Fixed Income Investor Presentation

March 31, 2015

ASSURED GUARANTY® MUNICIPAL

MUNICIPAL ASSURANCE CORP.® AN ASSURED GUARANTY COMPANY

ASSURED GUARANTY® CORP.

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

Forward-Looking Statements and Safe Harbor Disclosure

ASSURED GUARANTY®

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

Conventions, Disclaimers and Non-GAAP Financial Measures

- Unless otherwise noted, the following conventions are used in this presentation:
  - "AGM Consolidated" means Assured Guaranty Municipal Corp. and its consolidated entities (consisting primarily of Assured Guaranty (Europe) Ltd., Municipal Assurance Holdings Inc. (MAC Holdings), Municipal Assurance Corp. (MAC), and variable interest entities Assured Guaranty Municipal Corp. is required to consolidate under accounting principles generally accepted in the United States).
    - "AGM" means AGM Consolidated excluding MAC Holdings and MAC.
    - "Assured Guaranty Municipal" means AGM Consolidated excluding MAC Holdings, MAC and Assured Guaranty (Europe) Ltd.
  - Ratings on Assured Guaranty's insured portfolio and on 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 Standard & Poor's Ratings Services (S&P).
  - Percentages and totals in tables or graphs may not add due to rounding.
- The information in this presentation, which is generally as of March 31, 2015, excludes the impact of the April 1, 2015 acquisition by Assured Guaranty Corp. (AGC) of Radian Asset Assurance Inc. (Radian Asset) and merger of Radian Asset with and into AGC.
- The materials in this presentation do not constitute advice with respect to any municipal financial products, or the issuance of any municipal securities, including with respect to the structuring, timing or terms of any such financial products or issuances. You should not rely on such material to make any decision with respect to these topics. Neither we nor any of our affiliates is acting as your advisor in connection with any municipal financial product or any issuance of municipal securities. We encourage you to consult your own financial and legal advisors and to make your own independent investigation regarding any municipal financial product and the structure, timing and terms of any issuance of municipal securities. Municipal financial product includes any municipal derivative, guaranteed investment contract, plan or program for the investment of the proceeds of municipal securities, or the recommendation and brokerage of municipal escrow investments.
- This presentation references financial measures that are not in accordance with U.S. generally accepted accounting principles (GAAP), which management uses in order to assist analysts and investors in evaluating Assured Guaranty's financial results. These financial measures determined on the basis of methodologies other than in accordance with GAAP ("non-GAAP financial measures") are defined in the Appendix. In each case, the most directly comparable GAAP financial measure, if available, is presented, and a reconciliation of the non-GAAP financial measure and GAAP financial measure is provided. This presentation is consistent with how Assured Guaranty's management, analysts and investors evaluate Assured Guaranty's financial results and is comparable to estimates published by analysts in their research reports on Assured Guaranty.

ASSURED GUARANTY®

Corporate Overview

Corporate Overview

- **Assured Guaranty Ltd. ("AGL" and, together with its subsidiaries, "Assured Guaranty" or the "Company") is the leading financial guaranty franchise**
  - We are the only long-standing financial guaranty company to continue to write new business throughout the financial crisis and recession
  - We maintain strong financial strength ratings from S&P, Moody's, KBRA, and A.M. Best
- **Assured Guaranty's focus is financial guaranty**
  - Three decades of experience in the financial guaranty market
  - Publicly traded holding company (NYSE: AGO) with extensive quarterly financial disclosures providing transparency to all investors
  - Three principal U.S. financial guaranty direct subsidiaries and one principal Bermuda financial guaranty reinsurance subsidiary
- **Strong capital base**
  - Consolidated investment portfolio and cash of $11.4 billion as of March 31, 2015[1]
  - Consolidated claims-paying resources of $12.0 billion as of March 31, 2015[2]
- **On April 1, 2015, Assured Guaranty Corp. (AGC) acquired Radian Asset Assurance Inc. (Radian Asset) and merged Radian Asset with and into AGC, with AGC as the surviving company**
  - Bonds insured by Radian Asset have therefore become insured obligations of AGC
  - Information reported in this presentation, generally as of March 31, 2015, excludes the impact of the acquisition and the merger

($ in billions)	AGL Consolidated (3/31/15)
Net par outstanding	$389.1
Total investment portfolio and cash[1]	$11.4
Claims-paying resources[2]	$12.0

1. Includes $290 million of investments in securities purchased or obtained as part of loss mitigation or other risk management strategies whose issuers were subsequently consolidated as variable interest entities (VIEs). Excludes $132 million of other invested assets not available for sale. See page 28 for a breakdown of the available-for-sale portfolio.
2. Based on statutory measures. See page 10 for components of claims-paying resources.

Corporate Overview (Continued)

Radian Acquisition

- **On April 1, 2015, AGC acquired Radian Asset Assurance Inc. (Radian Asset) for a cash purchase price of $804.5 million**
- **Immediately following the acquisition, Radian Asset was merged with and into AGC, with AGC as the surviving company**
  - Bonds insured by Radian Asset have therefore become insured obligations of AGC
- **Bondholders benefit from upgrades to their bonds' insured ratings, as AGC's financial strength ratings are substantially higher than Radian Asset's prior to the acquisition**
- **Because the transaction closed April 1, its impact is not incorporated in the figures contained in this presentation, unless otherwise noted**
- **On a March 31, 2015 pro forma basis, the Radian Asset acquisition added $13.6 billion of par to Assured Guaranty's insured portfolio**
- **The transaction increases AGC's capital base and is accretive to Assured Guaranty's earnings, operating shareholders' equity[1] and adjusted book value[1]**
  - Increases statutory capital by approximately $450 million
  - Increases claims-paying resources by over $625 million

1. Please see the appendix for an explanation of these non-GAAP financial measures.

Operating Principles and Investor and Issuer Benefits

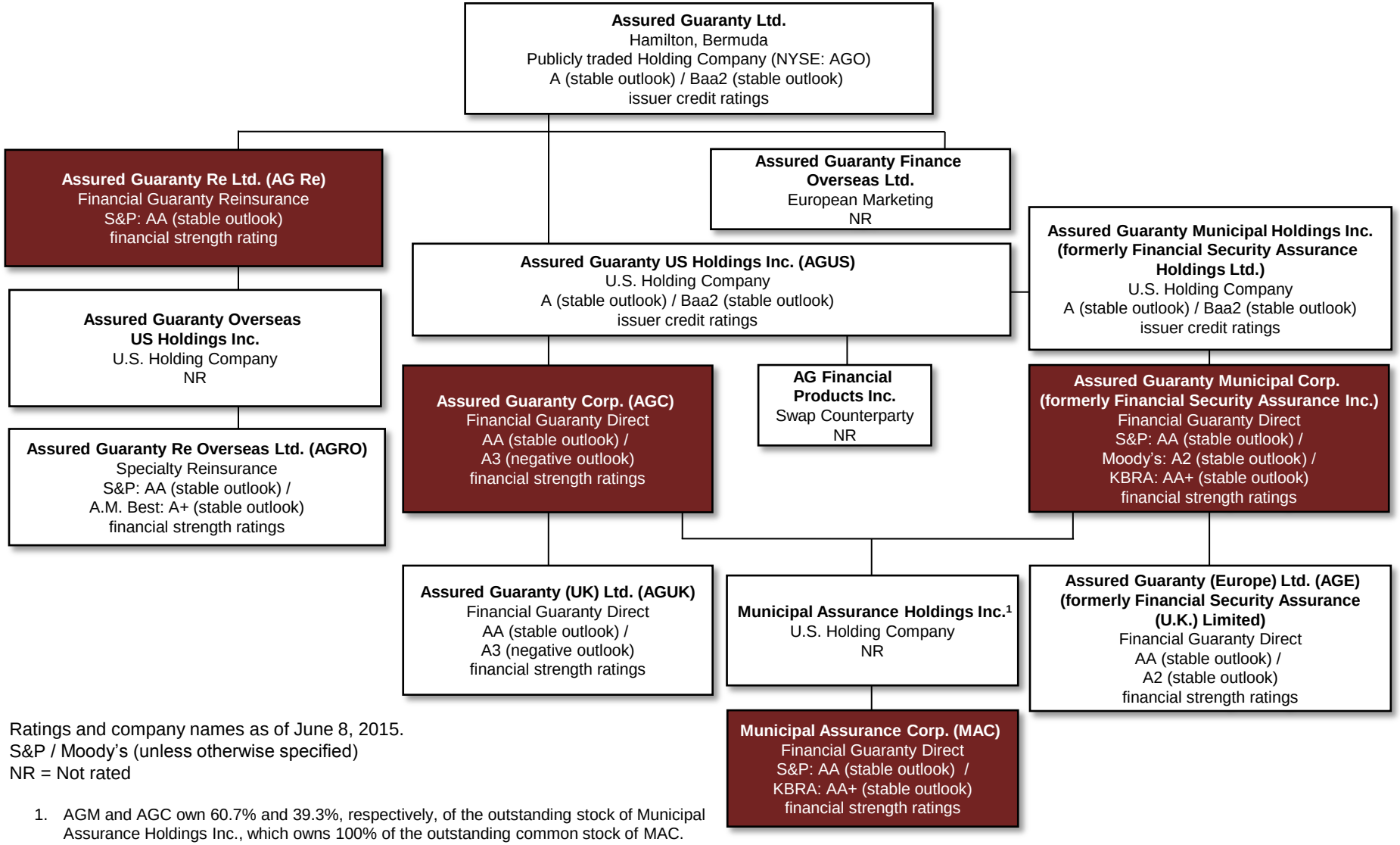
ASSURED GUARANTY®

- **Underwriting principles and a strong risk management culture designed to protect our franchise**
- **Experienced and disciplined management**
- **Commitment to disclosure and transparency**
- **Our guaranty benefits investors and issuers because we provide credit selection, underwriting, surveillance and remediation, in addition to timely payment of scheduled principal and interest if an underlying transaction defaults**
  - Bond insurance helps homogenize the market's view of insured credits, which typically increases market liquidity. Every day, the municipal market trades an average of $400 million in bonds insured by Assured Guaranty companies
  - Credit enhancement provides protection in an uncertain credit environment

Strategic Priorities

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

Assured Guaranty Ltd.
Corporate Structure



Ratings and company names as of June 8, 2015.
S&P / Moody's (unless otherwise specified)
NR = Not rated

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

Four Discrete Operating Companies With Separate Capital Bases

ASSURED GUARANTY

Consolidated Claims-Paying Resources and Statutory-Basis Exposures

($ in millions)	As of March 31, 2015					
	AGM	AGC	MAC	AG Re[8]	Eliminations[4]	Consolidated
Claims-paying resources						
Policyholders' surplus	$ 2,211	$ 1,098	$ 618	$ 1,054	$ (878)	$ 4,103
Contingency reserve[1]	1,519	839	311	–	(311)	2,358
Qualified statutory capital	**3,730**	**1,937**	**929**	**1,054**	**(1,189)**	**6,461**
Unearned premium reserve[1]	1,702	624	558	857	(558)	3,183
Loss and loss adjustment expense reserves[1,2]	483	84	–	274	–	841
Total policyholders' surplus and reserves	**5,915**	**2,645**	**1,487**	**2,185**	**(1,747)**	**10,485**
Present value of installment premium[1]	289	218	3	170	(3)	677
Committed Capital Securities	200	200	–	–	–	400
Excess of loss reinsurance facility[3]	450	450	450	–	(900)	450
Total claims-paying resources (including proportionate MAC ownership for AGM and AGC)	**$ 6,854**	**$ 3,513**	**$ 1,940**	**$ 2,355**	**$ (2,650)**	**$ 12,012**
Adjustment for MAC[5]	944	546	–	–	(1,490)	–
Total claims-paying resources (excluding proportionate MAC ownership for AGM and AGC)	**$ 5,910**	**$ 2,967**	**$ 1,940**	**$ 2,355**	**$ (1,160)**	**$ 12,012**
Statutory net par outstanding[6]	$ 145,064	$ 43,536	$ 77,249	$ 97,896	$ (1,445)	$ 362,300
Equity method adjustment[7]	46,890	30,359	–	–	(77,249)	–
Adjusted statutory net par outstanding[1]	$ 191,954	$ 73,895	$ 77,249	$ 97,896	$ (78,694)	$ 362,300
Net debt service outstanding[6]	$ 224,249	$ 64,641	$ 115,083	$ 154,625	$ (3,053)	$ 555,545
Equity method adjustment[7]	69,855	45,228	–	–	(115,083)	–
Adjusted net debt service outstanding[1]	$ 294,104	$ 109,869	$ 115,083	$ 154,625	$ (118,136)	$ 555,545

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

Assured Guaranty
Operating Platforms

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

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

Assured Guaranty
Operating Platforms (Continued)

- **Companies distinct for legal and regulatory purposes**
  - Separate insurance licenses
  - Separate regulators – Assured Guaranty Municipal[1] and MAC are domiciled in New York; AGC is domiciled in Maryland
  - Dividend restrictions – including New York, Maryland and Bermuda insurance law restrictions
  - Separate insured credit exposures: net par as of March 31, 2015 – AGM[1] $156 billion[2], MAC $87 billion, AGC $44 billion
  - Separate capital bases – claims-paying resources[3] as of March 31, 2015 – AGM[1] $5.9 billion, MAC $1.9 billion, AGC $3.0 billion
- **Under GAAP, Assured Guaranty Municipal Corp. is required to consolidate several entities, including MAC, when reporting financial data**
  - Because of the legal and regulatory distinction between Assured Guaranty Municipal Corp. and its consolidated entities, it can be useful to look at Assured Guaranty Municipal Corp. not only on a consolidated basis but also after excluding one or more of its consolidated entities
  - Please see page 3 for a list of conventions used to indicate which consolidated entities are included when we refer to "AGM Consolidated," "AGM" or "Assured Guaranty Municipal"

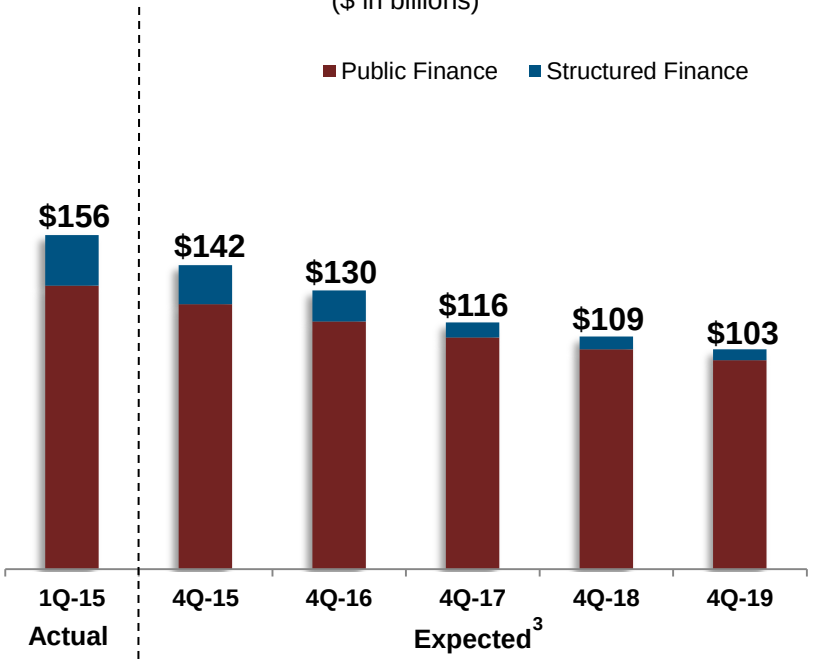
1. Please see page 3 for a definition of this convention and the appendix for a reconciliation to the corresponding GAAP value.
2. Includes $2.1 billion of GICs (see footnote 3 on page 45).
3. Consolidated claims-paying resources of the Assured Guaranty group include those of AGM, MAC and AGC shown above, $2.4 billion at AG Re., less intercompany eliminations of $1.2 billion. Please see page R9 for additional details about the components of claims-paying resources.

