificial intelligence, machine learning and other technological advances, including potentially increasing the risks of malicious cyber attacks, dissemination of misinformation, and disruption of markets; (iv) the possibility of a U.S. government shutdown, payment defaults on the debt of the U.S. government or instruments issued, insured or guaranteed by related institutions, agencies or instrumentalities, and downgrades to their credit ratings; (v) developments in the world's financial and capital markets, including stresses in the financial condition of banking institutions in the U.S. and the possibility that increasing participation of unregulated financial institutions in these markets results in losses or lower valuations of assets, reduced liquidity and credit and/or contraction of these markets, that adversely affect repayment rates of insured obligors, Assured Guaranty's insurance loss or recovery experience, or investments of Assured Guaranty; (vi) reduction in the amount of available insurance opportunities and/or in the demand for Assured Guaranty's insurance; (vii) the possibility that budget or pension shortfalls or other factors will result in credit losses or liquidity claims on obligations of state, territorial and local governments and their related authorities and public corporations that Assured Guaranty insures or reinsures; (viii) insured losses, including losses with respect to related legal proceedings, 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, including as a result of the final resolution of Assured Guaranty's Puerto Rico Electric Power Authority (PREPA) exposure or the amounts recovered on securities received in connection with the resolution of Puerto Rico exposures already resolved; (ix) the impact of Assured Guaranty satisfying its obligations under insurance policies with respect to legacy insured Puerto Rico bonds; (x) increased competition, including from new entrants into the financial guaranty industry, nonpayment insurance and other forms of capital saving or risk syndication available to banks and insurers; (xi) the possibility that investments made by Assured Guaranty for its investment portfolio, including alternative investments, do not result in the benefits anticipated or subject Assured Guaranty to reduced liquidity at a time it requires liquidity, or to other negative or unanticipated consequences; (xii) the impacts of Assured Guaranty's transactions with Sound Point Capital Management, LP (Sound Point, LP) and certain of its investment management affiliates (together with Sound Point, LP, Sound Point) and/or Assured Healthcare Partners LLC (AHP) on Assured Guaranty and its relationships with its shareholders, regulators, rating agencies, employees and the obligors it insures and on the asset management business contributed to Sound Point, LP and on the business of AHP and their relationships with their respective clients and employees; (xiii) the possibility that strategic transactions made by Assured Guaranty, including the transactions with Sound Point and/or AHP and/or merger of AGM with and into AG, do not result in the benefits anticipated or subject Assured Guaranty to negative consequences; (xiv) the inability to control the business, management or policies of entities in which Assured Guaranty holds a minority interest; (xv) the impact of market volatility on the fair value of Assured Guaranty's assets and liabilities subject to mark-to-market, including certain of its investments, contracts accounted for as derivatives, its committed capital securities, its consolidated investment vehicles and certain consolidated variable interest entities; (xvi) 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; (xvii) the inability of Assured Guaranty to access external sources of capital on acceptable terms; (xviii) changes in applicable accounting policies or practices; (xix) changes in applicable laws or regulations, including insurance, bankruptcy and tax laws, or other governmental actions; (xx) difficulties with the execution of Assured Guaranty's business strategy; (xxi) loss of key personnel; (xxii) the effects of mergers, acquisitions and divestitures; (xxiii) public health crises, including pandemics and endemics, and the governmental and private actions taken in response to such events; (xxiv) natural or man-made catastrophes; (xxv) the impact of climate change on Assured Guaranty's business and regulatory actions taken related to such risk; (xxvi) other risk factors identified in AGL's filings with the U.S. SEC; (xxvii) other risks and uncertainties that have not been identified at this time; and (xxviii) management's response to these factors.

Assured Guaranty 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.

Assured Guaranty Inc.

Selected Financial Highlights (1 of 2)

(dollars in thousands)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
GAAP [1] Highlights				
Net income (loss)	**$ 31,503**	**$ 87,219**	**$ 75,510**	**$ 115,022**
Gross written premiums (GWP)	**17,285**	**68,839**	**36,465**	**121,375**
Effective tax rate on net income	**18.5 %**	**19.9 %**	**18.8 %**	**19.3 %**
GAAP return on equity (ROE) [2]	**6.7 %**	**17.2 %**	**8.0 %**	**11.5 %**
Non-GAAP Highlights [3]				
Adjusted operating income (loss) [3]	$ 31,185	$ 33,950	$ 66,402	$ 61,766
Present value of new business production (PVP) [3]	17,914	67,362	41,102	116,643
Gross par written	1,182,540	4,790,035	2,261,613	6,617,414
Effective tax rate on adjusted operating income [4]	18.5 %	18.1 %	18.5 %	17.7 %
Adjusted operating ROE [2][3]	6.6 %	6.6 %	7.0 %	6.0 %
Effect of refundings and terminations on GAAP measures:				
Net earned premiums, pre-tax	**$ 777**	**$ 486**	**$ 6,328**	**$ 2,539**
Fair value gains (losses) of credit derivatives, pre-tax	**22**	**—**	**22**	**—**
Net income effect	**564**	**390**	**4,637**	**2,028**
Effect of refundings and terminations on non-GAAP measures:				
Operating net earned premiums and credit derivative revenues [5], pre-tax	799	486	6,350	2,539
Adjusted operating income [5] effect	564	390	4,637	2,028

1) Accounting principles generally accepted in the United States of America (GAAP).
2) Quarterly ROE calculations represent annualized returns. See page 6 for additional information on calculation.
3) Please refer to the explanation of Non-GAAP Financial Measures set forth at the end of this Financial Supplement.
4) Represents the ratio of adjusted operating provision for income taxes to adjusted operating income before income taxes.
5) Condensed consolidated statement of operations items mentioned in this Financial Supplement that are described as operating (i.e., operating net earned premiums and credit derivative revenues) are non-GAAP measures and represent components of adjusted operating income. Please refer to the explanation of Non-GAAP Financial Measures set forth at the end of this Financial Supplement.

Assured Guaranty Inc.

Selected Financial Highlights (2 of 2)

(dollars in thousands)

	As of	
	June 30, 2024	December 31, 2023
Shareholder's equity	**$ 1,888,821**	**$ 1,882,238**
Adjusted operating shareholder's equity [1]	1,900,349	1,890,396
Adjusted book value [1]	2,327,255	2,328,693
Gain (loss) related to financial guaranty variable interest entities (FG VIEs) consolidation included in:		
Adjusted operating shareholder's equity	(3,190)	(1,374)
Adjusted book value	(1,697)	417
Exposure		
Financial guaranty net debt service outstanding	$ 47,924,864	$ 46,938,627
Financial guaranty net par outstanding:		
Investment grade	28,945,870	28,109,589
Below-investment-grade (BIG)	746,223	785,953
Total	$ 29,692,093	$ 28,895,542
Claims-paying resources [2]	**$ 2,904,004**	**$ 2,877,618**

1) Please refer to the explanation of Non-GAAP Financial Measures set forth at the end of this Financial Supplement.
2) See page 8 for additional detail on claims-paying resources.

Assured Guaranty Inc.

Condensed Consolidated Statements of Operations (unaudited)

(dollars in thousands)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Revenues				
Net earned premiums	$ 16,888	$ 14,829	$ 37,779	$ 29,757
Net investment income	20,315	26,367	40,684	50,640
Net realized investment gains (losses)	(2,575)	(9,009)	6,393	(13,375)
Fair value gains (losses) on credit derivatives	4,098	74,861	12,380	87,771
Fair value gains (losses) on committed capital securities (CCS)	565	166	(4,237)	(8,840)
Fair value gains (losses) on FG VIEs	(1,092)	(3,165)	(3,046)	(6,012)
Foreign exchange gains (losses) on remeasurement	122	2,136	(704)	3,543
Fair value gains (losses) on trading securities	12,380	24,907	30,590	23,649
Change in assumed and ceded funds held with affiliates	(2,323)	(5,716)	(5,116)	(4,079)
Other income (loss)	1,857	1,877	5,310	19,041
Total revenues	**50,235**	**127,253**	**120,033**	**182,095**
Expenses				
Loss and loss adjustment expense (LAE) (benefit)	(3,411)	(1,503)	2,456	11,047
Interest expense on note payable to affiliate	2,625	2,625	5,250	5,250
Employee compensation and benefit expenses	10,415	9,197	21,486	18,842
Other expenses	7,421	8,543	14,424	15,281
Total expenses	**17,050**	**18,862**	**43,616**	**50,420**
Income (loss) before income taxes and equity in earnings (losses) of investees	**33,185**	**108,391**	**76,417**	**131,675**
Equity in earnings (losses) of investees	5,483	471	16,560	10,790
Income (loss) before income taxes	**38,668**	**108,862**	**92,977**	**142,465**
Less: Provision (benefit) for income taxes	7,165	21,643	17,467	27,443
Net income (loss)	**$ 31,503**	**$ 87,219**	**$ 75,510**	**$ 115,022**

Assured Guaranty Inc.

Condensed Consolidated Balance Sheets (unaudited)

(dollars in thousands)

	As of	
	June 30, 2024	December 31, 2023
Assets		
Investments:		
Fixed-maturity securities, available-for-sale, at fair value	$ 1,862,022	$ 1,888,946
Fixed-maturity securities, trading, at fair value	157,142	211,023
Short-term investments, at fair value	91,400	25,160
Equity method investments	348,831	332,271
Other invested assets, at fair value	705	790
Total investments	2,460,100	2,458,190
Cash	19,444	21,874
Loan receivable from parent	87,500	87,500
Premiums receivable, net of commissions payable	411,331	414,083
Ceded unearned premium reserve	212,363	214,151
Reinsurance recoverable on unpaid losses	150,071	158,518
Salvage and subrogation recoverable	65,772	66,782
FG VIEs' assets, at fair value	21,784	71,103
Other assets	107,732	119,314
Total assets	**$ 3,536,097**	**$ 3,611,515**
Liabilities		
Unearned premium reserve	$ 750,913	$ 761,057
Loss and LAE reserve	109,374	112,789
Reinsurance balances payable, net	150,198	137,343
Notes payable to affiliates	300,000	300,000
Credit derivative liabilities	32,972	48,087
FG VIEs' liabilities at fair value	204,460	247,810
Other liabilities	99,359	122,191
Total liabilities	**1,647,276**	**1,729,277**
Shareholder's equity		
Preferred stock	—	—
Common stock	15,000	15,000
Additional paid-in capital	546,174	546,174
Retained earnings	1,384,862	1,368,452
Accumulated other comprehensive income (loss)	(57,215)	(47,388)
Total shareholder's equity	**1,888,821**	**1,882,238**
Total liabilities and shareholder's equity	**$ 3,536,097**	**$ 3,611,515**

Assured Guaranty Inc.