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

- **Assured Guaranty Municipal[1] is committed to insuring only U.S. public finance and global infrastructure transactions now and in the future[2]**
- **AGM's[1] existing insured portfolio is expected to rapidly evolve toward its public finance focus**
- **We project that AGM's[1] legacy global structured finance insured portfolio ($24 billion as of March 31, 2015 vs. $127 billion as of September 30, 2008) will amortize rapidly – 39% by year-end 2016 and 75% by year-end 2018[3]**

AGM[1] Net Par Outstanding Amortization

Current and Projected Year-End Amounts
As of March 31, 2015
($ in billions)



1. Please see page 3 for a definition of this convention and the appendix for a reconciliation to the corresponding GAAP value.
2. Assured Guaranty Municipal[1] stopped writing structured finance transactions in August 2008.
3. Represents the future expected amortization of current net par outstanding as of March 31, 2015. Actual amortization of the existing portfolio will differ from the expected shown here because, for example, (a) some obligors may call, prepay or defease guaranteed obligations (e.g., in the context of U.S. public finance refundings), and (b) the expected amortization of structured finance transactions is based in part on management's assumptions regarding the performance of the underlying assets while the actual performance of those assets may differ from management's assumptions. Actual amortization of the U.S. public and global infrastructure finance portfolio and the structured finance portfolio may be faster or slower than expected by management; both portfolios may differ from expectations in the same direction or one portfolio may amortize more quickly while the other may amortize more slowly.

Introduction to MAC

ASSURED GUARANTY

MUNICIPAL ASSURANCE CORP.

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

As of March 31, 2015, Municipal Assurance Corp. (MAC) has:

- $1.9 billion in claims-paying resources, consisting of $929 million in statutory capital, $558 million in unearned premium reserves[1] (UPR), and $450 million in excess-of-loss reinsurance[2];
- an $87 billion insured U.S. municipal-only portfolio that is geographically diversified;
- a $1.5 billion investment portfolio;
- strong financial strength ratings: AA+ (stable outlook) from Kroll Bond Rating Agency (KBRA) and AA (stable outlook) from S&P;
- conservative and well-defined underwriting standards; and
- a high level of transparency, including the publication of Credit Summaries for primary-market insured transactions.

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

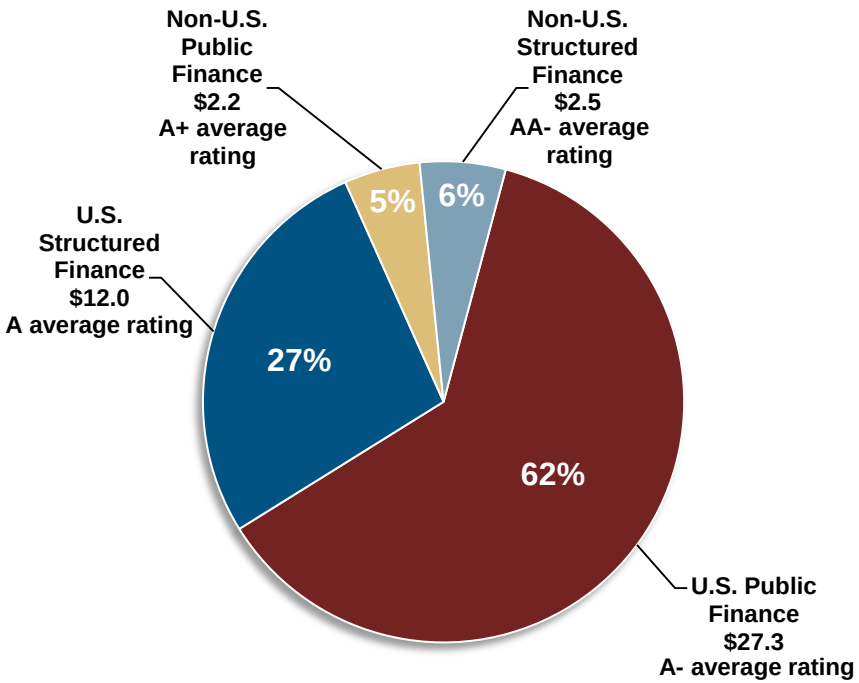
1. Statutory basis.
2. Represents an aggregate $450 million excess-of-loss reinsurance facility for the benefit of MAC, Assured Guaranty Municipal and Assured Guaranty Corp., which became effective January 1, 2014. The facility terminates on January 1, 2016, unless MAC, Assured Guaranty Municipal and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

AGC is Our Most Diversified Platform

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

Net Par Outstanding

As of March 31, 2015
($ in billions)



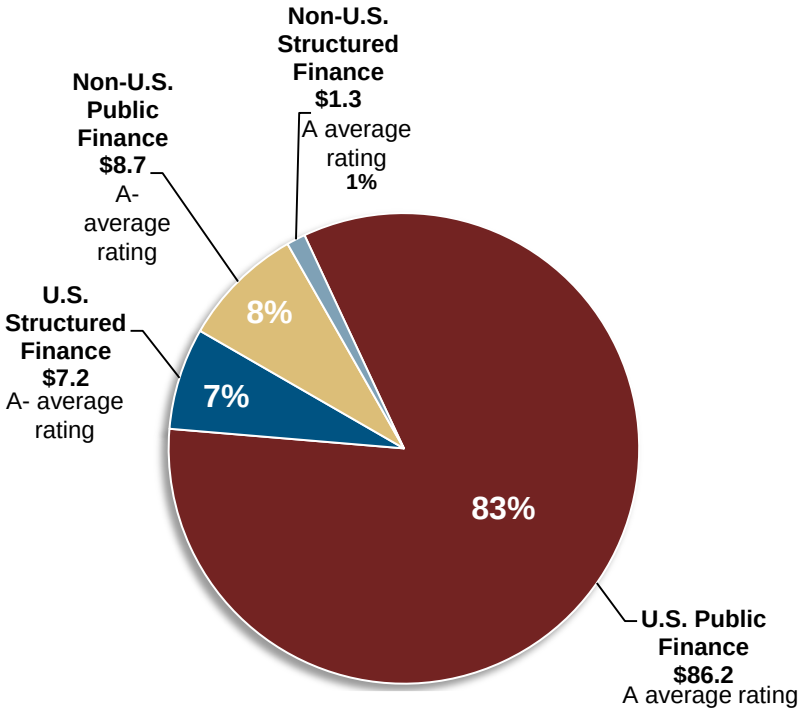
$44.1 billion, A average rating

AG Re's Operating Structure

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

Net Par Outstanding

As of March 31, 2015
($ in billions)



$103.6 billion, A average rating

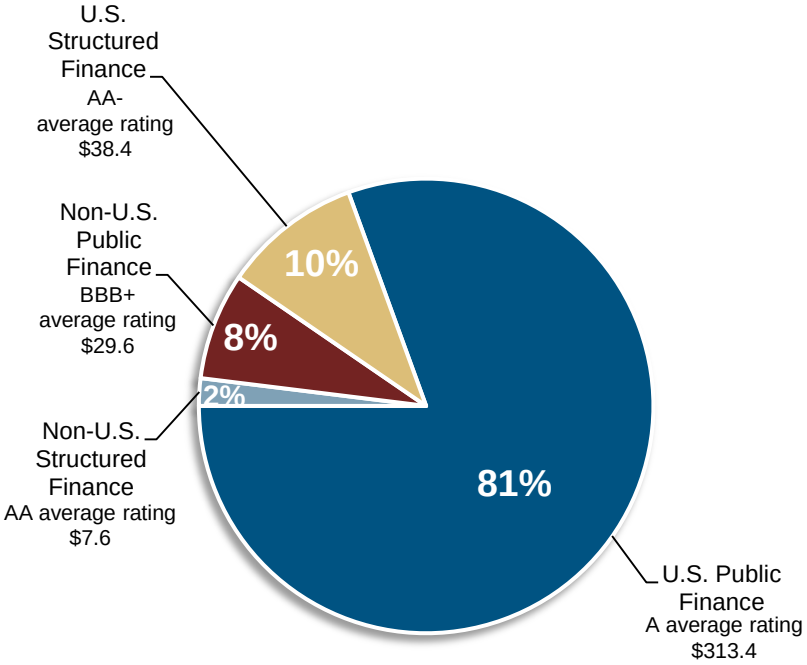
1. As of June 8, 2015.
2. Please see page 3 for a definition of this convention.

Underwriting Discipline

- **Our U.S. public finance portfolio, our largest exposure category, performed well during the recession and in subsequent years, despite persistent financial pressures on municipal obligors**
  - We have tightened our public finance underwriting standards
  - Out of approximately 9,400 direct U.S. public finance obligors, we expect future losses to be paid, net of recoveries, on less than a dozen. In 1Q-15, we made payments on only two
- **Our principal losses in the last several years have been on U.S. RMBS due to the lack of adherence to underwriting standards by mortgage originators**
  - Neither AGM[1] nor AGC underwrote collateralized debt obligations (CDOs) backed by RMBS, which has protected us from losses on the scale experienced by our former competitors

Consolidated Net Par Outstanding

As of March 31, 2015
($ in billions)



$389.1 billion, A average rating

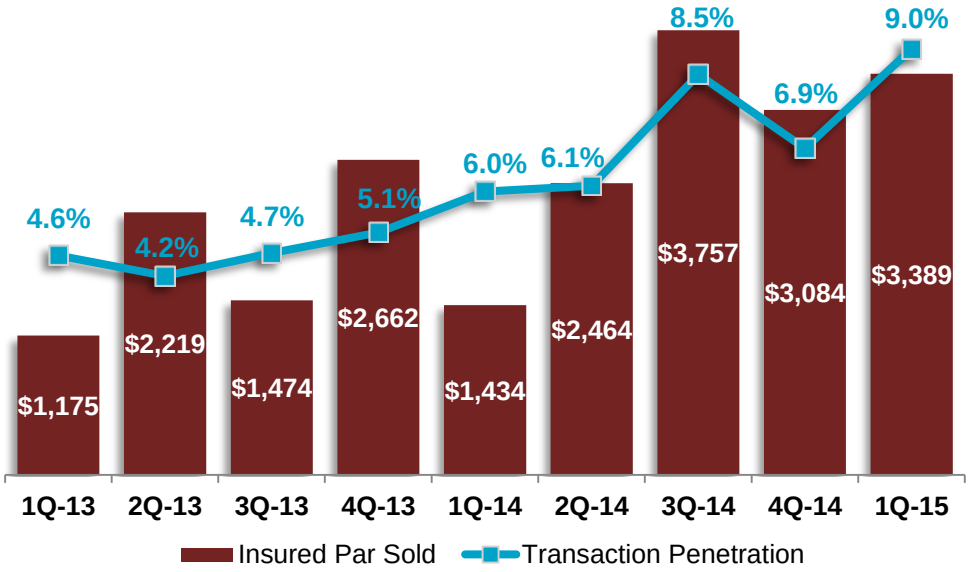
1. Please see page 3 for a definition of this convention.

New Business Production

Penetration in the U.S. Public Finance Market

- **We are focused on building demand for our guaranties, both in the primary and the secondary markets**
  - Secondary market policies in 1Q-15 totaled 92 or $142 million
- **Despite headwinds, both par insured and market penetration were higher in first quarter 2015**
  - Industry penetration of the number of transactions with underlying A ratings increased to 55.2% in 1Q-15, up from 39.8% in 1Q-14
  - Industry par penetration for all transactions with underlying A ratings increased to 21.6% in 1Q-15, up from 15.2% in 1Q-14
- **Industry penetration for smaller deals remains strong at 19.8% of all transactions under $25 million in 1Q-15**

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



U.S. Public Finance New Issuance	1Q-13	2Q-13	3Q-13	4Q-13	1Q-14	2Q-14	3Q-14	4Q-14	1Q-15
Total Par Issued ($ in billions)	$81.3	$88.7	$67.9	$73.4	$60.4	$83.1	$72.3	$99.3	$103.9
Total Transactions Issued	2,785	3,357	2,155	2,285	1,955	2,964	2,376	2,871	3,057

1. Source: SDC database. As of March 31, 2015.

The Fundamental Demand for Bond Insurance Continued in 2015

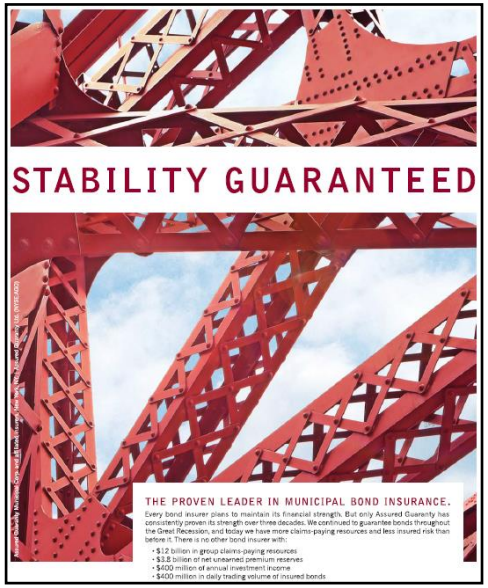
ASSURED GUARANTY

In the Primary Market, $6.7 Billion of Insured Par on 475 Transactions Sold With Our Insurance[1], Including These Selected Issues

$99,745,000 General Obligation Bonds, First Refunding and Second Series of 2015 **Commonwealth of Pennsylvania** May 2015	**$108,315,000** Tax-Exempt Private Activity Bonds, Series 2015 **Treasurer of State of Ohio Portsmouth Gateway** April 2015	**$146,325,000** Rhode Island Health and Educational Building Corporation Revenue Bond Financing Program, Series 2015A **Providence Public Schools** April 2015	**$103,000,000** Election of 2014 General Obligation Bonds, Series A **Moreno Valley Unified School District, California** May 2015	**$100,565,000** GO Refunding Bonds, Series A & B of 2015 **Luzerne County, Pennsylvania** May 2015
$47,240,000 General Airport Revenue Bonds (North Terminal Project), Series 2015B **New Orleans Aviation Board, Louisiana** February 2015	**$54,000,000** 1st Senior Lien Revenue Bonds, Series 2015A **Mid-Bay Bridge Authority, Florida** May 2015	**$42,110,000** Water Revenue Bonds, Series 2015-A **The Utilities Board of the City of Cullman, Alabama** February 2015	**$55,635,000** Transportation Excise Tax Revenue Refunding Obligations, Series 2015 **City of Glendale, Arizona** January 2015	**$60,289,035** Senior Lien Toll Road Refunding Revenue Bonds, Series 2015A **Foothill/Eastern Transportation Corridor Agency, California** February 2015
$56,550,000 Certificates of Participation (Master Lease Program), Series 2015B **School Board of Lake County, Florida** January 2015	**$29,520,000** Refunding Revenue Bonds, Series 2015A & 2015B **Lower Colorado River Authority, Texas** March 2015	**$48,500,000** Revenue Bonds, Series 2015 **University of Maine** April 2015	**$94,030,444** General Obligation Bonds, Series A and B of 2015 **Montour School District, Pennsylvania** March 2015	**$90,000,000** General Obligation Bonds (Measure Q) 2015 Series C-1 & 2 **Sacramento City Unified School District, California** May 2015

1. Source: SDC database. Sales from January 1 through May 31, 2015. Amounts are on a sale-date basis and reflect only those series insured by Assured Guaranty Municipal[2], AGC, or MAC.
2. Please see page 3 for a definition of this convention.