Adjusted Operating Income Adjustments and Effect of FG VIE Consolidation

(dollars in thousands)

Adjusted Operating Income Adjustments and Effect of FG VIE Consolidation for the Three Months Ended June 30, 2024 and June 30, 2023

	Three Months Ended June 30, 2024		Three Months Ended June 30, 2023	
	Adjusted Operating Income Adjustments (1)	Effect of FG VIE Consolidation (2)	Adjusted Operating Income Adjustments (1)	Effect of FG VIE Consolidation (2)
Adjustments to revenues:				
Net earned premiums	$ —	$ (53)	$ —	$ (69)
Net investment income	—	(61)	—	(186)
Net realized investment gains (losses)	(2,575)	—	(9,009)	—
Fair value gains (losses) on credit derivatives	2,300	—	72,899	—
Fair value gains (losses) on CCS	565	—	166	—
Fair value gains (losses) on FG VIEs	—	(1,092)	—	(3,165)
Foreign exchange gains (losses) on remeasurement	115	—	2,131	—
Change in assumed and ceded funds held with affiliates	(321)	—	318	—
Other income (loss)	—	(238)	—	(415)
Total revenue adjustments	84	(1,444)	66,505	(3,835)
Adjustments to expenses:				
Loss expense	(318)	(1,624)	(924)	11,251
Total expense adjustments	(318)	(1,624)	(924)	11,251
Pre-tax adjustments	402	180	67,429	(15,086)
Less: Tax effect of adjustments	84	38	14,160	(3,168)
After-tax adjustments	$ 318	$ 142	$ 53,269	$ (11,918)

Adjusted Operating Income Adjustments and Effect of FG VIE Consolidation for the Six Months Ended June 30, 2024 and June 30, 2023

	Six Months Ended June 30, 2024		Six Months Ended June 30, 2023	
	Adjusted Operating Income Adjustments (1)	Effect of FG VIE Consolidation (2)	Adjusted Operating Income Adjustments (1)	Effect of FG VIE Consolidation (2)
Adjustments to revenues:				
Net earned premiums	$ —	$ (74)	$ —	$ (146)
Net investment income	—	(174)	—	(255)
Net realized investment gains (losses)	6,393	—	(13,375)	—
Fair value gains (losses) on credit derivatives	8,749	—	84,126	—
Fair value gains (losses) on CCS	(4,237)	—	(8,840)	—
Fair value gains (losses) on FG VIEs	—	(3,046)	—	(6,012)
Foreign exchange gains (losses) on remeasurement	(693)	—	3,542	—
Change in assumed and ceded funds held with affiliates	(627)	—	1,254	—
Other income (loss)	—	(469)	—	(1,212)
Total revenue adjustments	9,585	(3,763)	66,707	(7,625)
Adjustments to expenses:				
Loss expense	(1,944)	(3,292)	(706)	5,343
Total expense adjustments	(1,944)	(3,292)	(706)	5,343
Pre-tax adjustments	11,529	(471)	67,413	(12,968)
Less: Tax effect of adjustments	2,421	(99)	14,157	(2,723)
After-tax adjustments	$ 9,108	$ (372)	$ 53,256	$ (10,245)

1) The "Adjusted Operating Income Adjustments" column represents the amounts recorded in the condensed consolidated statements of operations that the Company removes to arrive at adjusted operating income. Please refer to the explanation of Non-GAAP Financial Measures set forth at the end of this Financial Supplement.
2) The "Effect of FG VIE Consolidation" column represents the amounts included in the condensed 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. Please refer to the explanation of Non-GAAP Financial Measures set forth at the end of this Financial Supplement.

Assured Guaranty Inc.

Selected Financial Highlights

GAAP to Non-GAAP Reconciliations (1 of 2)

(dollars in thousands)

Adjusted Operating Income Reconciliation	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Net income (loss)	**$ 31,503**	**$ 87,219**	**$ 75,510**	**$ 115,022**
Less pre-tax adjustments:				
Realized gains (losses) on investments [1]	(2,896)	(8,691)	5,766	(12,121)
Non-credit impairment-related unrealized fair value gains (losses) on credit derivatives	2,618	73,823	10,693	84,832
Fair value gains (losses) on CCS	565	166	(4,237)	(8,840)
Foreign exchange gains (losses) on remeasurement of premiums receivable and loss and LAE reserves	115	2,131	(693)	3,542
Total pre-tax adjustments	402	67,429	11,529	67,413
Less tax effect on pre-tax adjustments	(84)	(14,160)	(2,421)	(14,157)
Adjusted operating income (loss)	$ 31,185	$ 33,950	$ 66,402	$ 61,766

1) This is net of reinsurer's share of realized gains (losses).

ROE Reconciliation and Calculation	As of June 30, 2024	As of March 31, 2024	As of December 31, 2023	As of June 30, 2023	As of March 31, 2023	As of December 31, 2022
Shareholder's equity	**$ 1,888,821**	**$1,882,569**	**$1,882,238**	**$2,046,213**	**$2,000,044**	**$1,971,597**
Adjusted operating shareholder's equity	1,900,349	$1,895,235	1,890,396	2,059,739	2,053,020	2,046,758
Gain (loss) related to FG VIE consolidation included in adjusted operating shareholder's equity	**(3,190)**	**(3,425)**	**(1,374)**	**(6,751)**	**4,618**	**3,000**

	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Net income (loss)	**$ 31,503**	**$ 87,219**	**$ 75,510**	**$ 115,022**
Adjusted operating income (loss)	31,185	33,950	66,402	61,766
Average shareholder's equity	**$ 1,885,695**	**$ 2,023,129**	**$ 1,885,530**	**$ 2,008,905**
Average adjusted operating shareholder's equity	1,897,792	2,056,380	1,895,373	2,053,249
Gain (loss) related to FG VIE consolidation included in average adjusted operating shareholder's equity	**(3,308)**	**(1,067)**	**(2,282)**	**(1,876)**
GAAP ROE [1]	**6.7 %**	**17.2 %**	**8.0 %**	**11.5 %**
Adjusted operating ROE [1]	6.6 %	6.6 %	7.0 %	6.0 %

1) Quarterly ROE calculations represent annualized returns.

Please refer to the explanation of Non-GAAP Financial Measures set forth at the end of this Financial Supplement.

Assured Guaranty Inc.

Selected Financial Highlights

GAAP to Non-GAAP Reconciliations (2 of 2)

(dollars in thousands)

	As of					
	June 30, 2024	March 31, 2024	December 31, 2023	June 30, 2023	March 31, 2023	December 31, 2022
Reconciliation of shareholder's equity attributable to AG to adjusted book value:						
Shareholder's equity attributable to AG	**$ 1,888,821**	**$ 1,882,569**	**$ 1,882,238**	**$ 2,046,213**	**$ 2,000,044**	**$ 1,971,597**
Less pre-tax reconciling items:						
Non-credit impairment-related unrealized fair value gains (losses) on credit derivatives	54,316	51,698	43,623	42,184	(31,638)	(42,647)
Fair value gains (losses) on CCS	2,313	1,748	6,550	16,031	15,866	24,872
Unrealized gain (loss) on investment portfolio	(82,927)	(81,184)	(72,206)	(87,043)	(62,992)	(89,071)
Less taxes	14,770	15,072	13,875	15,302	25,788	31,685
Adjusted operating shareholder's equity	1,900,349	1,895,235	1,890,396	2,059,739	2,053,020	2,046,758
Pre-tax reconciling items:						
Less: Deferred acquisition costs	4,646	(1,360)	(1,221)	(8,485)	(10,663)	(12,399)
Plus: Net present value of estimated net future revenue	92,338	94,128	96,857	100,053	101,647	104,864
Plus: Net deferred premium revenue on financial guaranty contracts in excess of expected loss to be expensed	452,695	445,213	456,728	439,834	392,705	373,283
Plus taxes	(113,481)	(113,547)	(116,509)	(115,158)	(106,053)	(103,015)
Adjusted book value	$ 2,327,255	$ 2,322,389	$ 2,328,693	$ 2,492,953	$ 2,451,982	$ 2,434,289
Gain (loss) related to FG VIE consolidation included in:						
Adjusted operating shareholder's equity (net of tax provision (benefit) of $(848), $(912), $(365), $(1,795), $1,227 and $797)	**$ (3,190)**	**$ (3,425)**	**$ (1,374)**	**$ (6,751)**	**$ 4,618**	**$ 3,000**
Adjusted book value (net of tax provision (benefit) of $(451), $(507), $111, $(1,199), $1,855 and $1,450)	**$ (1,697)**	**$ (1,900)**	**$ 417**	**$ (4,508)**	**$ 6,982**	**$ 5,455**

Please refer to the explanation of Non-GAAP Financial Measures set forth at the end of this Financial Supplement.

Assured Guaranty Inc.