Broadening Market Awareness
Advertising Campaign



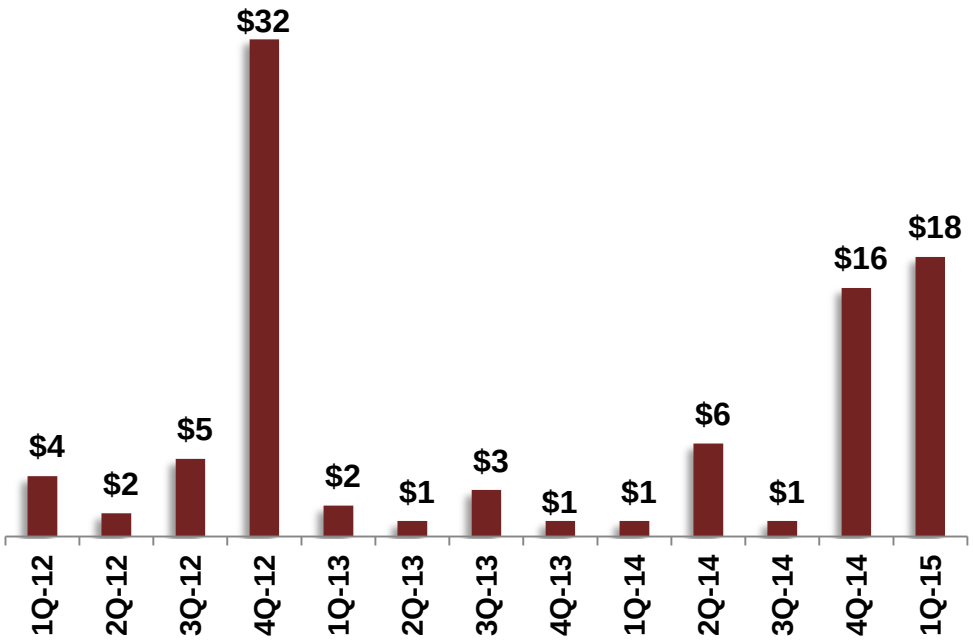
New Business Production

U.S. Structured Finance Business Activity

- **In 1Q-15, we closed a reserve financing transaction in the insurance sector, generating $18 million of PVP[1]**
- **New structured finance business production tends to fluctuate as large, complex transactions require a long time frame to close**

U.S. Structured PVP[1]

($ in millions)



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

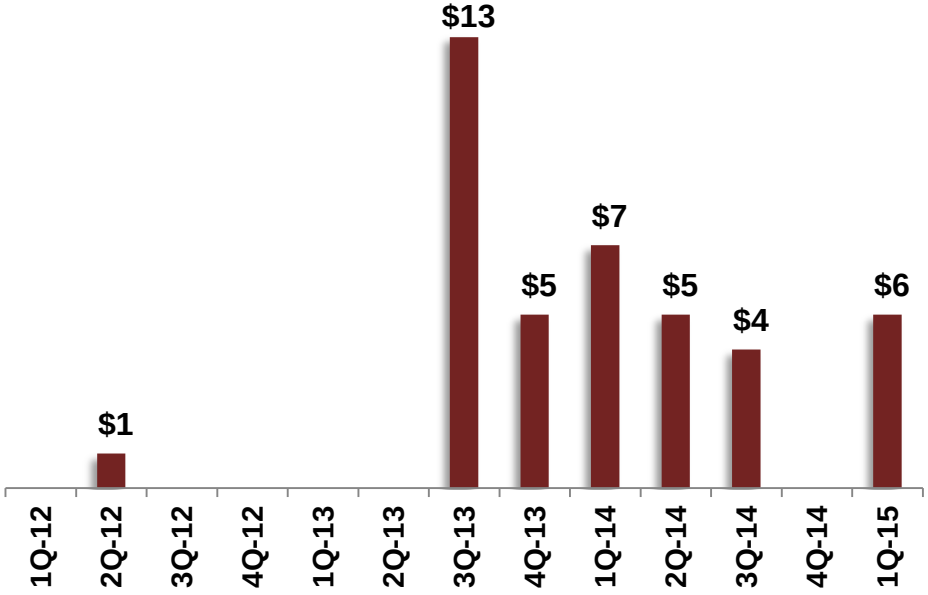
New Business Production

Non-U.S. Business Activity

- **During 1Q-15, we closed a reinsurance transaction and had a $5 million increase in non-U.S. PVP[1] related to a previously insured transaction**
- **During 3Q-14, we insured a non-U.S. diversified payment rights transaction**
- **During 2Q-14, we also insured a non-U.S. diversified payment rights transaction**
- **During 1Q-14, we guaranteed a U.K. infrastructure bond**

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

($ in millions)



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

New Business Production
Reinsurance Platform

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

Year	Reassumed Par ($ in billions)	Reassumed UPR ($ in millions)	Commutation Gain / (Loss) ($ in millions)
2009	$2.9	$65	($11)
2010	15.5	104	50
2011	0.3	2	24
2012	19.2	109	82
2013	0.2	11	2
2014	1.2	20	23
Total	$39.3	$311	$170

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

Ceded Par Outstanding by Reinsurer[2]

As of March 31, 2015

($ in millions)	Net Par Outstanding
American Overseas Re (formerly RAM Re)	$6,363
Tokio Marine	5,006
Radian Asset[3]	3,984
Syncora	3,522
Mitsui	1,995
Others	1,117
Total	$21,987

1. Please see the appendix for an explanation of this non-GAAP financial measure and a reconciliation to GAAP book value.
2. Includes par related to insured credit derivatives.
3. AGC acquired Radian Asset Assurance Inc. on April 1, 2015, and merged it with and into AGC.

Financial Strength Ratings

- **We maintain strong financial strength ratings**
- **On March 18, 2014, S&P upgraded the financial strength ratings of AGM, MAC, and AGC to AA (stable outlook)**
  - A key factor listed by S&P in support of the upgrade was that "the full payment of claims to investors on various 'high-profile' municipal bankruptcies held in Assured's insured portfolio demonstrates and reiterates to various constituents the value of bond insurance and the credit position and capacity of the company."
  - S&P affirmed its ratings on July 2, 2014, stating that the group's capital adequacy cushion (the amount of capital remaining after S&P's simulated AAA depression test) was $1.45 to $1.55 billion at year-end 2013, up from $450 to $500 million a year earlier

Financial Strength Ratings

As of June 8, 2015

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

- **In November 2014, Kroll Bond Rating Agency (KBRA) assigned AGM a rating of AA+ (stable outlook)**
  - In its report, KBRA states that AGM "demonstrates an ability to withstand KBRA's conservative stress case loss assumptions across the breadth of its insured portfolio" and "benefits from a tested management team supported by strong governance and risk management systems"
  - KBRA also assigns MAC a rating of AA+ (stable outlook)
- **In January 2015, Moody's published its revised bond insurer criteria**
  - Moody's subsequently published Credit Opinions maintaining AGM and AGC's existing ratings under the new methodology, yet the revised criteria are clearly designed to cap the potential rating of any bond insurer at a level below the AA category

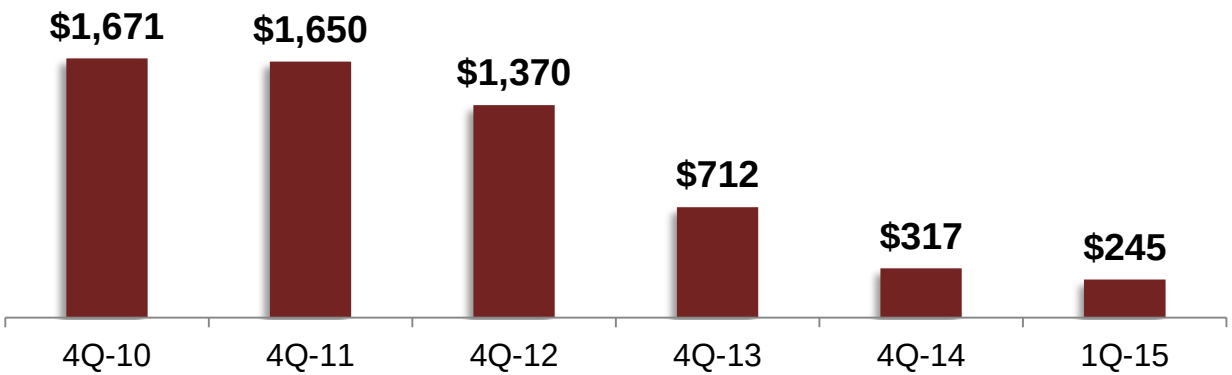
Pursuing Loss Mitigation Strategies

R&W Activity

- **The cumulative total (gross of reinsurance) of settlement receipts and commitments, R&W putback receipts, and future projected losses on terminated insurance protection was approximately $4.2 billion[1,2]**
- **Our largest agreement was with Bank of America / Countrywide, which was signed in April 2011. We have also signed agreements with Deutsche Bank, UBS, Flagstar, and Credit Suisse, as well as parties to other confidential agreements**
- **As a result of our success in pursuing R&W providers, we have collected on most of the R&W breaches we have pursued and our projected future R&W benefit has declined**

Future Net R&W Benefit

($ in millions)



1. As of March 31, 2015. Includes future benefits covered under our agreements with Bank of America/Countrywide, Deutsche Bank, UBS and agreements with certain other parties. Bank of America, Deutsche Bank AG and UBS have collateralized their future reimbursement obligations with eligible assets placed in trust. The amount of assets required to be posted may increase or decrease from time to time, as determined by rating agency requirements.
2. The R&W putbacks flow through the transaction waterfalls and do not necessarily benefit us dollar-for-dollar.

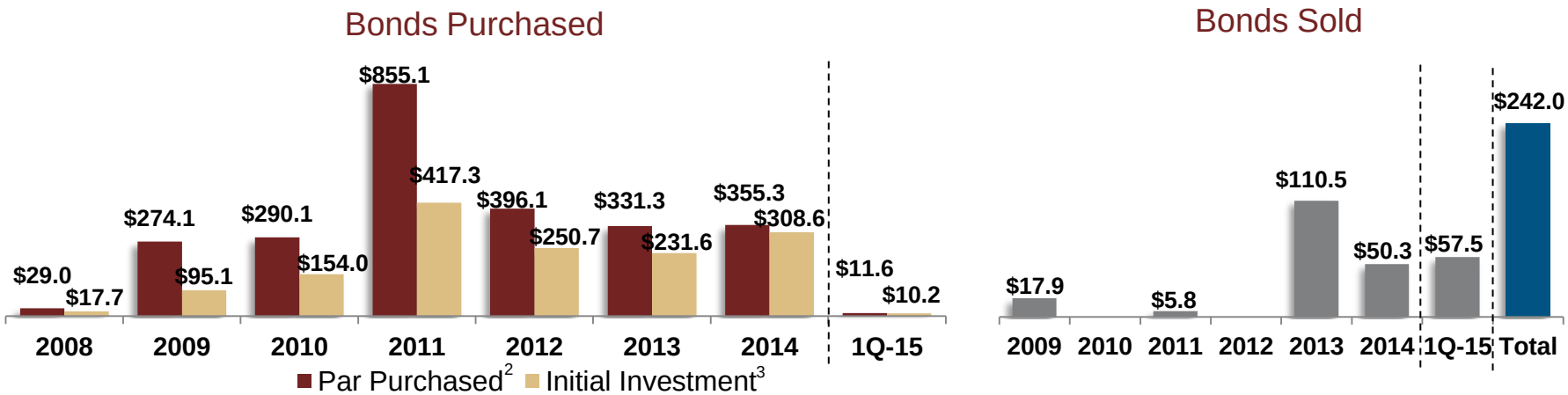
Pursuing Loss Mitigation Strategies:
Other Capital Creation or Rating Agency Capital Relief Activities – Loss Mitigation Bond Purchases

ASSURED GUARANTY

- **We purchase securities we have insured in order to reduce our losses and potentially relieve rating agency capital charges, increase future investment income and increase adjusted book value[1]**
  - The amount of reserves released and the ongoing principal and interest from the bonds are expected to be greater than the purchase price
  - We have purchased approximately $2.5 billion of par on insured securities through March 31, 2015 with an initial purchase price of approximately $1.4 billion; of this $2.5 billion purchased, $1.4 billion of par remains outstanding
- **Targeted purchases are BIG securities on which claims are expected to be paid**
- **In addition to purchasing our insured bonds, we have removed our insurance on previously purchased bonds and sold the bonds uninsured. Selling uninsured bonds that were previously purchased for loss mitigation purposes typically creates rating agency capital and an economic benefit**

Loss Mitigation Bond Purchase and Sale Program

($ in millions)



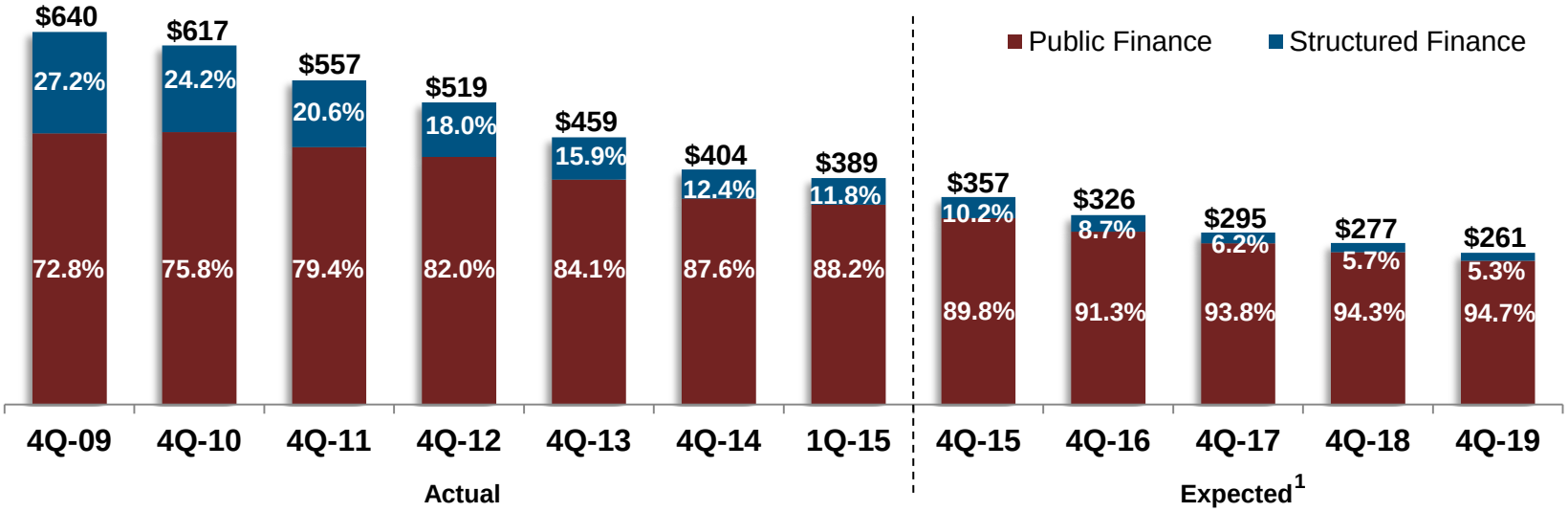
1. Please see the appendix for an explanation of this non-GAAP financial measure and a reconciliation to GAAP book value.
2. Par at the time of purchase.
3. Cost of purchase.

Insured Portfolio Amortization Also Creates Rating Agency Capital

- **Amortization of the portfolio reduces rating agency capital charges but also embedded future earned premiums**
- **Public finance exposure amortizes at a steady rate**
  - $343.1 billion net par outstanding
  - 13% expected to amortize by year-end 2016; 24% by year-end 2018[1]
- **Structured finance exposure amortizes quickly**
  - $46.0 billion net par outstanding
  - 38% expected to amortize by year-end 2016; 65% by year-end 2018[1]
- **New direct or assumed business originations, and reassumptions, increase future premiums**

Consolidated Net Par Outstanding Amortization by Asset Type

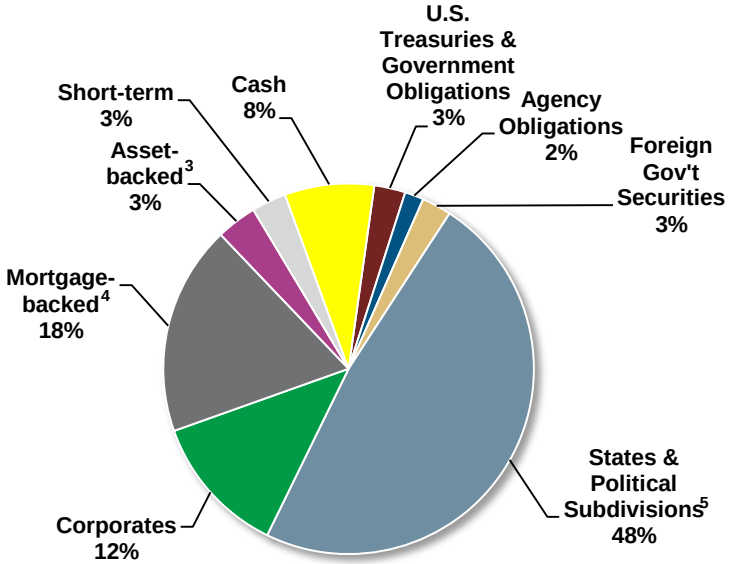
as of March 31, 2015
($ in billions)



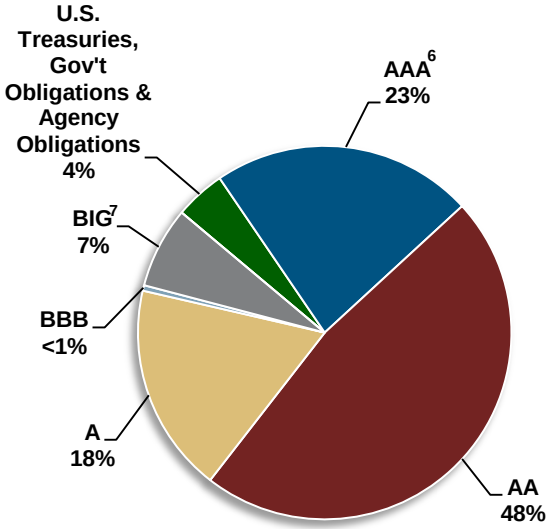
1. Please see footnote 3 on page 13.

AGL Consolidated
Investment Portfolio
Fair Value as of March 31, 2015

Investments Available for Sale and Cash[1] By Category



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

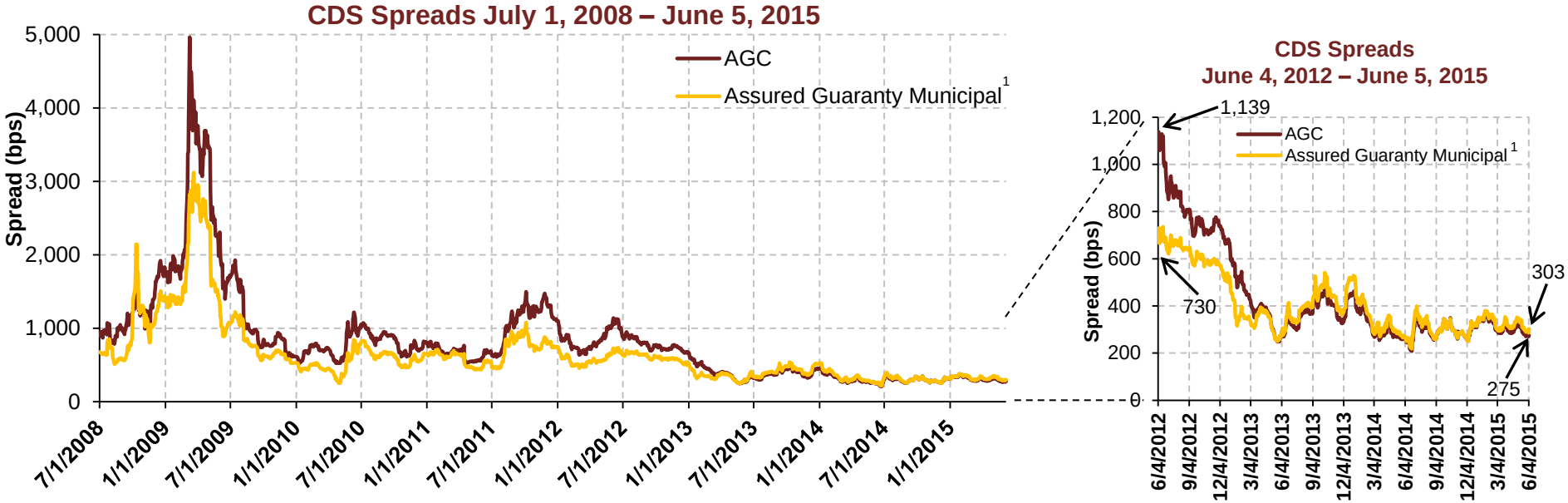


Total = $11.4 billion

1. Includes fixed maturity securities, short-term investments and cash and excludes other invested assets. Also includes securities purchased or obtained as part of loss mitigation or other risk management strategies, some of which (with a fair value of $290 million) were issued by entities that were subsequently consolidated as VIEs and which are therefore eliminated in consolidation on the balance sheet.
2. Ratings are represented by the lower of the Moody's and S&P classifications except for securities purchased or obtained as part of loss mitigation or other risk management strategies, which use internal ratings classifications.
3. Included in the asset-backed category are securities purchased or obtained as part of loss mitigation or other risk management strategies with a fair value of $226 million. The remaining securities have a fair value of $175 million and an average rating of AAA.
4. Included in the mortgage-backed category are securities purchased or obtained as part of loss mitigation or other risk management strategies with a fair value of $679 million and agency-backed securities with a fair value of $837 million. The remaining securities have a fair value of $565 million and an average rating of AAA.
5. Included in the states & political subdivisions category are securities purchased or obtained as part of loss mitigation or other risk management strategies with a fair value of $13 million.
6. Included in the AAA category are short-term securities and cash.
7. Included in the BIG category are securities purchased or obtained as part of loss mitigation or other risk management strategies with a fair value of $797 million.

Credit Default Swap Spreads

- **Movements in credit default swap (CDS) levels for Assured Guaranty Municipal[1] and AGC continue to be significantly affected by technical factors such as supply/demand imbalance and light trading volume**
- **The deterioration in the asset-backed securities market's pricing through first quarter 2009 expanded demand for CDS protection on Assured Guaranty Municipal[1] and AGC by fixed income holders of Assured Guaranty Municipal[1] and AGC insured paper as they sought to hedge exposure, thereby exacerbating the supply/demand imbalance**
- **Assured Guaranty Municipal[1] and AGC's 5-year CDS bid prices peaked in mid-March 2009 at 3120 bps and 4961 bps, respectively**
- **5-year CDS levels for Assured Guaranty Municipal[1] and AGC have rallied considerably since March 2009 as a result of the improvement in general market fundamentals, the market's positive reaction to the July 2009 AGMH acquisition, our successes in loss mitigation, the deleveraging of our insured portfolio, and our consistent positive operating results**
- **In June 2015, the 5-year CDS levels for Assured Guaranty Municipal[1] and AGC were at 10 and 6 percent, respectively, of their mid-March 2009 levels**
- **Between June 2012 and June 2015, CDS levels for Assured Guaranty Municipal[1] and AGC came in by 58 and 76 percent, respectively. As of June 5, 2015, they were 303 bps and 275 bps, respectively**

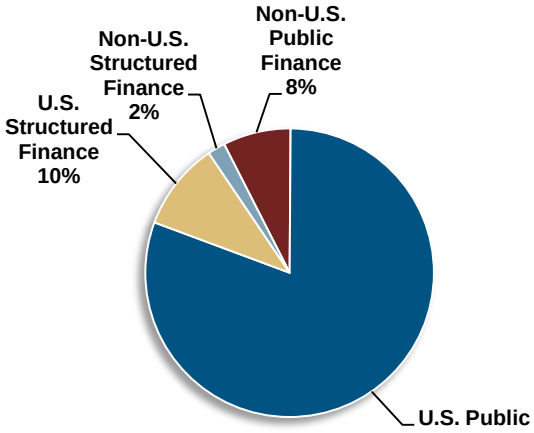


Source: CMA – Represents end-of-day bid price for 5-year protection, modified restructuring credit event spreads at New York close.
1. Please see page 3 for a definition of this convention.

Assured Guaranty Ltd. Consolidated Insured Portfolio Overview

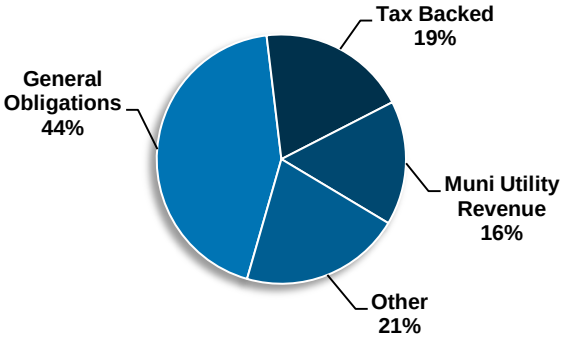
AGL Consolidated
Insured Portfolio
Net Par Outstanding as of March 31, 2015

Portfolio Diversification by Sector



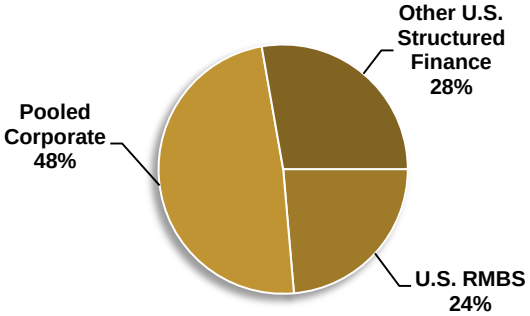
$389.1 billion[1,2]

U.S. Public Finance Portfolio



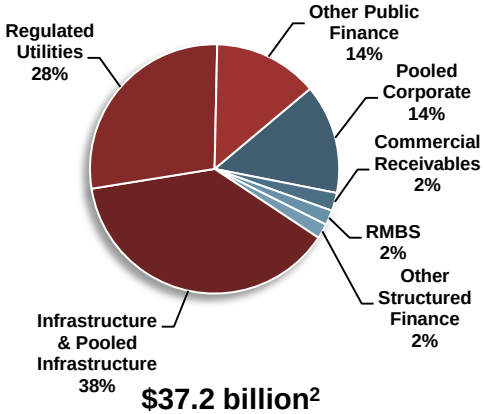
$313.4 billion[2]

U.S. Structured Finance Portfolio



$38.4 billion[1,2]

Non-U.S. Portfolios Public & Structured Finance

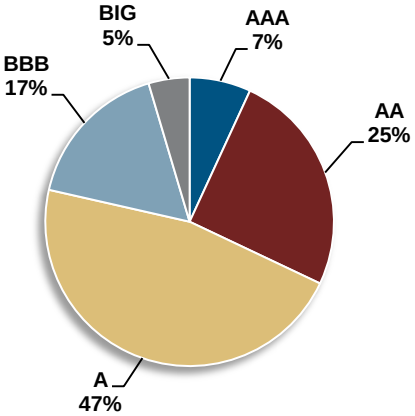


$37.2 billion[2]

1. Includes $2.1 billion of GICs. Please see footnote 3 on page 45.
2. Consolidated amounts include those of AG Re.

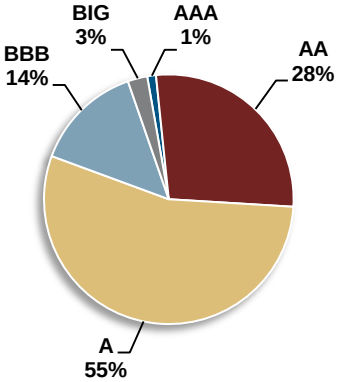
AGL Consolidated
Insured Portfolio Ratings
Net Par Outstanding as of March 31, 2015

Portfolio Diversification by Rating



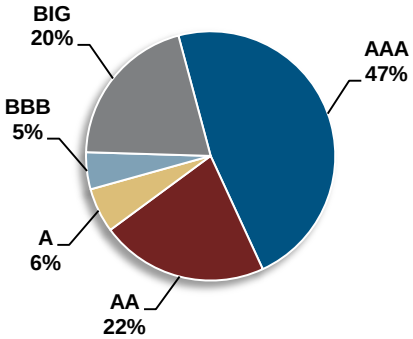
$389.1 billion[1,2]

U.S. Public Finance Portfolio



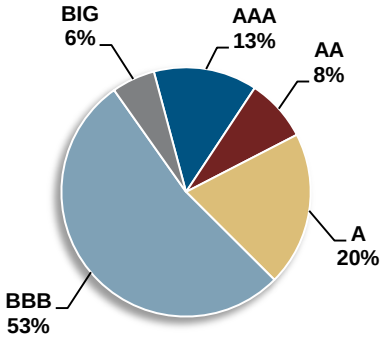
$313.4 billion[2]

U.S. Structured Finance Portfolio



$38.4 billion[1,2]

Non-U.S. Portfolios Public & Structured Finance

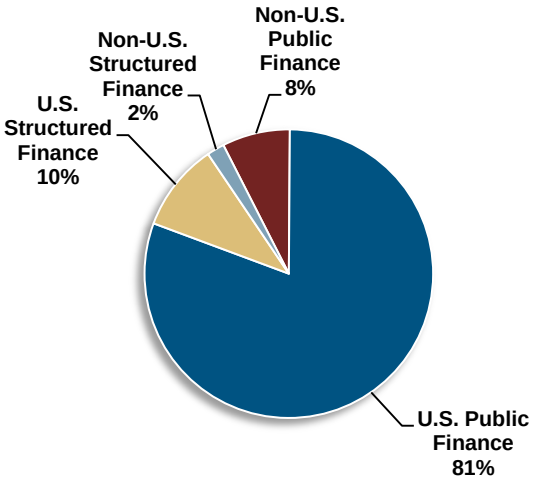


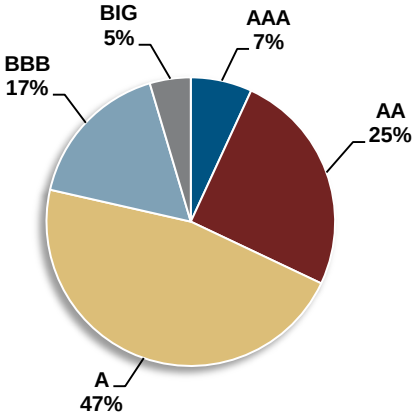
$37.2 billion[2]

1. Includes $2.1 billion of GICs. Please see footnote 3 on page 45.
2. Consolidated amounts include those of AG Re.

AGL Consolidated
Insured Portfolio
Impact of Radian Asset Assurance Acquisition

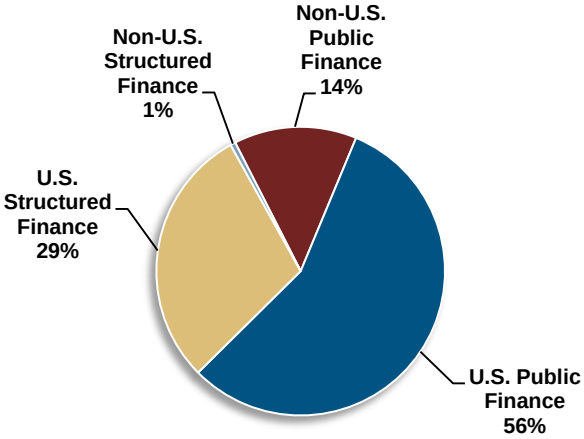
Assured Guaranty Ltd.
As of March 31, 2015

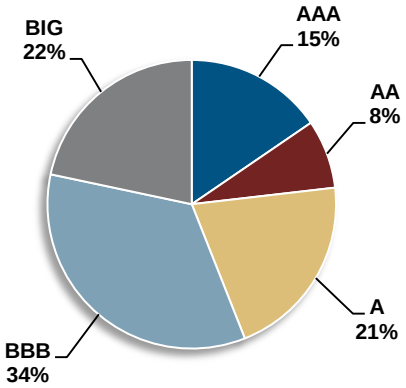




$389.1 billion, A average rating

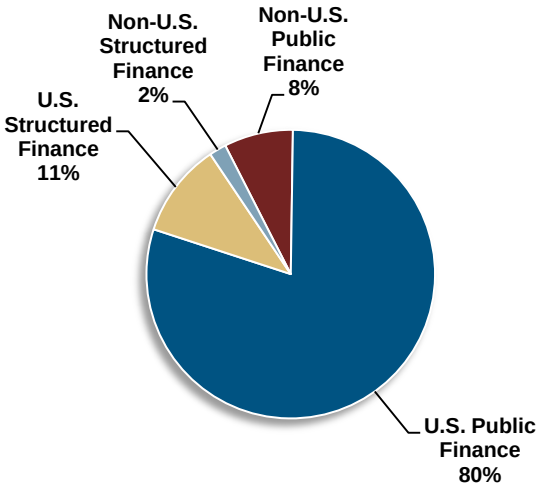
Radian Asset Assurance[1]
As of March 31, 2015

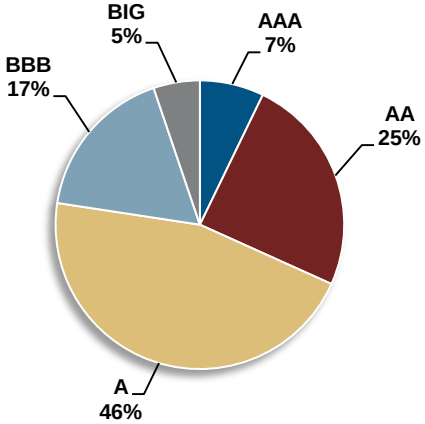




$14.1 billion, A- average rating

Assured Guaranty Ltd.
Pro Forma





$402.7 billion, A average rating

1. Approximately $500 million of Radian's net par outstanding is excluded from the Assured Guaranty Ltd. pro forma net par outstanding due to transactions whereby Radian insured securities that were already insured by either AGM or AGC.

AGL Consolidated
Detroit & Stockton Exposure

ASSURED GUARANTY

Details of Assured Guaranty's Exposure to Detroit

Water / Sewer Exposure
As of March 31, 2015
($ in millions)

Exposure	Net Par Outstanding	Internal Rating
Water	$ 878	BBB
Sewer	$ 1,048	BBB
Total	**$ 1,926**	**BBB**

- **Municipal utilities exposure is $878 million of water revenue bonds and $1,048 million of sewer revenue bonds. Both the water and sewer systems provide services to areas that extend significantly beyond the City of Detroit boundaries.**
  - In September 2014, approximately $677 million of the Company's then combined $1.8 billion net par exposure to Detroit's water revenue and sewer revenue bonds was purchased by the City as part of a tender offer or refunded. The Company insured approximately $841 million gross par of new water revenue and sewer revenue bonds, the proceeds of which funded the tender offer and refunding. Under the City's amended plan of adjustment, the proposed impairment of all outstanding water revenue and sewer revenue bonds was removed, including those provisions which provided for the impairment of interest rates and call protection on such bonds.
- **General obligation unlimited tax exposure has been resolved**
  - In 3Q-14, the settlement between the Company and City of Detroit regarding unlimited tax general obligation bonds was finalized. In December 2014, the City's plan of adjustment, which includes the terms of such settlement, became effective. At that time, investors exchanged 84.5% of the original general obligation bonds for newly issued bonds that are basically identical to the original bonds except that they have the benefit of additional pledged security and are issued by the Michigan Finance Authority. The remaining 15.5% of the general obligation bonds will be repaid solely by Assured Guaranty. After giving effect to post-petition payments made by Assured Guaranty on the general obligation bonds, the settlement results in an ultimate recovery to Assured Guaranty of approximately 74%.
- **The Company no longer has exposure to the City's Certificates of Participation**
  - As of September 30, 2014, the Company's general fund exposure was $175 million of Certificates of Participation. However, upon the effective date of the City's plan of adjustment, a commutation agreement between AG Re and FGIC pursuant to which FGIC commuted all the reinsurance AG Re provided to FGIC with respect to the Certificates of Participation became effective.