Claims-Paying Resources

(dollars in thousands)

	As of	
	June 30, 2024	December 31, 2023
Claims-paying resources		
Policyholders' surplus	$ 1,648,683	$ 1,650,573
Contingency reserve	421,530	419,642
Qualified statutory capital	**2,070,213**	**2,070,215**
Unearned premium reserve and net deferred ceding commission income	355,212	350,737
Loss and LAE reserves [4]	38,818	—
Total policyholders' surplus and reserves	**2,464,243**	**2,420,952**
Present value of installment premium	239,761	256,666
CCS	200,000	200,000
Total claims-paying resources	**2,904,004**	**2,877,618**
Statutory net par outstanding [1]	$ 29,894,524	$ 29,114,871
Net debt service outstanding [1]	48,358,651	47,395,589
Ratios:		
Statutory net par outstanding to qualified statutory capital	14:1	14:1
Capital ratio [2]	23:1	23:1
Financial resources ratio [3]	17:1	16:1
Statutory net par outstanding to claims-paying resources	10:1	10:1
Separate company statutory basis:		
Admitted assets	$ 2,535,101	$ 2,393,783
Total liabilities	886,418	743,210
Loss and LAE reserves (recoverable)	38,817	(107,590)
Paid in capital stock	442,465	442,465

1) Net par outstanding and net debt service outstanding are presented on a statutory basis.
2) The capital ratio is calculated by dividing net debt service outstanding by qualified statutory capital.
3) The financial resources ratio is calculated by dividing net debt service outstanding by total claims-paying resources.
4) Loss and LAE reserves exclude adjustments to claims-paying resources for AG because the balance was in a net recoverable position of $107.6 million as of December 31, 2023.

Assured Guaranty Inc.

New Business Production (1 of 2)

(dollars in thousands)

Reconciliation of GWP to PVP

	Three Months Ended June 30, 2024					Three Months Ended June 30, 2023				
	Public Finance		Structured Finance			Public Finance		Structured Finance		
	U.S.	Non-U.S.	U.S.	Non-U.S.	Total	U.S.	Non-U.S.	U.S.	Non-U.S.	Total
Total GWP	**$ 13,719**	**$ 1,991**	**$ 170**	**$ 1,405**	**$ 17,285**	**$ 54,923**	**$ 7,534**	**$ 3,623**	**$ 2,759**	**$ 68,839**
Less: Installment GWP and other GAAP adjustments (1)	11,820	982	93	1,405	14,300	41,053	7,314	3,623	2,759	54,749
Upfront GWP	1,899	1,009	77	—	2,985	13,870	220	—	—	14,090
Plus: Installment premiums and other	9,854	596	3,602	877	14,929	40,574	5,220	2,140	5,338	53,272
Total PVP	$ 11,753	$ 1,605	$ 3,679	$ 877	$ 17,914	$ 54,444	$ 5,440	$ 2,140	$ 5,338	$ 67,362
Gross par written	**$725,137**	**$ 84,455**	**$205,219**	**$167,729**	**$1,182,540**	**$3,440,168**	**$392,652**	**$249,246**	**$707,969**	**$4,790,035**

	Six Months Ended June 30, 2024					Six Months Ended June 30, 2023				
	Public Finance		Structured Finance			Public Finance		Structured Finance		
	U.S.	Non-U.S.	U.S.	Non-U.S.	Total	U.S.	Non-U.S.	U.S.	Non-U.S.	Total
Total GWP	**$ 18,151**	**$ 2,479**	**$ 12,109**	**$ 3,726**	**$ 36,465**	**$ 59,686**	**$ 27,515**	**$ 31,104**	**$ 3,070**	**$ 121,375**
Less: Installment GWP and other GAAP adjustments (1)	13,091	1,470	11,011	3,726	29,298	42,923	27,211	31,104	3,070	104,308
Upfront GWP	5,060	1,009	1,098	—	7,167	16,763	304	—	—	17,067
Plus: Installment premiums and other	10,968	789	17,850	4,328	33,935	42,391	21,980	29,520	5,685	99,576
Total PVP	$ 16,028	$ 1,798	$ 18,948	$ 4,328	$ 41,102	$ 59,154	$ 22,284	$ 29,520	$ 5,685	$ 116,643
Gross par written	**$1,016,010**	**$84,455**	**$669,942**	**$491,206**	**$2,261,613**	**$4,089,313**	**$902,018**	**$829,799**	**$796,284**	**$6,617,414**

1) Includes the present value (PV) of new business on installment policies discounted at the prescribed GAAP discount rates, GWP adjustments on existing installment policies due to changes in assumptions and other GAAP adjustments.

Please refer to the explanation of Non-GAAP Financial Measures set forth at the end of this Financial Supplement.

Assured Guaranty Inc.

New Business Production (2 of 2)

(dollars in thousands)

	Three Months Ended June 30, 2024			Three Months Ended June 30, 2023		
	Direct and Assumed from Third Parties	Assumed from Affiliates	Total Gross	Direct and Assumed from Third Parties	Assumed from Affiliates	Total Gross
GWP	**$ 2,127**	**$ 15,158**	**$ 17,285**	**$ 54,246**	**$ 14,593**	**$ 68,839**
PVP	3,932	13,982	17,914	53,299	14,063	67,362
Gross par written	227,864	954,676	1,182,540	2,778,305	2,011,730	4,790,035

	Six Months Ended June 30, 2024			Six Months Ended June 30, 2023		
	Direct and Assumed from Third Parties	Assumed from Affiliates	Total Gross	Direct and Assumed from Third Parties	Assumed from Affiliates	Total Gross
GWP	**$ 13,684**	**$ 22,781**	**$ 36,465**	**$ 82,121**	**$ 39,254**	**$ 121,375**
PVP	17,987	23,115	41,102	80,668	35,975	116,643
Gross par written	610,311	1,651,302	2,261,613	3,370,351	3,247,063	6,617,414

Assured Guaranty Inc.

Gross Par Written (1 of 2)

(dollars in thousands)

Gross Par Written by Asset Type

	Three Months Ended June 30,	
	2024	2023
Sector:		
U.S. public finance:		
General obligation	$ 268,880	$ 852,300
Transportation	260,244	47,050
Tax backed	88,518	223,357
Municipal utilities	41,083	486,891
Higher education	24,508	—
Healthcare	22,234	18,831
Infrastructure finance	—	1,784,564
Other public finance	19,670	27,175
Total U.S. public finance	725,137	3,440,168
Non-U.S. public finance:		
Regulated utilities	79,031	24,882
Infrastructure finance	5,424	190,309
Sovereign and sub-sovereign	—	177,461
Total non-U.S. public finance	84,455	392,652
Total public finance	**809,592**	**3,832,820**
U.S. structured finance:		
Pooled corporate obligations	162,541	—
Subscription finance facilities	32,178	24,246
Structured credit	10,500	225,000
Total U.S. structured finance	205,219	249,246
Non-U.S. structured finance:		
Subscription finance facilities	167,729	707,969
Total non-U.S. structured finance	167,729	707,969
Total structured finance	**372,948**	**957,215**
Total gross par written	**$ 1,182,540**	**$ 4,790,035**

Please refer to the Glossary for a description of sectors.

Assured Guaranty Inc.

Gross Par Written (2 of 2)

(dollars in thousands)

Gross Par Written by Asset Type

	Six Months Ended June 30,	
	2024	2023
Sector:		
U.S. public finance:		
General obligation	$ 385,020	$ 1,194,466
Transportation	324,477	55,851
Tax backed	145,655	248,980
Municipal utilities	82,904	623,514
Healthcare	33,776	107,850
Higher education	24,508	46,913
Infrastructure finance	—	1,784,564
Other public finance	19,670	27,175
Total U.S. public finance	1,016,010	4,089,313
Non-U.S. public finance:		
Regulated utilities	79,031	509,004
Infrastructure finance	5,424	190,309
Sovereign and sub-sovereign	—	202,705
Total non-U.S. public finance	84,455	902,018
Total public finance	**1,100,465**	**4,991,331**
U.S. structured finance:		
Insurance securitizations	250,000	500,000
Pooled corporate obligations	205,732	—
Subscription finance facilities	167,495	54,799
Structured credit	10,500	275,000
Other structured finance	36,215	—
Total U.S. structured finance	669,942	829,799
Non-U.S. structured finance:		
Subscription finance facilities	491,206	796,284
Total non-U.S. structured finance	491,206	796,284
Total structured finance	**1,161,148**	**1,626,083**
Total gross par written	**$ 2,261,613**	**$ 6,617,414**

Please refer to the Glossary for a description of sectors.

Assured Guaranty Inc.

Fixed-Maturity Securities, Short-Term Investments and Cash

As of June 30, 2024

(dollars in thousands)

	Amortized Cost	Allowance for Credit Losses	Pre-Tax Book Yield	After-Tax Book Yield	Fair Value	Annualized Investment Income [1]
Fixed-maturity securities, available-for-sale:						
Obligations of states and political subdivisions [2]	$ 898,066	$ (13,748)	3.59 %	3.16 %	$ 863,603	$ 32,266
U.S. government and agencies	17,486	—	3.27	2.58	17,178	571
Corporate securities	456,772	(2,157)	3.90	3.08	413,832	17,802
Mortgage-backed securities:						
Residential mortgage-backed securities (RMBS) [2]	83,221	(2,129)	5.24	4.14	79,534	4,357
Commercial mortgage-backed securities	51,837	—	4.16	3.29	50,827	2,157
Asset-backed securities (ABS):						
Collateralized loan obligations	52,206	—	7.34	5.80	52,346	3,833
Other ABS [2]	430,224	(25,087)	3.62	2.86	384,702	15,569
Fixed-maturity securities, available-for-sale	1,989,812	(43,121)	3.85	3.18	1,862,022	76,555
Short-term investments	91,400	—	4.71	3.72	91,400	4,304
Cash [3]	19,444	—	—	—	19,444	—
Total	**$ 2,100,656**	**$ (43,121)**	**3.89 %**	**3.21 %**	**$ 1,972,866**	**$ 80,859**
Fixed-maturity securities, trading [5]					**$ 157,142**	

Ratings [4]**:**	Fair Value	% of Portfolio
U.S. government and agencies	$ 17,178	0.9 %
AAA/Aaa	186,826	10.0
AA/Aa	710,099	38.2
A/A	285,085	15.3
BBB	272,876	14.7
BIG	343,059	18.4
Not rated	46,899	2.5
Total fixed-maturity securities, available-for-sale	$ 1,862,022	100.0 %
Duration of available-for-sale fixed-maturity securities and short-term investments (in years):		**4.0**

1) Represents annualized investment income based on amortized cost and pre-tax book yields.
2) Includes securities purchased or obtained as part of loss mitigation or other risk management strategies.
3) Cash is not included in the yield calculation.
4) Ratings generally reflect the lower of Moody's Ratings or S&P Global Ratings Services classifications except for purchased securities that the Company has insured, and for which it had expected losses to be paid (Loss Mitigation Securities) and certain other securities, which use internal ratings classifications. Loss mitigation and other securities total $491.9 million in par with carrying value of $386.2 million and are primarily included in the BIG category.
5) Represents contingent value instruments (CVIs) received in connection with the 2022 Puerto Rico Resolutions (see page 21). These securities are not rated.

Assured Guaranty Inc.

Estimated Net Exposure Amortization [1] and Estimated Future Financial Guaranty Net Premium and Credit Derivative Revenues

(dollars in thousands)

			Financial Guaranty Insurance [2]			
	Estimated Net Debt Service Amortization	Estimated Ending Net Debt Service Outstanding	Expected PV Net Earned Premiums (i.e., Net Deferred Premium Revenue)	Accretion of Discount	Effect of FG VIE Consolidation on Expected PV Net Earned Premiums and Accretion of Discount	Future Credit Derivative Revenues [3]
2024 (as of June 30)		$ 47,924,864				
2024 3Q	$ 605,322	47,319,542	$ 14,341	$ 1,555	$ 66	$ 1,700
2024 4Q	764,244	46,555,298	14,067	1,516	65	1,700
2025	3,089,984	43,465,314	51,562	5,660	246	6,622
2026	2,508,417	40,956,897	46,504	5,179	229	6,357
2027	2,384,284	38,572,613	42,253	4,759	212	6,086
2028	2,674,650	35,897,963	38,468	4,413	198	5,844
2024-2028	12,026,901	35,897,963	207,195	23,082	1,016	28,309
2029-2033	11,054,528	24,843,435	148,151	17,811	843	26,319
2034-2038	8,515,382	16,328,053	88,024	11,731	607	21,106
2039-2043	6,445,980	9,882,073	46,499	6,929	—	13,659
After 2043	9,882,073	—	51,627	5,235	—	8,103
Total	**$ 47,924,864**		**$ 541,496**	**$ 64,788**	**$ 2,466**	**$ 97,496**

1) Represents the future expected amortization of current debt service outstanding (principal and interest), assuming no advance refundings, as of June 30, 2024. Actual amortization differs from expected maturities because borrowers may have the right to call or prepay guaranteed obligations, terminations and because of management's assumptions on structured finance amortization.
2) See also page 17, ''Net Expected Loss to be Expensed.''
3) Represents expected future premiums on insured credit derivatives.

Assured Guaranty Inc.

Rollforward of Net Expected Loss and LAE to be Paid

(dollars in thousands)

Roll Forward of Net Expected Loss and LAE to be Paid [1] for the Three Months Ended June 30, 2024

	Net Expected Loss to be Paid (Recovered) as of March 31, 2024	Net Economic Loss Development (Benefit) During 2Q-24	Net (Paid) Recovered Losses During 2Q-24	Net Expected Loss to be Paid (Recovered) as of June 30, 2024
Public Finance:				
U.S. public finance	$ 167,298	$ 3,547	$ (1,501)	$ 169,344
Non-U.S public finance	457	131	—	588
Public Finance	167,755	3,678	(1,501)	169,932
Structured Finance:				
U.S. RMBS	56,427	(3,597)	3,614	56,444
Other structured finance	(47,440)	(3,821)	1,666	(49,595)
Structured Finance	8,987	(7,418)	5,280	6,849
Total	**$ 176,742**	**$ (3,740)**	**$ 3,779**	**$ 176,781**

Roll Forward of Net Expected Loss and LAE to be Paid [1] for the Six Months Ended June 30, 2024

	Net Expected Loss to be Paid (Recovered) as of December 31, 2023	Net Economic Loss Development (Benefit) During 2024	Net (Paid) Recovered Losses During 2024	Net Expected Loss to be Paid (Recovered) as of June 30, 2024
Public Finance:				
U.S. public finance	$ 168,632	$ 4,242	$ (3,530)	$ 169,344
Non-U.S public finance	467	121	—	588
Public Finance	169,099	4,363	(3,530)	169,932
Structured Finance:				
U.S. RMBS	58,668	(3,809)	1,585	56,444
Other structured finance	(55,847)	723	5,529	(49,595)
Structured Finance	2,821	(3,086)	7,114	6,849
Total	**$ 171,920**	**$ 1,277**	**$ 3,584**	**$ 176,781**

1) Includes net expected loss to be paid (recovered), economic loss development (benefit) and (paid) recovered losses for all contracts (i.e., those accounted for as insurance, credit derivatives and FG VIEs).

Assured Guaranty Inc.

Loss Measures

As of June 30, 2024

(dollars in thousands)

		Three Months Ended June 30, 2024			Six Months Ended June 30, 2024		
	Total Net Par Outstanding for BIG Transactions	GAAP Loss and LAE (1)	Loss and LAE Included in Adjusted Operating Income (2)	Effect of FG VIE Consolidation (3)	GAAP Loss and LAE (1)	Loss and LAE Included in Adjusted Operating Income (2)	Effect of FG VIE Consolidation (3)
Public finance:							
U.S. public finance	$ 394,107	**$ 1,154**	$ 1,154	$ (1,637)	**$ 659**	$ 659	$ (3,384)
Non-U.S public finance	45,080	**(54)**	(54)	—	**(55)**	(55)	—
Public finance	439,187	**1,100**	1,100	(1,637)	**604**	604	(3,384)
Structured finance:							
U.S. RMBS	299,078	**(1,455)**	(1,901)	13	**484**	(189)	92
Other structured finance	7,958	**(3,056)**	(2,292)	—	**1,368**	3,985	—
Structured finance	307,036	**(4,511)**	(4,193)	13	**1,852**	3,796	92
Total	**$ 746,223**	**$ (3,411)**	$ (3,093)	$ (1,624)	**$ 2,456**	$ 4,400	$ (3,292)

1) Includes loss expense related to contracts that are accounted for as insurance contracts.
2) Includes loss expense related to contracts that are accounted for as insurance contracts and credit derivatives.
3) The "Effect of FG VIE Consolidation" column represents amounts included in the condensed 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. Please refer to the explanation of Non-GAAP Financial Measures set forth at the end of this Financial Supplement.

Please refer to the Glossary for an explanation of the presentation of net par outstanding and of the various sectors.

Assured Guaranty Inc.

Net Expected Loss to be Expensed [1]

As of June 30, 2024

(dollars in thousands)

		GAAP
2024 3Q	$	**1,337**
2024 4Q		**1,363**
2025		**5,360**
2026		**8,851**
2027		**9,423**
2028		**8,799**
2024-2028		**35,133**
2029-2033		**33,749**
2034-2038		**18,751**
2039-2043		**606**
After 2043		**563**
Total expected present value of net expected loss to be expensed [2]		**88,802**
Future accretion		**39,704**
Total expected future loss and LAE	**$**	**128,506**

1) The present value of net expected loss to be paid is discounted using risk-free rates ranging from 4.28% to 5.33% for U.S. dollar denominated obligations.
2) Excludes $3.8 million related to FG VIEs, which are eliminated in consolidation.

Assured Guaranty Inc.

Financial Guaranty Profile (1 of 3)

(dollars in thousands)

Net Par Outstanding by Asset Type

	As of June 30, 2024	As of December 31, 2023
U.S. public finance:		
General obligation	$ 5,814,845	$ 5,493,797
Transportation	3,623,922	3,391,150
Infrastructure finance	3,193,797	3,241,421
Tax Backed	2,974,554	2,924,178
Municipal utilities	2,587,785	2,532,765
Healthcare	811,235	789,123
Higher Education	453,785	440,322
Housing revenue	135,286	138,350
Renewable Energy	118,862	118,862
Investor-owned utilities	97,568	99,217
Other public finance	485,669	483,449
Total U.S. public finance	20,297,308	19,652,634
Non-U.S. public finance:		
Regulated utilities	2,946,728	2,854,361
Infrastructure finance	948,553	976,628
Pooled infrastructure	558,098	566,626
Sovereign and sub-sovereign	528,961	544,250
Renewable energy	20,199	20,199
Total non-U.S. public finance	5,002,539	4,962,064
Total public finance	**25,299,847**	**24,614,698**
U.S. structured finance:		
Insurance securitizations	1,333,702	1,271,312
Pooled corporate obligations	573,460	555,799
RMBS	449,688	524,819
Subscription finance facilities	185,300	142,593
Consumer receivables	151,138	180,808
Other structured finance	722,291	756,787
Total U.S. structured finance	3,415,579	3,432,118
Non-U.S. structured finance:		
Subscription finance facilities	503,939	345,867
Pooled corporate obligations	322,212	342,004
RMBS	148,368	152,917
Other structured finance	2,148	7,938
Total non-U.S. structured finance	976,667	848,726
Total structured finance	**4,392,246**	**4,280,844**
Total net par outstanding	**$ 29,692,093**	**$ 28,895,542**

Please refer to the Glossary for an explanation of the presentation of net par outstanding and various sectors.

Assured Guaranty Inc.

Financial Guaranty Profile (2 of 3)

As of June 30, 2024

(dollars in thousands)

Distribution by Ratings of Financial Guaranty Portfolio

	Public Finance - U.S.		Public Finance - Non-U.S.		Structured Finance - U.S.		Structured Finance - Non-U.S.		Total	
Ratings:	Net Par Outstanding	%	Net Par Outstanding	%	Net Par Outstanding	%	Net Par Outstanding	%	Net Par Outstanding	%
AAA	$ 5,624	— %	$ 639,265	12.8 %	$ 377,043	11.1 %	$ 271,114	27.7 %	$ 1,293,046	4.4 %
AA	3,299,116	16.3	373,591	7.5	1,555,388	45.5	66,676	6.8	5,294,771	17.8
A	9,292,004	45.8	1,431,197	28.6	680,896	19.9	627,606	64.3	12,031,703	40.5
BBB	7,306,457	36.0	2,513,406	50.2	495,216	14.5	11,271	1.2	10,326,350	34.8
BIG	394,107	1.9	45,080	0.9	307,036	9.0	—	—	746,223	2.5
Net Par Outstanding [1]	**$ 20,297,308**	**100.0 %**	**$ 5,002,539**	**100.0 %**	**$ 3,415,579**	**100.0 %**	**$ 976,667**	**100.0 %**	**$ 29,692,093**	**100.0 %**

1) As of June 30, 2024, the Company excluded $449.3 million of net par outstanding attributable to Loss Mitigation Securities.