Details of Assured Guaranty's Exposure to Stockton

- **Net par exposure to Stockton is $117 million of pension obligation bonds**
  - The City of Stockton's plan of adjustment, which became effective on February 25, 2015, includes the terms of the Company's settlement with Stockton, under which the Company receives net revenues from an office building and has the option to take title to that building, and is entitled to certain fixed payments and certain variable payments contingent on Stockton's revenue growth.

AGL Consolidated
Puerto Rico Exposure

ASSURED GUARANTY

- In June 2014, the Puerto Rico legislature passed the Recovery Act in order to provide a legislative framework for certain public corporations experiencing severe financial stress to restructure their debt, but it was declared void and preempted by U.S. Bankruptcy Code in February 2015. As the Commonwealth appeals the court ruling, a bill has been introduced in the U.S. Congress that, if passed, would enable the Commonwealth to authorize one or more of its public corporations to restructure their debts under Chapter 9 of the U.S Bankruptcy Code if they were to become insolvent. These recent events have resulted in uncertainty among investors about the rights of creditors of the Commonwealth and its related authorities and public corporations.
- In August 2014, creditors including AGM and AGC agreed not to exercise rights and remedies with respect to PREPA until March 31, 2015, and the bank lenders agreed to extend the maturities of two revolving lines of credit to the same date, while PREPA agreed to continue to make principal and interest payments on its bonds and interest payments on its lines of credit. Subsequently, the parties extended these forbearance agreements several times, most recently through June 18, 2015.
- On June 1, 2015, PREPA and its advisors presented the terms of a recovery plan to its creditors. There can be no assurance that a consensual recovery plan will be agreed.

Par Exposure to the Commonwealth and its Agencies as of March 31, 2015

	($ in millions)	Net Par Outstanding	Gross Par Outstanding	Internal Rating
Previously Subject to the Voided Recovery Act	Puerto Rico Highways and Transportation Authority (Transportation Revenue Bonds)	$844	$912	BB-
	Puerto Rico Electric Power Authority	773	1,007	B-
	Puerto Rico Aqueduct and Sewer Authority	384	384	BB-
	Puerto Rico Highways and Transportation Authority (Highway Revenue Bonds)	273	582	BB
	Puerto Rico Convention Center District Authority	174	174	BB-
	Subtotal	**$2,448**	**$3,059**	**B+**
Not Previously Subject to the Voided Recovery Act	Commonwealth - General Obligation Bonds	$1,672	$1,844	BB
	Puerto Rico Municipal Finance Agency	399	656	BB-
	Puerto Rico Sales Tax Finance Corp. (COFINA)	269	269	BBB
	Puerto Rico Public Buildings Authority	100	156	BB
	Government Development Bank for Puerto Rico	33	33	BB
	Puerto Rico Infrastructure Financing Agency	18	18	BB-
	University of Puerto Rico	1	1	BB-
	Subtotal	**$2,492**	**$2,977**	**BB**
	Total[1]	**$4,940**	**$6,036**	**BB-**

1. AGL's consolidated net par outstanding is divided between its subsidiaries as follows: $2.2 billion at AGM, $1.4 billion at AGC, $1.4 billion at AG Re, and $0 at MAC. A portion of the subsidiary level exposure is eliminated upon consolidation due to instances where one subsidiary insured bonds that were previously insured by another subsidiary.
2. Assured Guaranty has exposure in the form of Capital Appreciation Bonds to four PR credits: Puerto Rico Highway and Transportation Authority, current par $13.7 million, fully accreted value at maturity $14.9 million; Puerto Rico Electric Power Authority, current par $1.3 million, fully accreted value at maturity $1.4 million; Commonwealth of Puerto Rico (General Obligation Bonds), current par $4.3 million, fully accreted value at maturity $5.1 million; Puerto Rico Sales Tax Financing Corporation, current par $16.6 million, fully accreted value at maturity $50.2 million.

AGL Consolidated
Puerto Rico Exposure

ASSURED GUARANTY

Scheduled Net Par Amortization of Exposure to the Commonwealth and its Agencies

As of March 31, 2015

	($ in millions)	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025-2029	2030-2034	2035-2039	2040-2044	2045-2047	Total
Previously Subject to the Voided Recovery Act	Highways and Transportation Authority (Transportation Revenue Bonds)	$22	$29	$32	$39	$26	$21	$16	$17	$17	$1	$128	$137	$281	$78	$-	**$844**
	Electric Power Authority	73	19	4	4	24	40	20	20	78	74	300	113	4	-	-	**773**
	Aqueduct and Sewer Authority	14	15	-	-	-	-	-	-	-	-	109	-	-	-	246	**384**
	Highways and Transportation Authority (Highway Revenue Bonds)	6	10	5	5	11	12	15	6	7	7	20	114	55	-	-	**273**
	Convention Center District Authority	11	11	-	-	-	-	-	-	-	-	19	76	57	-	-	**174**
	Subtotal	**$126**	**$84**	**$41**	**$48**	**$61**	**$73**	**$51**	**$43**	**$102**	**$82**	**$576**	**$440**	**$397**	**$78**	**$246**	**$2,448**
Not Previously Subject to the Voided Recovery Act	Commonwealth - GO	$109	$127	$95	$64	$82	$137	$16	$37	$14	$66	$278	$381	$266	$-	$-	**$1,672**
	Municipal Finance Agency	51	48	41	43	39	35	30	30	16	12	52	2	-	-	-	**399**
	Sales Tax Finance Corp. (COFINA)	(1)	(1)	(1)	(1)	(1)	(1)	(2)	(2)	1	0	(10)	34	(1)	255	-	**269**
	Public Buildings Authority	11	8	30	-	5	10	12	-	7	-	10	3	4	-	-	**100**
	Government Development Bank	33	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**33**
	Infrastructure Financing Agency	-	-	-	2	-	-	-	-	2	-	-	-	2	12	-	**18**
	University of Puerto Rico	0	0	0	0	0	0	0	0	0	0	0	1	-	-	-	**1**
	Subtotal	**$203**	**$182**	**$165**	**$108**	**$125**	**$181**	**$56**	**$65**	**$40**	**$78**	**$330**	**$421**	**$271**	**$267**	**$-**	**$2,492**
	Total	**$329**	**$266**	**$206**	**$156**	**$186**	**$254**	**$107**	**$108**	**$142**	**$160**	**$906**	**$861**	**$668**	**$345**	**$246**	**$4,940**

AGL Consolidated
Puerto Rico Exposure

ASSURED GUARANTY

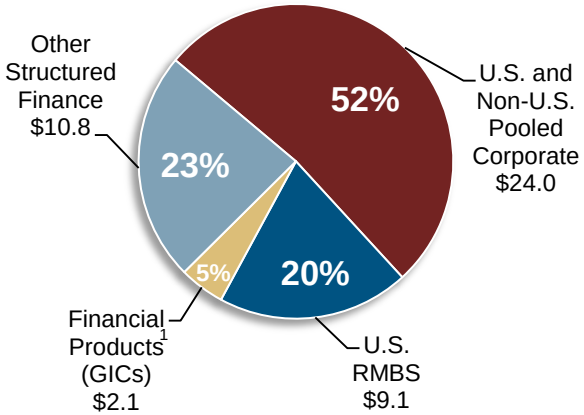
Scheduled Net Debt Service Amortization of Exposure to the Commonwealth and its Agencies

As of March 31, 2015

	($ in millions)	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025-2029	2030-2034	2035-2039	2040-2044	2045-2047	Total
Previously Subject to the Voided Recovery Act	Highways and Transportation Authority (Transportation Revenue Bonds)	$44	$72	$73	$79	$64	$57	$51	$51	$51	$34	$280	$257	$339	$83	$-	**$1,535**
	Electric Power Authority	93	51	36	35	55	70	48	47	104	97	365	125	4	-	-	**1,130**
	Aqueduct and Sewer Authority	24	34	18	18	18	18	18	18	18	18	186	63	63	63	272	**849**
	Highways and Transportation Authority (Highway Revenue Bonds)	14	24	19	19	24	24	27	17	18	18	68	148	59	-	-	**478**
	Convention Center District Authority	15	19	7	7	7	7	7	7	7	7	52	103	60	-	-	**305**
	Subtotal	**$190**	**$200**	**$153**	**$158**	**$168**	**$176**	**$151**	**$140**	**$198**	**$173**	**$951**	**$696**	**$525**	**$146**	**$272**	**$4,297**
Not Previously Subject to the Voided Recovery Act	Commonwealth - GO	$153	$208	$170	$133	$149	$200	$71	$91	$67	$119	$492	$530	$295	$-	$-	**$2,678**
	Municipal Finance Agency	61	66	57	56	50	44	38	36	20	15	59	3	-	-	-	**504**
	Sales Tax Finance Corp. (COFINA)	6	13	13	13	13	13	13	13	16	15	64	107	64	283	-	**646**
	Public Buildings Authority	14	12	34	3	7	13	14	1	9	1	12	5	4	-	-	**129**
	Government Development Bank	35	-	-	-	-	-	-	-	-	-	-	-	-	-	-	**35**
	Infrastructure Financing Agency	0	1	1	3	1	1	1	1	3	1	3	3	5	13	-	**37**
	University of Puerto Rico	0	0	0	0	0	0	0	0	0	0	0	1	-	-	-	**1**
	Subtotal	**$269**	**$300**	**$275**	**$208**	**$220**	**$271**	**$136**	**$142**	**$115**	**$151**	**$630**	**$649**	**$368**	**$297**	**$-**	**$4,030**
	Total	**$459**	**$500**	**$428**	**$366**	**$388**	**$447**	**$287**	**$282**	**$313**	**$324**	**$1,581**	**$1,345**	**$893**	**$442**	**$272**	**$8,327**

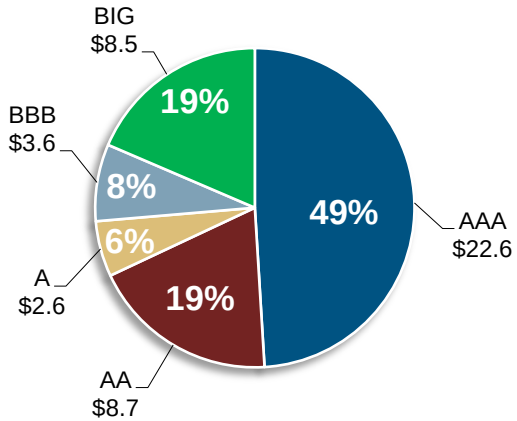
AGL Consolidated
Structured Finance Exposures
Net Par Outstanding

By Type
As of March 31, 2015
($ in billions)



$46.0 billion, AA- average rating

By Internal Rating



- **We expect Assured Guaranty's global structured finance insured portfolio ($46.0 billion as of March 31, 2015) to amortize rapidly – 38% by year-end 2016 and 65% by year-end 2018[2]**
  - $24.0 billion in global pooled corporate obligations expected to be reduced by 49% by year-end 2016 and by 86% by year-end 2018[2]
  - $9.1 billion in U.S. RMBS expected to be reduced by 27% by year-end 2016 and by 51% by year-end 2018[2]
- **Assured Guaranty and AGM's[3] total structured finance exposures of $240.9 billion at December 31, 2007 have declined by $194.9 billion to $46.0 billion through March 31, 2015, a 81% reduction, or approximately $27 billion per year**

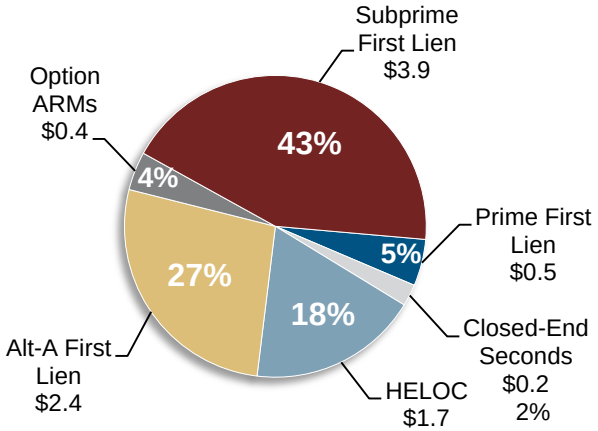
1. Please see footnote 3 on page 45.
2. Please see footnote 3 on page 13.
3. Please see page 3 for a definition of this convention and the appendix for a reconciliation to the corresponding GAAP value.

AGL Consolidated
U.S. RMBS

- **Our $9.1 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 $9.1 billion at March 31, 2015, a $20.1 billion or 69% reduction
- **Our loss reserving methodology is driven by our assumptions on several factors:**
  - Liquidation rate
  - Conditional default rate
  - Conditional prepayment rate
  - Loss severity
- **We have significantly mitigated ultimate losses**
  - R&W putbacks, litigation and agreements
  - Wrapped bond purchases
  - Terminations of below investment grade credits

U.S. RMBS by Exposure Type

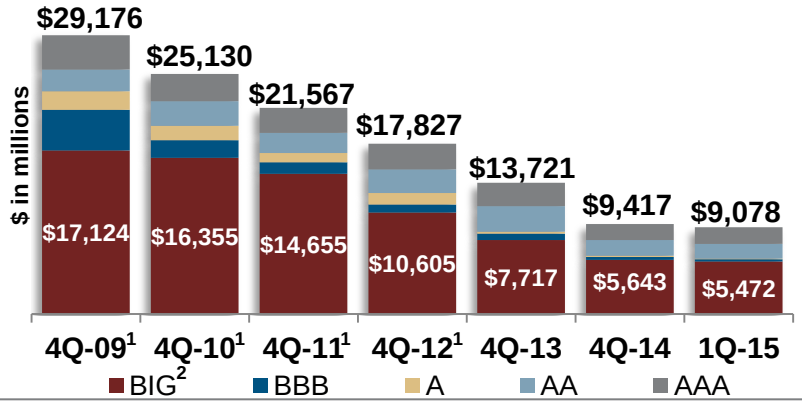
As of March 31, 2015
($ in billions)



$9.1 billion
(2.3% of net par outstanding)

U.S. RMBS by Rating

Net Par Outstanding from December 31, 2009 to March 31, 2015



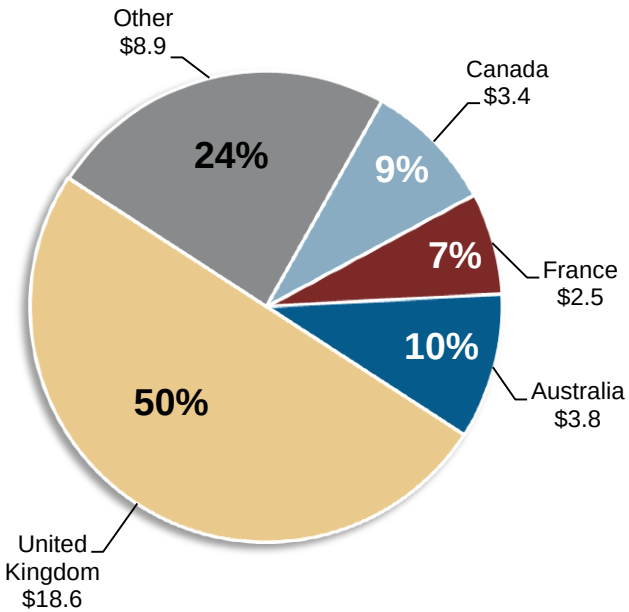
1. Gross of wrapped bond purchases made primarily for loss mitigation.
2. The Company has reclassified certain net par outstanding from below investment grade to investment grade due to collateralized reinsurance arrangements.