Ceded Par Outstanding

	Ceded Par Outstanding [1][2]	% of Total
Affiliated reinsurers	$ 9,539,990	99.7 %
Non-affiliated reinsurers	25,500	0.3
Total	**$ 9,565,490**	**100.0 %**

1) Of the total par ceded to non-affiliates, none is rated BIG.
2) There was no collateral posted by third party reinsurers and $170.8 million posted by affiliated reinsurers as of June 30, 2024.

Please refer to the Glossary for an explanation of the presentation of net par outstanding, the Company's internal rating approach and of the various sectors.

Assured Guaranty Inc.

Financial Guaranty Profile (3 of 3)

As of June 30, 2024

(dollars in thousands)

Geographic Distribution of Financial Guaranty Portfolio

	Net Par Outstanding	% of Total
U.S.:		
U.S. public finance:		
California	$ 4,699,045	15.8 %
Texas	3,266,905	11.0
New York	1,570,261	5.3
Florida	1,149,533	3.9
New Jersey	1,092,325	3.7
Pennsylvania	1,044,841	3.5
Illinois	987,675	3.3
Virginia	874,609	2.9
North Carolina	513,560	1.7
Georgia	496,245	1.7
Other	4,602,309	15.5
Total U.S public finance	20,297,308	68.3
U.S. structured finance (multiple states)	3,415,579	11.5
Total U.S.	**23,712,887**	**79.8**
Non-U.S.:		
United Kingdom	4,545,839	15.3
France	169,883	0.6
Australia	168,555	0.6
Italy	133,635	0.5
Mexico	125,377	0.4
Other	835,917	2.8
Total non-U.S.	**5,979,206**	**20.2**
Total net par outstanding	**$ 29,692,093**	**100.0 %**

Please refer to the Glossary for an explanation of the presentation of net par outstanding and of the various sectors.

Assured Guaranty Inc.

Puerto Rico Profile (1 of 2)

As of June 30, 2024

(dollars in thousands)

Exposure to Puerto Rico

	Par Outstanding		Debt Service Outstanding	
	Gross	Net	Gross	Net
Total	$ 315,579	$ 205,681	$ 477,196	$ 310,513

Exposure to Puerto Rico by Company [1]

	Net Par Outstanding	Gross Par Outstanding
Defaulted Puerto Rico Exposures		
PREPA	$ 67,612	$ 116,770
Total Defaulted	**67,612**	**116,770**
Resolved Puerto Rico Exposures [2]		
Puerto Rico Highways and Transportation Authority (PRHTA) (Transportation revenue)	129,320	190,060
PRHTA (Highway revenue)	2,157	2,157
Total Resolved	**131,477**	**192,217**
Non-Defaulting Puerto Rico Exposures [3]		
Puerto Rico Municipal Finance Agency (MFA)	5,670	5,670
Puerto Rico Aqueduct and Sewer Authority (PRASA) and University of Puerto Rico (U of PR)	922	922
Total Non-Defaulting	**6,592**	**6,592**
Total exposure to Puerto Rico	**$ 205,681**	**$ 315,579**

1) The general obligation bonds of Puerto Rico and various obligations of its related authorities and public corporations are rated BIG.
2) In 2022, the Company resolved its exposure to insured Puerto Rico credits experiencing payment default other than PREPA (2022 Puerto Rico Resolutions). In connection with the resolution of PRHTA exposures, the Company received cash, new bonds backed by toll revenues (Toll Bonds) and CVIs. All of the Toll Bonds received from the PRHTA under the 2022 Puerto Rico Resolutions for the insured PRHTA bonds have been sold or redeemed; therefore, the remaining amounts owed for such insured PRHTA bonds are payable in full by the Company's insurance subsidiaries under their financial guaranty policies and are no longer dependent on the credit of the PRHTA.
3) All debt service on these insured exposures have been paid to date without any insurance claim being made on the Company.

Assured Guaranty Inc.

Puerto Rico Profile (2 of 2)

As of June 30, 2024

(dollars in thousands)

Amortization Schedule of Net Par Outstanding of Puerto Rico

	2024 (3Q)	2024 (4Q)	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034-2038	2039-2041	Total
Defaulted Puerto Rico Exposures														
PREPA	$ 1,331	$ —	$ 1,398	$19,264	$17,030	$16,652	$ 1,053	$ 2,784	$ 1,839	$ 5,680	$ 331	$ 250	$ —	$ 67,612
Total Defaulted	1,331	—	1,398	19,264	17,030	16,652	1,053	2,784	1,839	5,680	331	250	—	67,612
Resolved Puerto Rico Exposures														
PRHTA (Transportation revenue)	—	—	—	—	—	—	—	—	—	—	—	82,001	47,319	129,320
PRHTA (Highway revenue)	—	—	—	—	—	—	—	—	—	457	282	1,418	—	2,157
Total Resolved	—	—	—	—	—	—	—	—	—	**457**	**282**	**83,419**	**47,319**	**131,477**
Non-Defaulting Puerto Rico Exposures														
MFA	358	—	326	1,567	1,271	1,064	614	470	—	—	—	—	—	5,670
PRASA and U of PR	345	—	52	55	58	61	64	67	70	73	77	—	—	922
Total Non-Defaulting	**703**	—	**378**	**1,622**	**1,329**	**1,125**	**678**	**537**	**70**	**73**	**77**	—	—	**6,592**
Total	**$ 2,034**	**$ —**	**$ 1,776**	**$20,886**	**$18,359**	**$17,777**	**$ 1,731**	**$ 3,321**	**$ 1,909**	**$ 6,210**	**$ 690**	**$ 83,669**	**$ 47,319**	**$ 205,681**

Amortization Schedule of Net Debt Service Outstanding of Puerto Rico

	2024 (3Q)	2024 (4Q)	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034-2038	2039-2041	Total
Defaulted Puerto Rico Exposures														
PREPA	$ 2,884	$ 52	$ 4,528	$22,336	$19,161	$18,052	$ 1,627	$ 3,320	$ 2,250	$ 5,995	$ 361	$ 300	$ —	$ 80,866
Total Defaulted	2,884	52	4,528	22,336	19,161	18,052	1,627	3,320	2,250	5,995	361	300	—	80,866
Resolved Puerto Rico Exposures														
PRHTA (Transportation revenue)	3,319	—	6,789	6,789	6,789	6,790	6,789	6,790	6,789	6,789	6,790	102,359	51,715	218,497
PRHTA (Highway revenue)	56	—	113	113	113	113	114	113	113	570	371	1,579	—	3,368
Total Resolved	**3,375**	—	**6,902**	**6,902**	**6,902**	**6,903**	**6,903**	**6,903**	**6,902**	**7,359**	**7,161**	**103,938**	**51,715**	**221,865**
Non-Defaulting Puerto Rico Exposures														
MFA	500	—	591	1,817	1,441	1,171	668	493	—	—	—	—	—	6,681
PRASA and U of PR	370	—	81	81	82	81	81	81	82	81	81	—	—	1,101
Total Non-Defaulting	**870**	—	**672**	**1,898**	**1,523**	**1,252**	**749**	**574**	**82**	**81**	**81**	—	—	**7,782**
Total	**$ 7,129**	**$ 52**	**$12,102**	**$31,136**	**$27,586**	**$26,207**	**$ 9,279**	**$10,797**	**$ 9,234**	**$13,435**	**$ 7,603**	**$104,238**	**$ 51,715**	**$ 310,513**

Assured Guaranty Inc.

Direct Pooled Corporate Obligations Profile
As of June 30, 2024
(dollars in thousands)

Distribution of Direct Pooled Corporate Obligations by Ratings

	Net Par Outstanding	% of Total	Average Initial Credit Enhancement	Average Current Credit Enhancement
Ratings:				
AAA	$ 359,472	52.0 %	43.1 %	56.3 %
AA	74,328	10.8	36.4	36.4
A	129,800	18.8	56.5	46.9
BBB	127,186	18.4	35.4	36.2
Total exposures	**$ 690,786**	**100.0 %**	**43.5 %**	**48.7 %**

Distribution of Direct Pooled Corporate Obligations by Asset Class

	Net Par Outstanding	% of Total	Average Initial Credit Enhancement	Average Current Credit Enhancement	Number of Transactions
Asset class:					
Trust preferred:					
Banks and insurance	$ 204,307	29.6 %	43.0 %	67.1 %	7
U.S. mortgage and real estate investment trusts	40,793	5.9	48.4	64.4	3
CLOs	445,686	64.5	43.2	38.8	10
Total exposures	**$ 690,786**	**100.0 %**	**43.5 %**	**48.7 %**	**20**

Please refer to the Glossary for an explanation of internal ratings, performance indicators and sectors.

Assured Guaranty Inc.
Credit Derivative Net Par Outstanding Profile
As of June 30, 2024
(dollars in thousands)

Distribution of Credit Derivative Net Par Outstanding by Rating

Rating:	Net Par Outstanding	% of Total
AAA	$ 630,574	33.0 %
AA	936,261	48.9
A	147,355	7.7
BBB	169,605	8.9
BIG	28,640	1.5
Total credit derivative net par outstanding	**$ 1,912,435**	**100.0 %**

Distribution of Credit Derivative Net Par Outstanding by Sector

	Net Par Outstanding
Public finance:	
U.S. public finance	$ 914,703
Non-U.S. public finance	725,633
Total public finance	**1,640,336**
U.S. structured finance:	
RMBS	64,123
Pooled corporate obligations	81,526
Total U.S. structured finance	145,649
Non-U.S. structured finance:	
RMBS	126,450
Total non-U.S. structured finance	126,450
Total structured finance	**272,099**
Total credit derivative net par outstanding	**$ 1,912,435**

Please refer to the Glossary for a description of net par outstanding, internal ratings and sectors.

Assured Guaranty Inc.

Below Investment Grade Exposures (1 of 3)

(dollars in thousands)

BIG Exposures by Asset Exposure Type

	As of	
	June 30, 2024	**December 31, 2023**
U.S. public finance:		
Tax backed	$ 149,674	$ 187,572
Municipal utilities	79,648	79,648
Housing revenue	53,368	53,953
Healthcare	33,481	7,185
General obligation	30,644	30,870
Transportation	14,450	15,211
Higher education	1,647	2,627
Other public finance	31,195	32,132
Total U.S. public finance	394,107	409,198
Non-U.S. public finance:		
Infrastructure finance	44,456	45,181
Sovereign and sub-sovereign	624	675
Total non-U.S. public finance	45,080	45,856
Total public finance	**439,187**	**455,054**
U.S. structured finance:		
RMBS	299,078	322,856
Insurance securitizations	6,376	6,385
Consumer receivables	94	170
Other structured finance	1,488	1,488
Total U.S. structured finance	307,036	330,899
Non-U.S. structured finance:		
Total non-U.S. structured finance	—	—
Total structured finance	**307,036**	**330,899**
Total BIG net par outstanding	**$ 746,223**	**$ 785,953**

Please refer to the Glossary for an explanation of the Company's presentation of net par outstanding and a description of various sectors.

Assured Guaranty Inc.

Below Investment Grade Exposures (2 of 3)

(dollars in thousands)

Net Par Outstanding by BIG Category [1]

	As of	
	June 30, 2024	December 31, 2023
BIG Category 1		
U.S. public finance	$ 112,020	$ 116,791
Non-U.S. public finance	39,742	45,856
U.S. structured finance	12,496	17,486
Non-U.S. structured finance	—	—
Total BIG Category 1	164,258	180,133
BIG Category 2		
U.S. public finance	82,998	56,536
Non-U.S. public finance	5,338	—
U.S. structured finance	13,660	19,233
Non-U.S. structured finance	—	—
Total BIG Category 2	101,996	75,769
BIG Category 3		
U.S. public finance	199,089	235,871
Non-U.S. public finance	—	—
U.S. structured finance	280,880	294,180
Non-U.S. structured finance	—	—
Total BIG Category 3	479,969	530,051
BIG Total	**$ 746,223**	**$ 785,953**

1) 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.

Please refer to the Glossary for an explanation of the Company's internal rating approach, presentation of net par outstanding and a description of various sectors.

Assured Guaranty Inc.

Below Investment Grade Exposures (3 of 3)

As of June 30, 2024

(dollars in thousands)

Public Finance and Structured Finance BIG Exposures with Revenue Sources Greater Than $50 Million

Name or description	Net Par Outstanding	Internal Rating [1]
U.S. public finance:		
Puerto Rico Highways & Transportation Authority	$ 131,477	CCC
Puerto Rico Electric Power Authority	67,612	CCC
Total U.S. public finance	**199,089**	
Non-U.S. public finance	**—**	
Total public finance	**199,089**	
U.S. structured finance		
RMBS:		
Option One Mortgage Loan Trust 2007-Hl1	96,894	CCC
Argent Securities Inc. 2005-W4	92,618	CCC
Total RMBS - U.S. structured finance	**189,512**	
Non-U.S. structured finance	**—**	
Total structured finance	**189,512**	
Total	**$ 388,601**	

1) Transactions rated below B- are categorized as CCC.

Please refer to the Glossary for an explanation of the Company's internal rating approach, presentation of net par outstanding and a description of performance indicators and sectors.

Assured Guaranty Inc.

Largest Exposures by Sector (1 of 3)

As of June 30, 2024

(dollars in thousands)

50 Largest U.S. Public Finance Exposures by Revenue Source

Credit Name:	Net Par Outstanding	Internal Rating (1)
North Texas Tollway Authority	$ 919,605	A+
San Diego Family Housing, LLC	887,580	AA
New Jersey (State of)	858,864	BBB
Alameda Corridor Transportation Authority, California	403,665	BBB
LCOR Alexandria LLC	344,459	BB+
Private Transaction	339,396	BBB-
Metro Washington Airports Authority (Dulles Toll Road)	319,616	BBB+
Private Transaction	294,816	BBB+
JFK New Terminal One, New York	280,000	BBB-
New York Power Authority	244,386	AA-
Private Transaction	233,073	A
Miami-Dade County, Florida	229,603	AA-
Private Transaction	228,233	BBB+
Lower Colorado River Authority	218,004	A
Chicago Water, Illinois	195,205	BBB+
Houston Airport System, Texas	195,160	A
Houston Hotel Occupancy Tax, Texas	187,271	A-
New York Metropolitan Transportation Authority	184,600	BBB+
Private Transaction	182,016	A
Palomar Health	162,701	BBB
California (State of)	157,565	AA-
San Joaquin Hills Transportation, California	148,919	BBB
Philadelphia Water & Wastewater, Pennsylvania	141,209	A
Maine (State of)	138,513	A
Puerto Rico Highways & Transportation Authority	131,477	CCC
Southern California Logistic Airport, California	125,967	BBB
Pittsburgh International Airport, Pennsylvania	124,130	A-
Dodger Tickets LLC	123,407	BBB
North Carolina Turnpike Authority	119,245	BBB
Navy Midwest Family Housing LLC	118,685	AA-
San Antonio Electric and Gas Systems, Texas	118,630	AA
Chicago (City of) Wastewater Transmission, Illinois	115,876	BBB+
Brightline Trains Florida LLC	113,344	BBB-
Escondido Union High School District, California	108,557	AA-
Washington Water Power (Avista Project)	107,250	A-
Metropolitan Government Sports Authority of Nashville and Davidson County, Tennessee	106,356	A
Santa Ana Unified School District, California	95,335	A+
Grossmont-Cuyamaca Community College District, California	93,306	AA-
Detroit-Metropolitan Wayne County Airport, Michigan	92,438	A-
Municipal Gas Authority of Georgia	90,583	A+
Chicago Public Schools, Illinois	88,078	BBB-
Private Transaction	87,719	A-
Offutt Air Force Base, Nebraska - America First Communities, LLC	86,665	AA-
Municipal Electric Authority of Georgia	86,602	BBB+
West Contra Costa Unified School District, California	86,031	A+
Pasco County (H. Lee Moffitt Cancer Center Project), Florida	81,471	A
Ohana Military Communities, LLC	80,156	A+
New York (City of), New York	80,109	AA
Dade County Seaport, Florida	79,533	A-
Yankee Stadium LLC New York City Industrial Development Authority	78,849	BBB
Total top 50 U.S. public finance exposures	**$ 10,114,258**	

1) Transactions rated below B- are categorized as CCC.

Please refer to the Glossary for an explanation of net par outstanding, internal ratings and sectors.

Assured Guaranty Inc.

Largest Exposures by Sector (2 of 3)

As of June 30, 2024

(dollars in thousands)

25 Largest U.S. Structured Finance Exposures

Credit Name:	Net Par Outstanding	Internal Rating (1)
Private US Insurance Securitization	$ 310,040	AA-
Private US Insurance Securitization	187,500	AA-
Private US Insurance Securitization	179,431	AA-
Private US Insurance Securitization	173,788	AA-
Private US Insurance Securitization	165,000	AA
Private US Insurance Securitization	137,100	AA-
SLM Student Loan Trust 2007-A	119,856	AA
Private Middle Market CLO	109,480	AAA
Private Middle Market CLO	106,250	BBB
Private US Insurance Securitization	103,768	AA
Option One Mortgage Loan Trust 2007-Hl1	96,894	CCC
Argent Securities Inc. 2005-W4	92,618	CCC
Private Balloon Note Guarantee	85,000	A
DB Master Finance LLC	73,210	BBB
Private Middle Market CLO	67,454	A
Private Balloon Note Guarantee	59,500	BBB
Private US Insurance Securitization	57,199	A
CAPCO - Excess SIPC Excess of Loss Reinsurance	53,550	BBB
Private Other Structured Finance Transaction	47,570	A-
ALESCO Preferred Funding XIII, Ltd.	45,820	AAA
Preferred Term Securities XXIV, Ltd.	45,003	AAA
Private Subscription Finance Transaction	44,289	A
CWALT Alternative Loan Trust 2007-HY9	43,941	BBB+
Private Balloon Note Guarantee	42,500	A
Private Other Structured Finance Transaction	40,174	A-
Total top 25 U.S. structured finance exposures	**$ 2,486,935**	

1) Transactions rated below B- are categorized as CCC.

Please refer to the Glossary for an explanation of net par outstanding, internal ratings and sectors.

Assured Guaranty Inc.