AGL Consolidated

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

Non-U.S. Exposure

As of March 31, 2015
($ in billions)



$37.2 billion, A- average rating

- **Non-U.S. exposure is 80% public finance and 20% structured finance**
- **Approximately 70% of non-U.S. structured exposure is to pooled corporates**
  - 78% are rated A or higher
- **Direct sovereign debt is limited to:**
  - Poland $200 million
- **Aggregate sub-sovereign exposure to Spain, Portugal and Italy totals:**
  - $1.2 billion

AGM[1] Portfolio Review

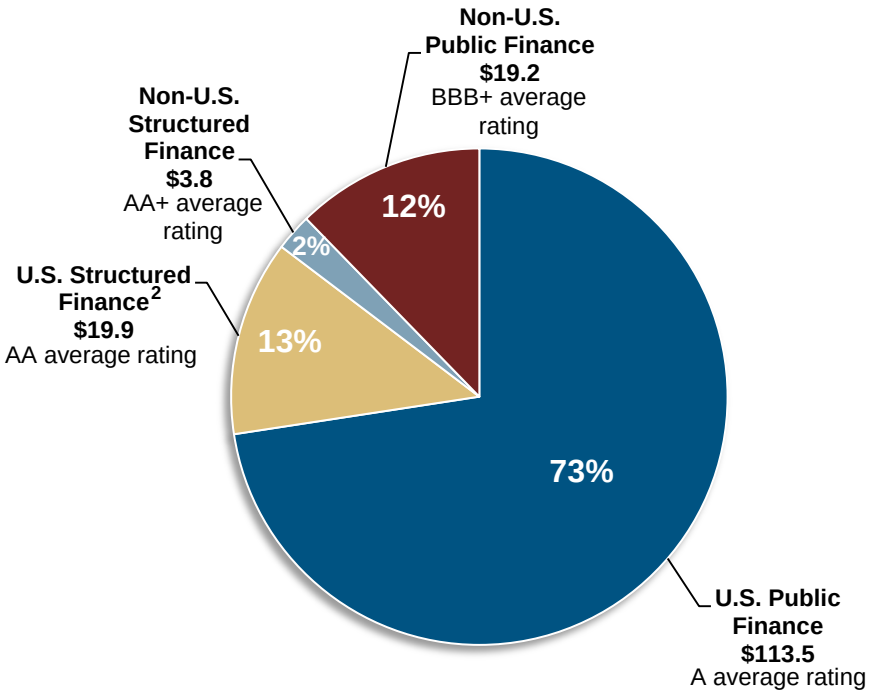
Eiffage CEVM / Foster + Partners / Jean-Pierre Lescourret

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

AGM[1]
Insured Portfolio Overview

- **AGM's[1] portfolio is diversified by asset class**
  - 73% U.S. public finance
  - 13% U.S. structured finance
  - 12% Non-U.S. public finance
  - 2% Non-U.S. structured finance
- **The portfolio maintains a high overall credit rating despite downgrades in our U.S. RMBS portfolio**
  - A average internal rating

Net Par Outstanding[1,2]
As of March 31, 2015
($ in billions)

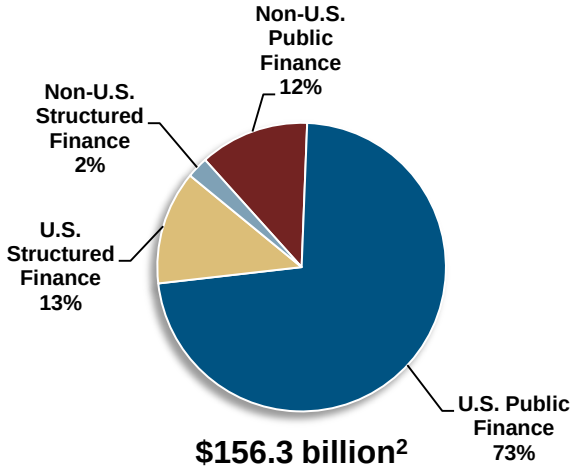


$156.3 billion, A average rating

1. Please see page 41 for a definition of this convention and the appendix for a reconciliation to the corresponding GAAP value.
2. Includes $2.1 billion in GICs. Please see footnote 3 on page 45.

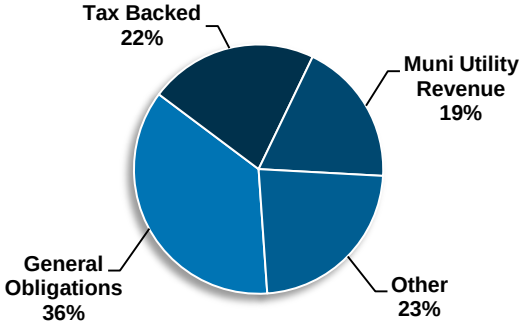
AGM[1]
Insured Portfolio
Net Par Outstanding as of March 31, 2015

Portfolio Diversification by Sector



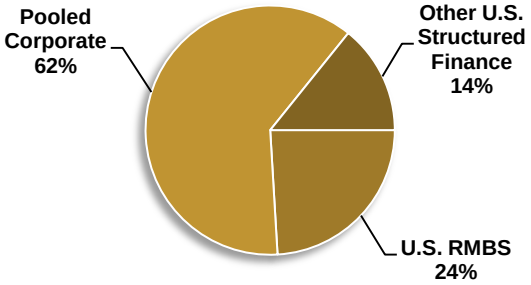
$156.3 billion[2]

U.S. Public Finance Portfolio



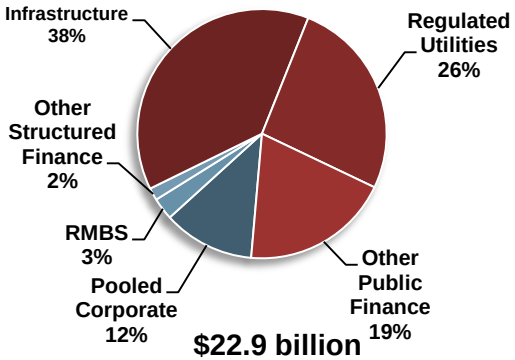
$113.5 billion

U.S. Structured Finance Portfolio



$19.9 billion[2]

Non-U.S. Portfolios Public & Structured Finance

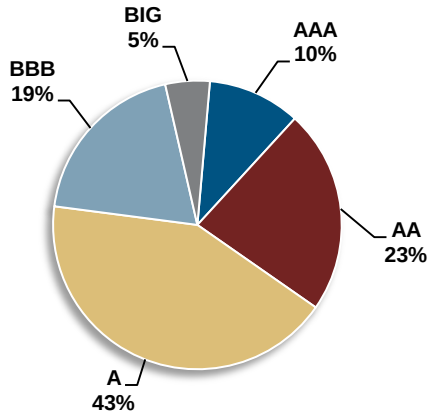


$22.9 billion

1. Please see page 41 for a definition of this convention and the appendix for a reconciliation to the corresponding GAAP value.
2. Includes $2.1 billion in GICs. Please see footnote 3 on page 45.

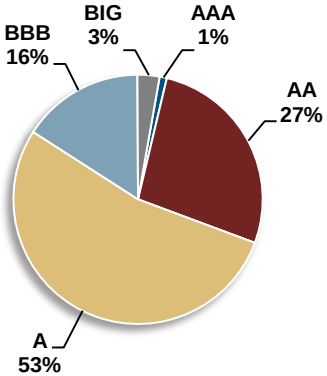
AGM[1]
Insured Portfolio Ratings
Net Par Outstanding as of March 31, 2015

Portfolio Diversification by Rating



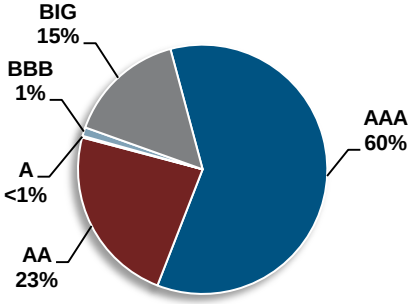
$156.3 billion[2]

U.S. Public Finance Portfolio



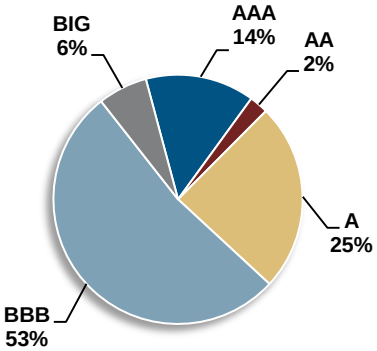
$113.5 billion

U.S. Structured Finance Portfolio



$19.9 billion[2]

Non-U.S. Portfolios Public & Structured Finance



$22.9 billion

1. Please see page 41 for a definition of this convention and the appendix for a reconciliation to the corresponding GAAP value.
2. Includes $2.1 billion in GICs. Please see footnote 3 on page 45.

AGM[1]
Insured Portfolio
Net Par Outstanding as of March 31, 2015

ASSURED GUARANTY

Net Par Outstanding By Asset Type
($ in millions)

	Net Par Outstanding	Avg. Internal Rating
U.S. public finance:		
General obligation	$ 41,247	A
Tax backed	24,845	A
Municipal utilities	21,245	A
Transportation	11,568	A
Healthcare	7,384	A
Higher education	3,503	A
Housing	1,452	A
Infrastructure finance	1,323	BB+
Other public finance[2]	891	A
Total U.S. public finance	113,458	A
Non-U.S. public finance:		
Infrastructure finance	8,793	BBB
Regulated utilities	5,972	BBB+
Other public finance	4,431	A
Total non-U.S. public finance	19,196	BBB+
Total public finance	**$ 132,654**	**A**

	Net Par Outstanding	Avg. Internal Rating
U.S. structured finance:		
Pooled corporate obligations	$ 12,292	AAA
RMBS	4,791	BBB-
Financial products[3]	2,147	AA-
Insurance securitizations	328	AA
Consumer receivables	154	BB-
Commercial receivables	37	BBB-
Structured credit	6	BB
Other structured finance	158	A-
Total U.S. structured finance	19,913	AA
Non-U.S. structured finance:		
Pooled corporate obligations	2,725	AA+
RMBS	658	A
Other structured finance	369	AAA
Total non-U.S. structured finance	3,752	AA+
Total structured finance	**$ 23,665**	AA
Total net par outstanding	**$ 156,319**	**A**

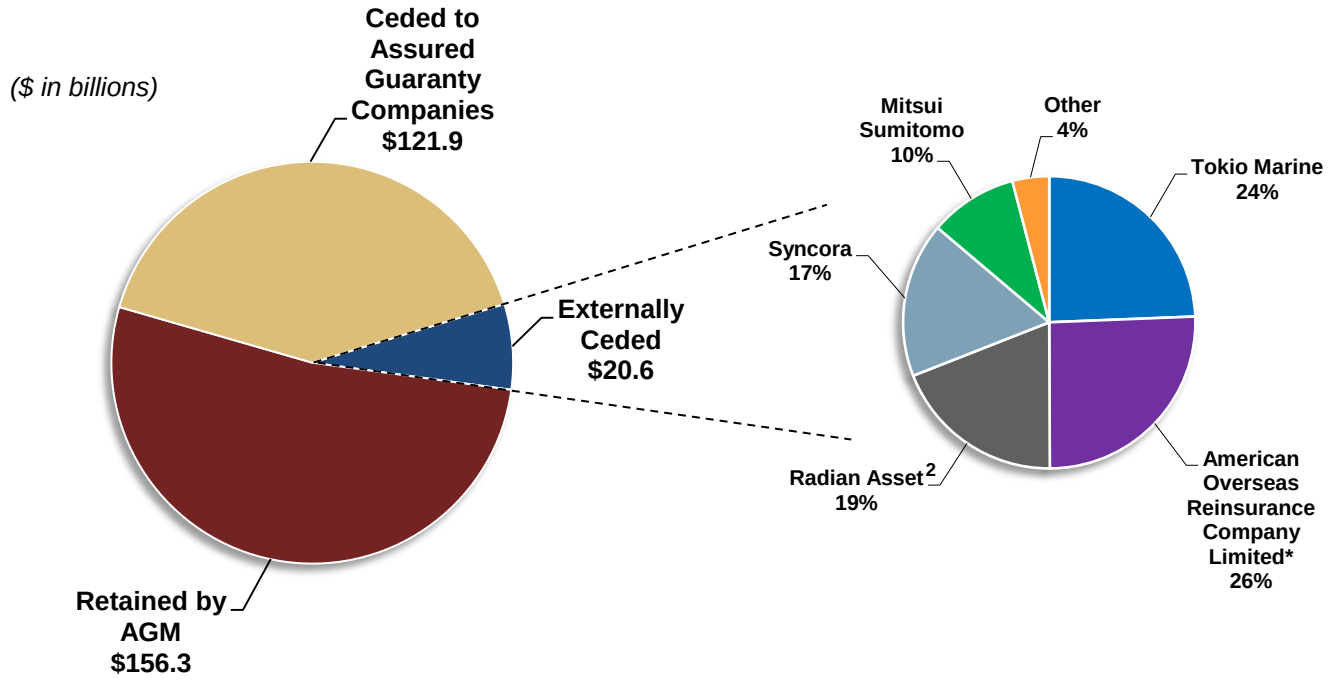
1. Please see page 41 for a definition of this convention and the appendix for a reconciliation to the corresponding GAAP value.
2. Includes investor-owned utilities.
3. Assured Guaranty did not acquire Financial Security Assurance Holdings' Financial Products (FP) segment. Assured Guaranty and its subsidiaries are indemnified against exposure to the FP segment by Dexia SA (Dexia). As of March 31, 2015, the aggregate accreted balance of the guaranteed investment contracts (GICs) was approximately $2.1 billion. As of the same date, with respect to the assets supporting the GIC business, the aggregate accreted principal balance was approximately $3.3 billion, the aggregate market value was approximately $3.2 billion and the aggregate market value after agreed reductions was approximately $2.1 billion. Cash and positive derivative value exceeded the negative derivative values and other projected costs by approximately $0.1 billion.

Reinsurance

AGM[1] Has Ceded 7% of Its Gross Insured Portfolio to a Diversified Group of Non-Affiliated Reinsurers and Other Monolines

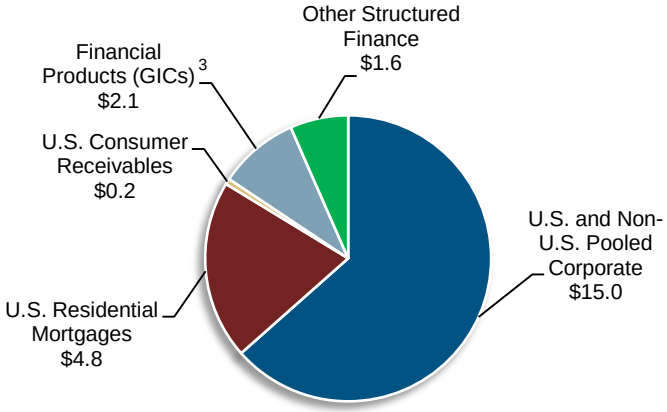
AGM's[1] Total Gross Par Outstanding: $298.8 billion
As of March 31, 2015

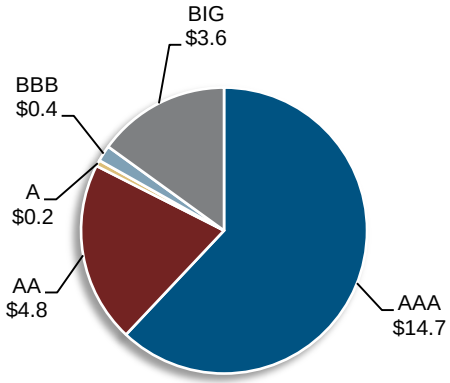
Externally Ceded Par Outstanding: $20.6 billion (6.9%)
As of March 31, 2015



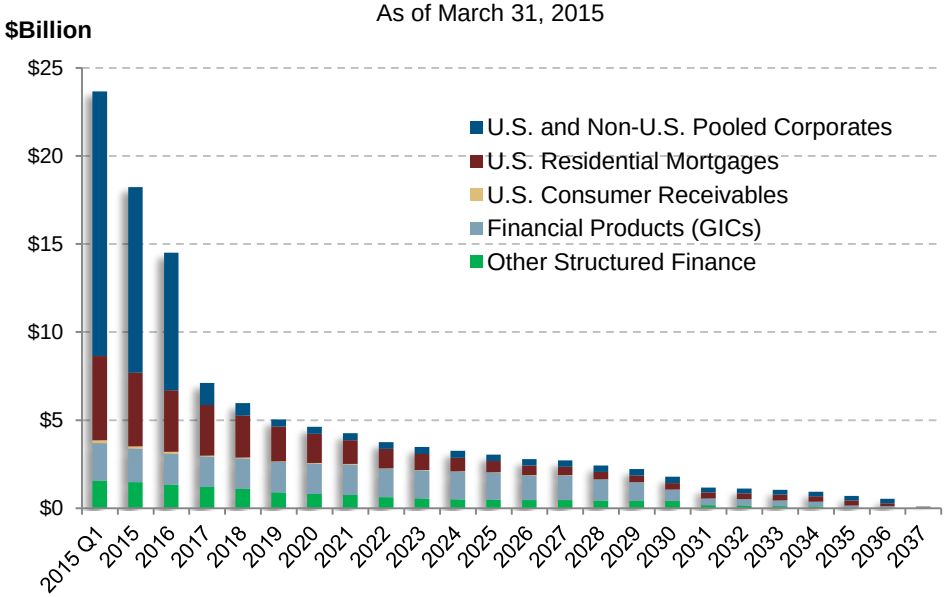
* Formerly RAM Reinsurance Company Ltd.
1. Please see page 41 for a definition of this convention and the appendix for a reconciliation to the corresponding GAAP value.
2. AGC acquired Radian Asset Assurance Inc. on April 1, 2015, and merged it with and into AGC.