Largest Exposures by Sector (3 of 3)

As of June 30, 2024

(dollars in thousands)

50 Largest Non-U.S. Exposures by Revenue Source

Credit Name:	Country	Net Par Outstanding	Internal Rating
Southern Water Services Limited	United Kingdom	$ 409,824	BBB-
Dwr Cymru Financing Limited	United Kingdom	343,526	A-
Anglian Water Services Financing PLC	United Kingdom	341,630	A-
British Broadcasting Corporation (BBC)	United Kingdom	250,501	A+
Thames Water Utilities Finance PLC	United Kingdom	236,837	BBB
National Grid Gas PLC	United Kingdom	235,911	A-
International Infrastructure Pool	United Kingdom	186,033	AAA
International Infrastructure Pool	United Kingdom	186,033	AAA
International Infrastructure Pool	United Kingdom	186,033	AAA
Aspire Defence Finance plc	United Kingdom	180,255	BBB+
Wessex Water Services Finance Plc	United Kingdom	170,423	AA-
Northumbrian Water PLC	United Kingdom	165,663	BBB+
Yorkshire Water Services Finance Plc	United Kingdom	157,735	BBB
Private Subscription Finance Transaction	See footnote 1	134,585	A
Private International Residential Mortgage Transaction	United Kingdom	126,450	A
Comision Federal De Electricidad (CFE) El Cajon Project	Mexico	125,377	BBB-
National Grid Company PLC	United Kingdom	111,748	BBB+
United Utilities Water PLC	United Kingdom	106,650	A-
Regione Lazio	Italy	105,830	BBB-
Channel Link Enterprises Finance PLC	France, United Kingdom	101,675	BBB
Southern Gas Networks PLC	United Kingdom	98,417	BBB+
Private Subscription Finance Transaction	See footnote 2	96,992	A
Bain Capital EURO CLO 2021-2	See footnote 3	93,141	AAA
M77 - Glasgow Southern Orbital PFI Road Project	United Kingdom	92,462	BBB-
Severn Trent Water Utilities Finance Plc	United Kingdom	85,673	BBB+
Tymon Park CLO DAC Reset	See footnote 4	83,916	AA
North Westerly V Leveraged Loan Strategies CLO	See footnote 5	83,255	AAA
Verbund, Lease and Sublease of Hydro-Electric Equipment	Austria	80,978	AAA
Ancora (OAHS) Pty Ltd.	Australia	75,635	BBB
Envestra Limited	Australia	73,800	A-
Heathrow Funding Limited	United Kingdom	69,136	BBB
Electricity North West Ltd	United Kingdom	58,582	BBB+
Private Subscription Finance Transaction	See footnote 6	57,102	A
University of Sussex	United Kingdom	54,983	BBB
Private Pooled Corporate Transaction	See footnote 7	52,379	AA
Capital Hospitals (Issuer) PLC	United Kingdom	51,310	BBB-
Private Subscription Finance Transaction	See footnote 8	48,044	A-
Sociedad Concesionaria Autopista Vespucio Sur S.A., Chile	Chile	43,843	BBB+
Newcastle Hospitals PFI Project	United Kingdom	36,182	BB+
Private International Housing Association Transaction	United Kingdom	34,774	A-
South West Water UK	United Kingdom	33,947	BBB+
Private Subscription Finance Transaction	Intl-Multi Country	32,805	A
Feria Muestrario Internacional de Valencia	Spain	30,169	BBB-
Private International Sub-Sovereign Transaction	United Kingdom	26,553	A+
Western Power Distribution (South West) PLC	United Kingdom	25,402	BBB+
Southern Electric Power Distribution Plc	United Kingdom	25,290	BBB
Private Subscription Finance Transaction	See footnote 9	22,881	A
Metro de Madrid SA	Spain	22,586	BBB+
Private International Education Transaction	United Kingdom	22,129	A+
Western Power Distribution (South Wales) PLC	United Kingdom	21,273	BBB+
Total top 50 non-U.S. exposures		**$ 5,496,358**	

Primarily: (1) Germany, Luxembourg, United Kingdom, Netherlands, Singapore, (2) Netherlands, Luxembourg, France, Norway, Singapore, (3) France, Luxembourg, United Kingdom, Netherlands, Germany, (4) United Kingdom, France, Netherlands, Luxembourg, Germany, (5) France, Germany, United Kingdom, Netherlands, Sweden, (6) United Kingdom, Switzerland, Germany, Norway, Sweden, (7) France, United Kingdom, Netherlands, Luxembourg, Germany, (8) Singapore, Cayman Islands, Sweden, Luxembourg, Kuwait, (9) Canada, China, Hong Kong, Saudi Arabia, South Korea

Please refer to the Glossary for an explanation of net par outstanding, internal ratings and sectors.

Assured Guaranty Inc.

Summary of Statutory Financial and Statistical Data

(dollars in thousands)

	As of and for the Six Months Ended June 30,	As of and for Year Ended December 31,			
	2024	2023	2022	2021	2020
Claims-Paying Resources (1)					
Policyholders' surplus	$ 1,648,683	$ 1,650,573	$ 1,916,078	$ 2,069,827	$ 1,716,777
Contingency reserve	421,530	419,642	346,940	348,062	617,634
Qualified statutory capital	**2,070,213**	**2,070,215**	**2,263,018**	**2,417,889**	**2,334,411**
Unearned premium reserve and net deferred ceding commission income	355,212	350,737	326,786	352,782	363,452
Loss and LAE reserves	38,818	—	—	7,072	13,118
Total policyholders' surplus and reserves	**2,464,243**	**2,420,952**	**2,589,804**	**2,777,743**	**2,710,981**
Present value of installment premium	239,761	256,666	200,488	193,521	189,445
CCS	200,000	200,000	200,000	200,000	200,000
Total claims-paying resources (including proportionate Municipal Assurance Corp. (MAC) ownership for AG)	**2,904,004**	**2,877,618**	**2,990,292**	**3,171,264**	**3,100,426**
Adjustment for MAC	—	—	—	—	234,852
Total claims-paying resources (excluding proportionate MAC ownership for AG)	**$ 2,904,004**	**$ 2,877,618**	**$ 2,990,292**	**$ 3,171,264**	**$ 2,865,574**
Ratios:					
Net par outstanding to qualified statutory capital	14:1	14:1	9:1	9:1	11:1
Capital ratio	23:1	23:1	15:1	14:1	16:1
Financial resources ratio	17:1	16:1	11:1	10:1	12:1
Adjusted statutory net par outstanding to claims-paying resources (including MAC adjustment for AG)	10:1	10:1	7:1	7:1	8:1
Other Financial Information (Statutory Basis) (2)					
Net debt service outstanding (end of period)	$ 48,358,651	$47,395,589	$32,982,853	$33,024,098	$38,015,005
Gross debt service outstanding (end of period)	61,368,809	60,185,021	44,599,698	45,424,851	50,842,602
Net par outstanding (end of period)	29,894,524	29,114,871	20,950,705	21,603,648	25,377,477
Gross par outstanding (end of period)	39,659,768	38,534,762	29,302,574	30,328,782	34,273,962
Ceded to Assured Guaranty affiliates	9,739,743	9,394,391	8,326,369	8,699,634	8,870,984
Gross debt service written:					
Public finance - U.S.	$ 1,933,845	$13,195,816	$ 3,690,150	$ 3,480,668	$ —
Public finance - non-U.S.	91,186	2,373,439	480,692	56,226	—
Structured finance - U.S.	684,938	1,814,644	1,107,988	1,311,776	508,015
Structured finance - non-U.S.	495,440	1,123,945	259,941	357,051	—
Total gross debt service written	$ 3,205,409	$18,507,844	$ 5,538,771	$ 5,205,721	$ 508,015

1) See page 8 for additional detail on claims-paying resources and exposure. The December 31, 2020 numbers shown for AG have been adjusted to include its indirect share of MAC. Until April 1, 2021, AGM and AG owned 60.7% and 39.3%, respectively, of the outstanding stock of Municipal Assurance Holdings Inc. (MAC Holdings), which owned 100% of the outstanding common stock of MAC. On April 1, 2021, as part of a multi-step transaction, AG sold its interest in MAC Holdings to AGM and MAC was merged with and into AGM, with AGM as the surviving company.
2) The National Association of Insurance Commissioners Annual Statements for U.S. Domiciled Insurance Companies are prepared on a stand-alone basis.

Please refer to the Glossary for an explanation of the presentation of net debt service and net par outstanding and of the various sectors.

Glossary

Net Par Outstanding and Internal Ratings

Net Par Outstanding is insured par exposure, net of reinsurance cessions. Unless otherwise indicated, GAAP net par outstanding amounts exclude amounts as a result of loss mitigation strategies, including securities the Company has purchased for loss mitigation purposes that are held in the investment portfolio.

Internal Rating utilizes the Company's ratings scale, which is similar to that used by the nationally recognized statistical rating organizations; however, the ratings in the tables may not be the same as ratings assigned by any such rating agency.

Statutory Net Par and Net Debt Service Outstanding Under statutory accounting, net par and net debt service outstanding would be reduced both when an outstanding issue is legally defeased (i.e., an issuer has legally discharged its obligations with respect to a municipal security by satisfying conditions set forth in defeasance provisions contained in transaction documents and is no longer responsible for the payment of debt service with respect to such obligations) and when such issue is economically defeased (i.e., transaction documents for a municipal security do not contain defeasance provisions but the issuer establishes an escrow account with U.S. government securities in amounts sufficient to pay the refunded bonds when due; the refunded bonds are not considered paid and continue to be outstanding under the transaction documents and the issuer remains responsible to pay debt service when due to the extent monies on deposit in the escrow account are insufficient for such purpose).

Performance Indicators

The performance information described below is obtained from third parties and/or provided by the trustee and may be subject to revision as updated or additional information is obtained:

Average Credit Enhancement is intended to provide a measure of the amount of equity and/or subordinated tranches that are junior in the capital structure to Assured Guaranty's exposure, expressed as a percentage of the total transaction size, and reflects any reduction of that credit support resulting from defaults or other factors. For transactions where excess spread may be available to absorb certain losses, the amounts shown do not include any benefit from excess spread. The calculation methodologies differ for the various asset classes to reflect differences in transaction structures in order to provide a measure that management believes is comparable across asset classes. Some asset classes may not have subordinated tranches so they are excluded from the weighted averages.

Sectors

Below are brief descriptions of selected types of public and structured finance obligations that the Company insures and reinsures. For a more complete description, please refer to Assured Guaranty Ltd.'s Annual Report on Form 10-K for the year ended December 31, 2023.

U.S. Public Finance:

General Obligation Bonds are full faith and credit obligations that are issued by states, their political subdivisions and other municipal issuers, and are supported by the general obligation of the issuer to pay from available funds and by a pledge of the issuer to levy property taxes in an amount sufficient to provide for the full payment of the bonds.

Transportation Bonds include a wide variety of revenue-supported obligations, such as bonds for airports, ports, tunnels, municipal parking facilities, toll roads and toll bridges.

Infrastructure Bonds include obligations issued by a variety of entities engaged in the financing of infrastructure projects, such as roads, airports, ports, social infrastructure and other physical assets delivering essential services supported by long-term concession arrangements with a public sector entity.