AGM[1] Amortization of Global Insured Structured Finance Portfolio





$23.7 Billion Net Par Outstanding
As of March 31, 2015



- We expect AGM's[1] legacy global structured finance insured portfolio ($23.7 billion as of March 31, 2015 versus $127.3 billion as of September 30, 2008) to amortize rapidly — 39% by year-end 2016 and 75% by year-end 2018.[2]
  - $15.0 billion in global pooled corporate obligations expected to be reduced by 48% by year-end 2016 and by 95% by year-end 2018
  - $4.8 billion in U.S. RMBS expected to be reduced by 27% by year-end 2016 and by 50% by year-end 2018
  - $0.2 billion in U.S. consumer receivable obligations expected to be reduced by 30% by year-end 2016 and by 65% by year-end 2018
  - $1.6 billion in other structured finance (excluding FP) expected to be reduced by 14% by year-end 2016 and by 30% by year-end 2018
- Former FP business not part of Assured Guaranty's purchase; we are indemnified against exposure to the FP business by Dexia. In addition, Assured Guaranty also has been protected by guaranties issued by the French and Belgian governments with respect to the GIC portion of the FP business.
  - $2.1 billion in GICs expected to be reduced by 18% by year-end 2016 and by 19% by year-end 2018

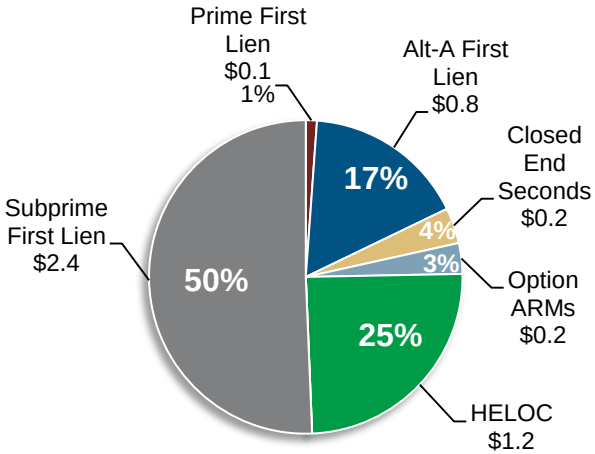
1. Please see page 41 for a definition of this convention and the appendix for a reconciliation to the corresponding GAAP value.
2. Please see footnote 3 on page 13.
3. Please see footnote 3 on page 45.

AGM[1] U.S. RMBS Exposure

- **AGM's[1] U.S. RMBS portfolio is amortizing on an absolute basis and has declined as a percentage of the portfolio**
  - $4.8 billion net par outstanding versus $17.1 billion at year-end 2008, a decrease of 72%
  - 3.1% of total net par outstanding versus 4.0% at year-end 2008
  - No U.S. RMBS underwritten since January 2008
- **We have significantly mitigated ultimate losses**
  - R&W putbacks, litigation and agreements
  - Wrapped bond purchases
  - Terminations of below investment grade credits

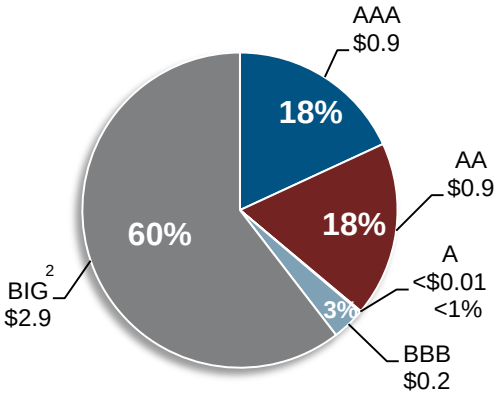
By Type

As of March 31, 2015
($ in billions)



$4.8 billion, 3.1% of net par outstanding

By Rating



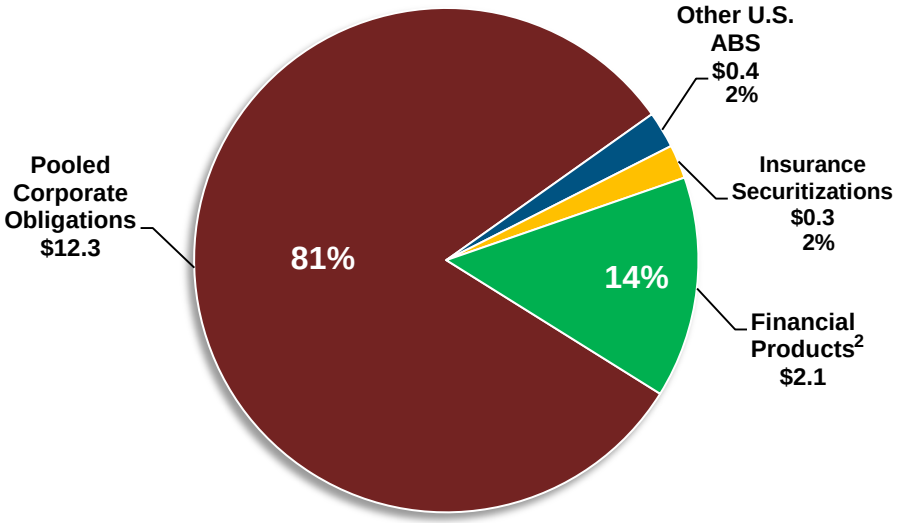
1. Please see page 41 for a definition of this convention and the appendix for a reconciliation to the corresponding GAAP value.
2. Please see footnote 2 on page 39.

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

- **81% of AGM's[1] non-RMBS U.S. structured finance portfolio consists of pooled corporate obligations**
  - 90% of U.S. pooled corporate exposure is of AAA quality
- **Non-RMBS U.S. structured finance credit experience has been generally strong given the economic stress caused by the financial crisis**

U.S. Non-RMBS Structured Finance

As of March 31, 2015
($ in billions)



$15.1 billion net par outstanding

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

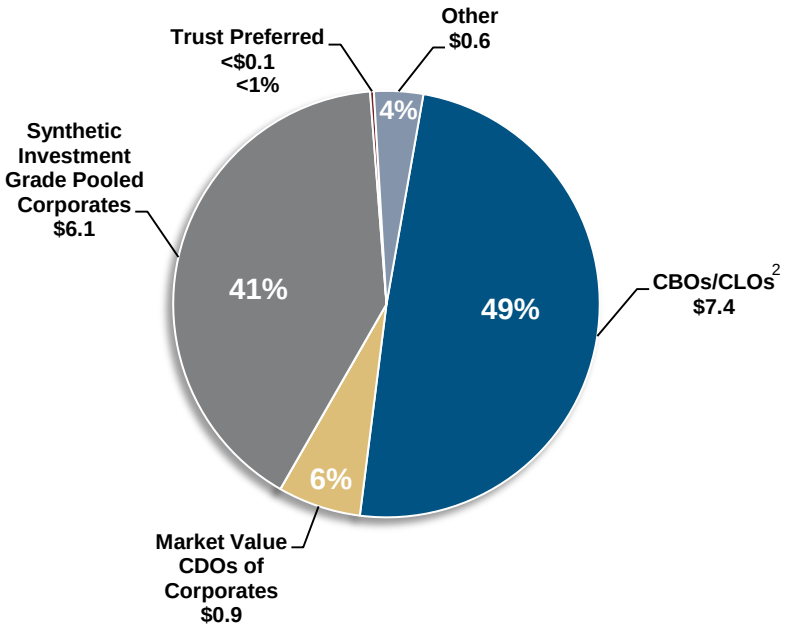
AGM[1] Global Pooled Corporate Obligations

- **AGM's[1] pooled corporate exposure is generally highly rated and well protected**
  - Average current credit enhancement of 27.6%
  - 88% rated AAA
  - AAA average rating
  - 3% rated BIG

- **$43 million of TruPS (bank and insurance company only)**
  - Average rating of AA+
  - Average current credit enhancement remains strong at 59.3%

Pooled Corporate Obligations By Asset Class

March 31, 2015
($ in billions)

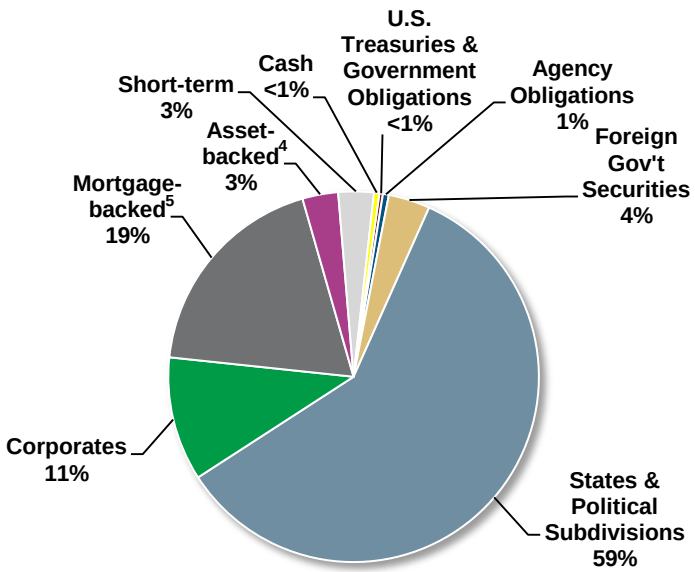


$15.0 billion net par outstanding

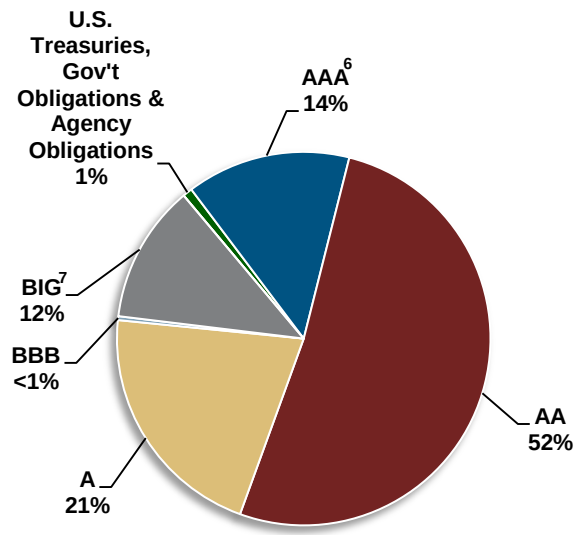
1. Please see page 41 for a definition of this convention and the appendix for a reconciliation to the corresponding GAAP value.
2. CBOs are collateralized bond obligations. CLOs are collateralized loan obligations.

AGM[1]
Investment Portfolio
Fair Value as of March 31, 2015

Investments Available for Sale and Cash[2] By Category



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



Total = $5.0 billion

1. Please see page 41 for a definition of this convention and the appendix for a reconciliation to the corresponding GAAP value.
2. Includes fixed maturity securities, short-term investments and cash and excludes other invested assets. Also includes securities purchased or obtained as part of loss mitigation or other risk management strategies, some of which (with a fair value of $166 million) were issued by entities that were subsequently consolidated as VIEs and which are therefore eliminated in consolidation on the balance sheet.
3. Ratings are represented by the lower of the Moody's and S&P classifications except for securities purchased or obtained as part of loss mitigation or other risk management strategies, which use internal ratings classifications.
4. Included in the asset-backed category are securities purchased or obtained as part of loss mitigation or other risk management strategies with a fair value of $97 million. The remaining securities have a fair value of $60 million and an average rating of AAA.
5. Included in the mortgage-backed category are securities purchased or obtained as part of loss mitigation or other risk management strategies with a fair value of $528 million and agency-backed securities with a fair value of $214 million. The remaining securities have a fair value of approximately $210 million and an average rating of AAA.
6. Included in the AAA category are short-term securities and cash.
7. Included in the BIG category are securities purchased or obtained as part of loss mitigation or other risk management strategies with a fair value of $603 million.

AGM Consolidated[1] Expected Loss and Loss Adjustment Expense ("LAE") to Be Paid

As of March 31, 2015

ASSURED GUARANTY

($ in millions)

Rollforward of Net Expected Loss and LAE to be Paid for the Three Months Ended March 31, 2015

Financial Guaranty Insurance Contracts and Credit Derivatives	Net Expected Loss to be Paid (Recovered) as of December 31, 2014	Economic Loss Development During 1Q-15[2]	(Paid) Recovered Losses During 1Q-15	Net Expected Loss to be Paid (Recovered) as of March 31, 2015
Public Finance:				
U.S. public finance	$ 142	$ 3	$ (1)	$ 144
Non-U.S. public finance	34	(2)	—	32
Public Finance:	176	1	(1)	176
U.S. RMBS				
First lien:				
Alt-A first lien	237	1	(11)	227
Option ARMs	(19)	(3)	(3)	(25)
Subprime first lien	223	0	(7)	216
Total first lien	441	(2)	(21)	418
Second lien:				
Closed-end second lien	(2)	1	1	0
HELOC	(20)	6	3	(11)
Total second lien	(22)	7	4	(11)
Total U.S. RMBS	419	5	(17)	407
Other structured finance	24	0	(1)	23
Structured Finance	**443**	**5**	**(18)**	**430**
Total	**$ 619**	**$ 6**	**$ (19)**	**$ 606**

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

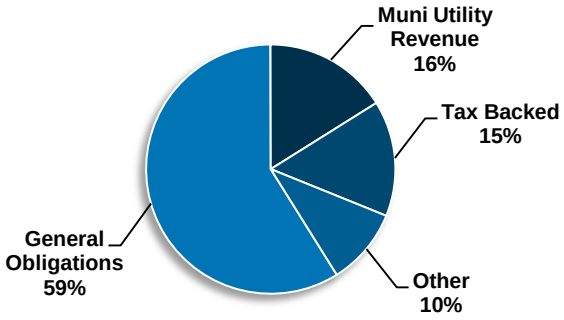
1. Please see page 41 for a definition of this convention.
2. Includes the effect of changes in the Company's estimate of future recovery on representations and warranties (R&W).

ASSURED GUARANTY®

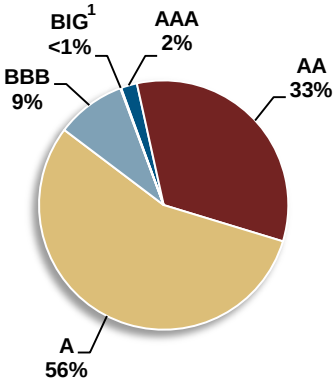
Municipal Assurance Corp.
Portfolio Review

MAC
Insured Portfolio (100% U.S. Public Finance)
Net Par Outstanding as of March 31, 2015

Portfolio Diversification by Sector



Portfolio Diversification by Rating



$86.8 billion

Net Par Outstanding By Asset Type
($ in millions)

	Net Par Outstanding	Avg. Internal Rating
U.S. public finance:		
General obligation	$ 51,104	A+
Municipal utilities	14,003	A+
Tax backed	13,044	A+
Higher education	3,702	A
Transportation	3,476	A
Housing	593	AA-
Other public finance	908	A+
Total U.S. public finance	**$ 86,830**	**A+**

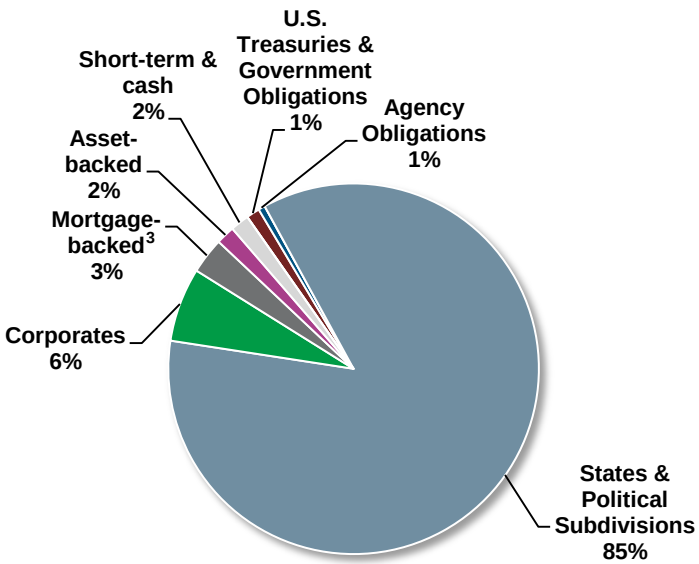
1. A total of $91 million net par outstanding; consists of six revenue sources rated in the BB category.