Tax-Backed Bonds are obligations that are supported by the issuer from specific and discrete sources of taxation and tax-backed revenue bonds. Tax-backed obligations may be secured by a lien on specific pledged tax revenues, such as a gasoline or excise tax, or an income tax, or incrementally from growth in property tax revenue associated with growth in property values. These obligations also include obligations secured by special assessments levied against property owners and often benefit from issuer covenants to enforce collections of such assessments and to foreclose on delinquent properties. Lease revenue bonds typically are general fund obligations of a municipality or other governmental authority that are subject to annual appropriation or abatement; projects financed and subject to such lease payments ordinarily include real estate or equipment serving an essential public purpose.

Municipal Utility Bonds are obligations of all forms of municipal utilities, including electric, water and sewer utilities and resource recovery revenue bonds. These utilities may be organized in various forms, including municipal enterprise systems, authorities or joint action agencies.

Healthcare Bonds are obligations of healthcare facilities, including community-based hospitals and systems, as well as of health maintenance organizations and long-term care facilities.

Higher Education Bonds are obligations secured by revenue collected by either public or private secondary schools, colleges and universities. Such revenue can encompass all of an institution's revenue, including tuition and fees, or in other cases, can be specifically restricted to certain auxiliary sources of revenue or revenue relating to student accommodation.

Housing Revenue Bonds are obligations relating to both single and multi-family housing, issued by states and localities, supported by cash flow and, in some cases, insurance from entities such as the Federal Housing Administration.

Glossary (continued)

Sectors **(continued)**

Renewable Energy Bonds are obligations backed by revenue from renewable energy sources.

Investor-Owned Utility Bonds are obligations primarily issued by investor-owned utilities, and include first mortgage bond obligations of for-profit electric or water utilities providing retail, industrial and commercial service, as well as sale-leaseback obligation bonds supported by such entities.

Other Public Finance Bonds include other debt issued, guaranteed or otherwise supported by U.S. national or local governmental authorities, as well as student loans, revenue bonds, and obligations of some not-for-profit organizations.

Non-U.S. Public Finance:

Regulated Utility Obligations are obligations issued by government-regulated providers of essential services and commodities, including electric, water and gas utilities, supported by the rates and charges paid by the utilities' customers. The majority of the Company's non-U.S. regulated utility business is conducted in the U.K.

Infrastructure Finance Obligations are obligations issued by a variety of entities engaged in the financing of non-U.S. infrastructure projects, such as roads, airports, ports, social infrastructure, student accommodations, stadiums, and other physical assets delivering essential services supported either by long-term concession arrangements or a regulatory regime. The majority of the Company's non-U.S. infrastructure business is conducted in the United Kingdom.

Pooled Infrastructure Obligations are synthetic asset-backed obligations that take the form of CDS obligations or credit-linked notes that reference either infrastructure finance obligations or a pool of such obligations, with a defined deductible to cover credit risks associated with the referenced obligations. The Company has not entered into a pooled infrastructure transaction since 2006.

Sovereign and Sub-Sovereign Obligations primarily includes obligations of local, municipal, regional or national governmental authorities or agencies outside of the U.S.

Renewable Energy Bonds are obligations secured by revenues relating to renewable energy sources, typically solar or wind farms. These transactions often benefit from regulatory support in the form of regulated minimum prices for the electricity produced. The majority of the Company's non-U.S. renewable energy business is conducted in Spain.

Other Public Finance Obligations are obligations of, or backed by, local, municipal, regional or national governmental authorities or agencies not generally described in any of the other described categories.

Structured Finance:

Insurance Securitizations are transactions, including life insurance transactions, where obligations are secured by the future earnings from pools of various types of insurance/reinsurance policies and income produced by invested assets.

Pooled Corporate Obligations are securities primarily backed by various types of corporate debt obligations, such as secured or unsecured bonds, bank loans or loan participations and trust preferred securities. These securities are often issued in "tranches," with subordinated tranches providing credit support to the more senior tranches. The Company's financial guaranty exposures generally are to the more senior tranches of these issues.

Residential Mortgage-Backed Securities (RMBS) are obligations backed by first and second lien mortgage loans on residential properties. The credit quality of borrowers covers a broad range, including "prime," "subprime" and "Alt-A." A prime borrower is generally defined as one with strong risk characteristics as measured by factors such as payment history, credit score, and debt-to-income ratio. A subprime borrower is a borrower with higher risk characteristics. An Alt-A borrower is generally defined as a prime quality borrower that lacks certain ancillary characteristics, such as fully documented income. RMBS include home equity lines of credit (HELOCs), which refers to a type of residential mortgage-backed transaction backed by second-lien loan collateral. The Company has not provided insurance for RMBS in the primary market since 2008.

Consumer Receivables Securities are obligations backed by non-mortgage consumer receivables, such as student loans, automobile loans and leases, manufactured home loans and other consumer receivables.

Subscription Finance Facilities are lending facilities provided to closed-end private market funds, most frequently private-equity funds. The facilities are secured by the uncalled capital commitments of the limited partners (LP) to the fund. The Company may guarantee new or existing facilities and on a single facility or portfolio basis. Assured Guaranty's exposures are generally to facilities with characteristics that include a high-quality fund sponsor with strong historical performance, diverse LP base composed primarily of institutional LPs and experienced bank lenders.

Other Structured Finance Obligations are obligations backed by assets not generally described in any of the other described categories.

Non-GAAP Financial Measures

The Company discloses both: (i) financial measures determined in accordance with GAAP and (ii) 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.

The Company believes its presentation of non-GAAP financial measures 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 entities where it is deemed to be the primary beneficiary which include:

- FG VIEs, which the Company does not own and where its exposure is limited to its obligation under the financial guaranty insurance contract, and
- CIVs in which certain subsidiaries invest.

The Company discloses the effect of FG VIE and CIV consolidation that is embedded in each non-GAAP financial measure, as applicable. The Company believes this information may also be useful to analysts and investors evaluating Assured Guaranty's financial results. In the case of both the consolidated FG VIEs and the CIVs, the economic effect on the Company of each of the consolidated FG VIEs and CIVs is reflected primarily in the results of the Insurance segment.

Management of the Company and AGL's Board of Directors use non-GAAP financial measures further adjusted to remove the effect of FG VIE and CIV 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 core financial measures in its decision-making process for and in its calculation of certain components of management compensation. The financial measures that the Company uses to help determine compensation are: (1) adjusted operating income, further adjusted to remove the effect of FG VIE and CIV consolidation; (2) adjusted operating shareholder's equity, further adjusted to remove the effect of FG VIE and CIV consolidation; (3) adjusted book value per share, further adjusted to remove the effect of FG VIE and CIV consolidation; and (4) PVP.

Management believes that many investors, analysts and financial news reporters use adjusted operating shareholder's equity and/or adjusted book value, each further adjusted to remove the effect of FG VIE and CIV consolidation, as the principal financial measures 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 adjusted operating shareholder's equity, further adjusted to remove the effect of FG VIE and CIV consolidation, to evaluate the Company's capital adequacy.

Adjusted operating income, further adjusted for the effect of FG VIE and CIV 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 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.

Adjusted Operating Income: Management believes that adjusted operating income is a useful measure because it clarifies the understanding of the operating results of the Company. Adjusted operating income is defined as net income (loss) attributable to the Company, 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-related 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.

Non-GAAP Financial Measures (continued)

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) 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 Shareholder's Equity and Adjusted Book Value: Management believes that adjusted operating shareholder's equity is a useful measure because it excludes the fair value adjustments on investments, credit derivatives and CCS that are not expected to result in economic gain or loss.

Adjusted operating shareholder's equity is defined as shareholder's equity attributable to the Company, as reported under GAAP, adjusted for the following:

1) Elimination of non-credit impairment-related 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). 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 would not recognize an economic gain or loss.

4) 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.

Management uses adjusted book value, further adjusted to remove the effect of FG VIE and CIV consolidation, to measure the intrinsic value of the Company, excluding franchise value. Adjusted book value per share, further adjusted for FG VIE and CIV 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 shareholder's 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 present value of the expected future net earned premiums, net of the present value of expected losses to be expensed, which are not reflected in GAAP equity.

4) 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.

Non-GAAP Financial Measures (continued)

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 shareholder's 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 present value of estimated net future revenue for non-financial guaranty insurance contracts. This amount represents the net present value of estimated future revenue from these contracts (other than credit derivatives with net expected losses), net of reinsurance, ceding commissions and premium taxes.

Future installment premiums are discounted at the approximate average pre-tax book yield of fixed-maturity securities purchased during the prior calendar year, other than Loss Mitigation Securities. The discount rate is recalculated annually and updated as necessary. Net present value of estimated future revenue for an obligation may change from period to period due to a change in the discount rate or due to a change in estimated net future revenue for the obligation, which may change 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. There is no corresponding GAAP financial measure.

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 in the Insurance segment by taking into account the value of estimated future installment premiums on all new contracts underwritten in a reporting period as well as additional installment premiums and fees on existing contracts (which may result from supplements or fees or from the issuer not calling an insured obligation the Company projected would be called), regardless of form, which management believes GAAP gross written premiums and changes in fair value of credit derivatives 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.

Future installment premiums are discounted at the approximate average pre-tax book yield of fixed-maturity securities purchased during the prior calendar year, other than certain fixed-maturity securities such as Loss Mitigation Securities. The discount rate is recalculated annually and updated as necessary. 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 installment premiums may differ from those estimated in the Company's PVP calculation 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.

Assured Guaranty Inc.
1633 Broadway
New York, NY 10019
(212) 974-0100
www.assuredguaranty.com

Contacts:

Equity and Fixed Income Investors:
Robert Tucker
Senior Managing Director, Investor Relations and Corporate Communications
(212) 339-0861
rtucker@agltd.com

Michael Walker
Managing Director, Fixed Income Investor Relations
(212) 261-5575
mwalker@agltd.com

Andre Thomas
Managing Director, Equity Investor Relations
(212) 339-3551
athomas@agltd.com

Media:
Ashweeta Durani
Director, Media Relations
(212) 408-6042
adurani@agltd.com