Net Par Outstanding By State
($ in millions)

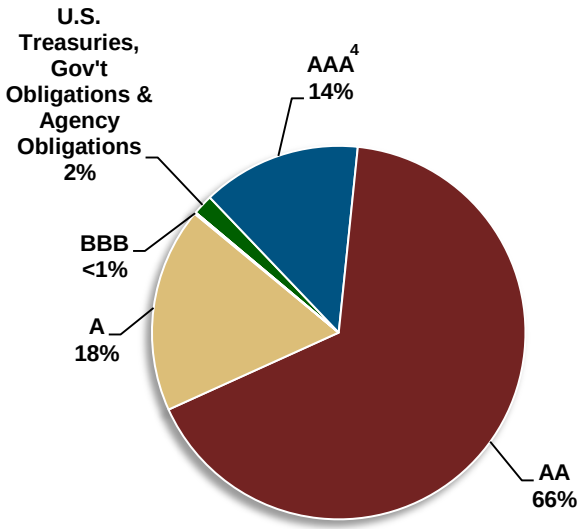
	Net Par Outstanding	% of Total
California	$ 13,929	16.0%
Texas	8,510	9.8
Pennsylvania	6,859	7.9
Illinois	5,078	5.8
New York	4,888	5.6
Michigan	4,408	5.1
Florida	3,658	4.2
New Jersey	3,233	3.7
Ohio	3,091	3.6
Indiana	2,393	2.8
Other states	30,783	35.5
Total U.S. public finance	**$ 86,830**	**100.0%**

MAC
Investment Portfolio
Fair Value as of March 31, 2015

Investments Available for Sale and Cash[1] By Category



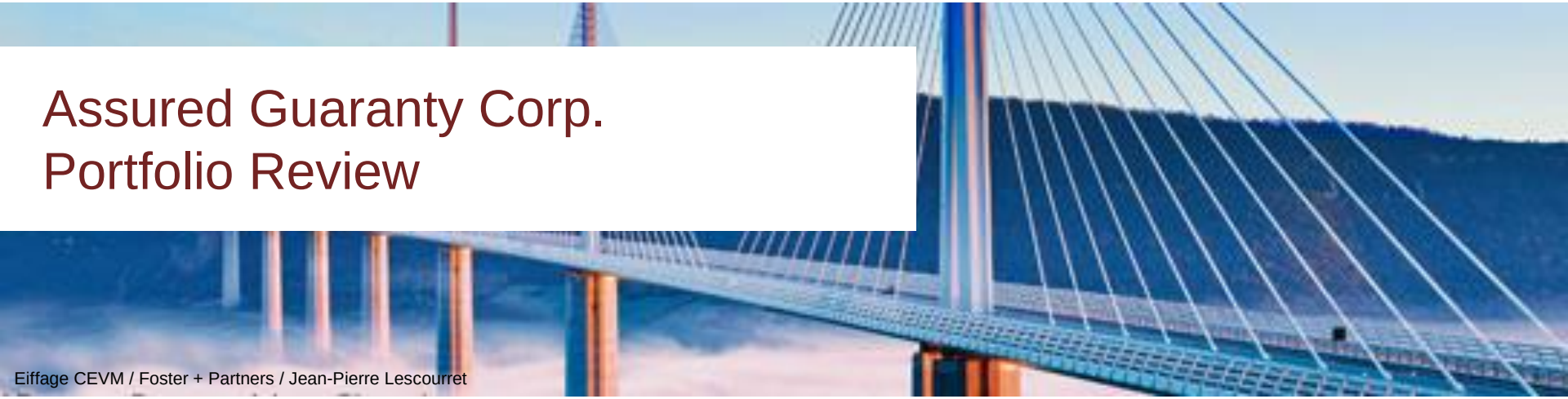
Investments Available for Sale and Cash[1,2] By Rating



Total = $1.5 billion

1. Includes fixed maturity securities, short-term investments and cash.
2. Ratings are represented by the lower of the Moody's and S&P classifications.
3. Included in the mortgage-backed category are agency-backed securities with a fair value of $22 million. The remaining securities have a fair value of $26 million and an average rating of AAA.
4. Included in the AAA category are short-term securities and cash.

Assured Guaranty Corp.
Portfolio Review



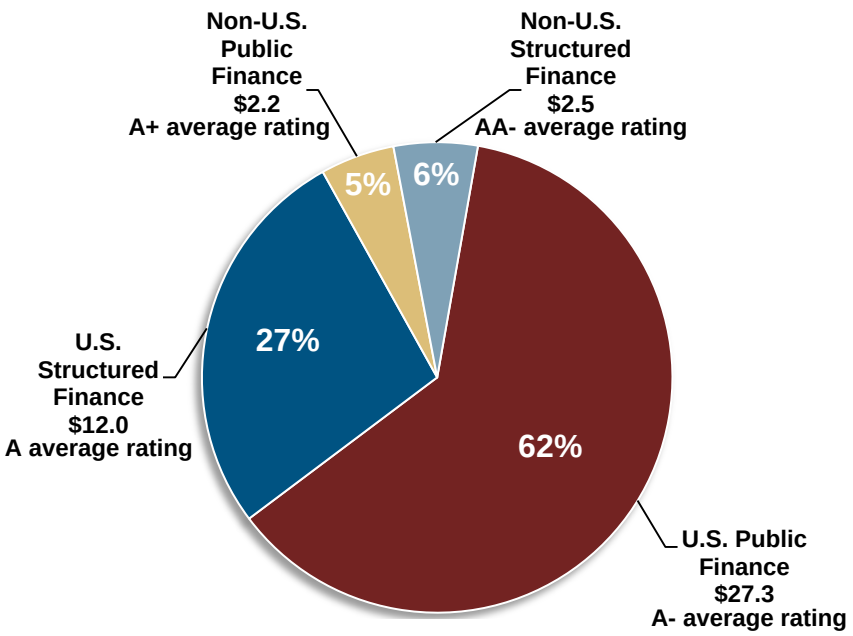
Eiffage CEVM / Foster + Partners / Jean-Pierre Lescourret

The information in this presentation, which is generally as of March 31, 2015, excludes the impact of the April 1, 2015 acquisition by Assured Guaranty Corp. (AGC) of Radian Asset Assurance Inc. (Radian Asset) and merger of Radian Asset with and into AGC.

AGC
Insured Portfolio Overview

- **AGC's portfolio is diversified by asset class**
  - 62% U.S. public finance
  - 27% U.S. structured finance
  - 5% Non-U.S. public finance
  - 6% Non-U.S. structured finance
- **Portfolio maintains a high overall credit rating despite downgrades in U.S. RMBS portfolio**
  - Average internal rating of A

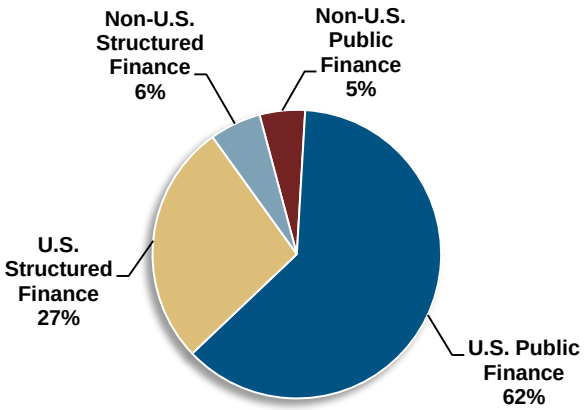
Net Par Outstanding
As of March 31, 2015
($ in billions)



$44.1 billion, A average rating

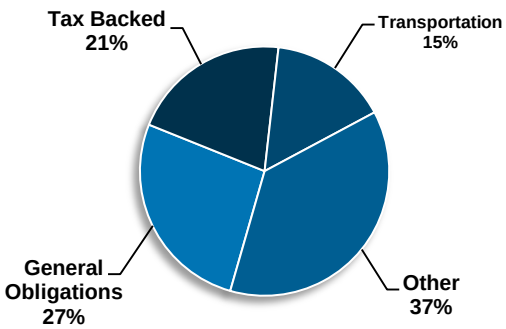
AGC
Insured Portfolio
Net Par Outstanding as of March 31, 2015

Portfolio Diversification by Sector



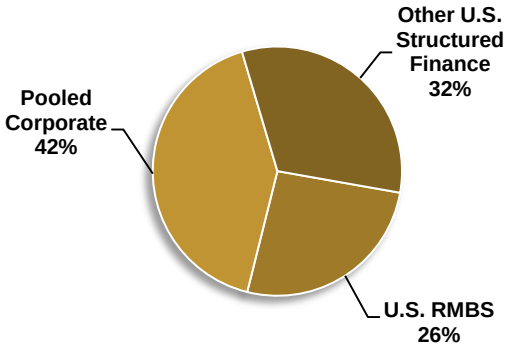
$44.1 billion

U.S. Public Finance Portfolio



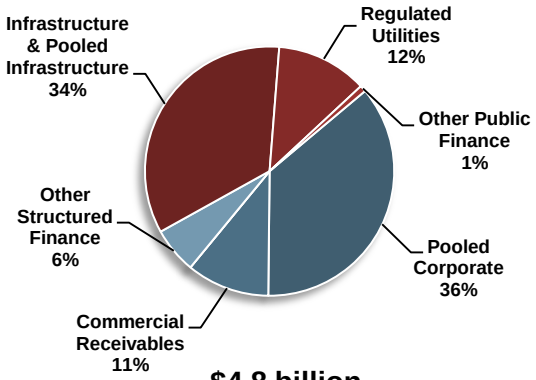
$27.3 billion

U.S. Structured Finance Portfolio



$12.0 billion

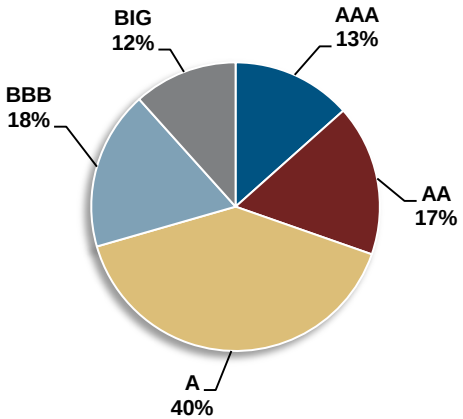
Non-U.S. Portfolios Public & Structured Finance



$4.8 billion

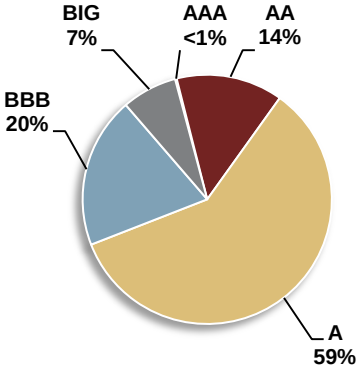
AGC
Insured Portfolio Ratings
Net Par Outstanding as of March 31, 2015

Portfolio Diversification by Rating



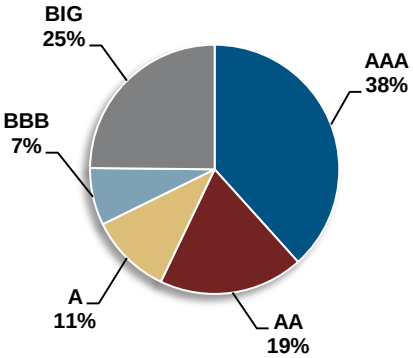
$44.1 billion

U.S. Public Finance Portfolio



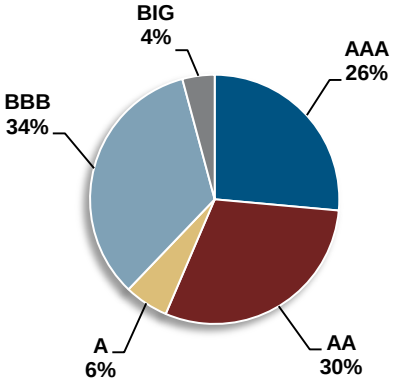
$27.3 billion

U.S. Structured Finance Portfolio



$12.0 billion

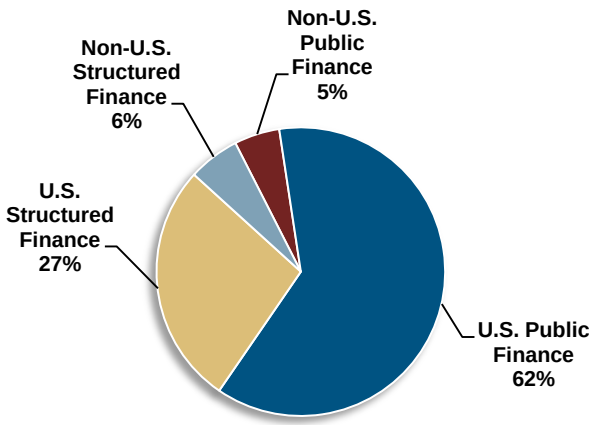
Non-U.S. Portfolios Public & Structured Finance

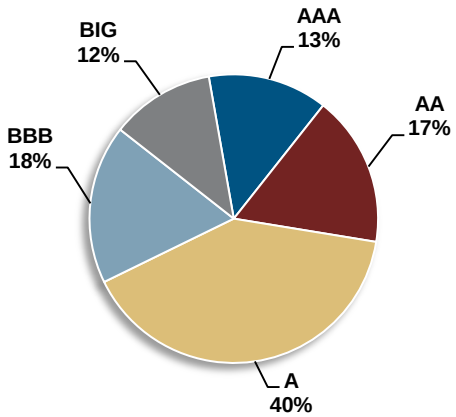


$4.8 billion

AGC
Insured Portfolio
Impact of Radian Asset Assurance Acquisition

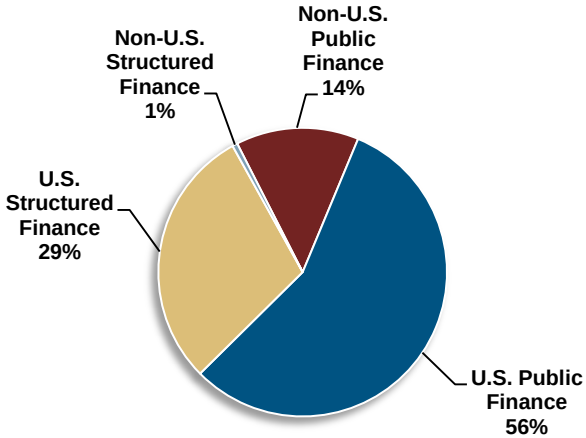
Assured Guaranty Corp.
As of March 31, 2015

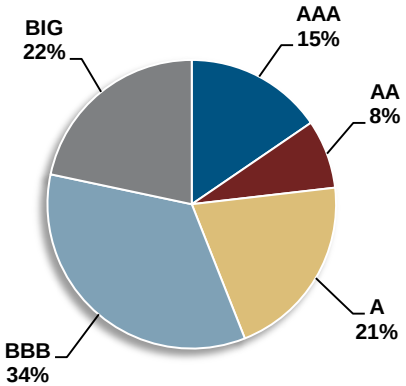




$44.1 billion, A average rating

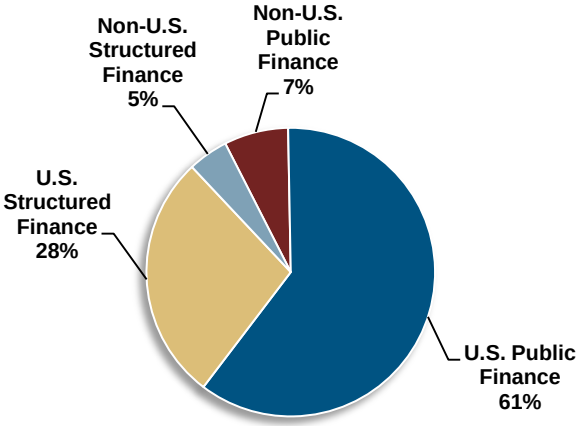
Radian Asset Assurance[1]
As of March 31, 2015

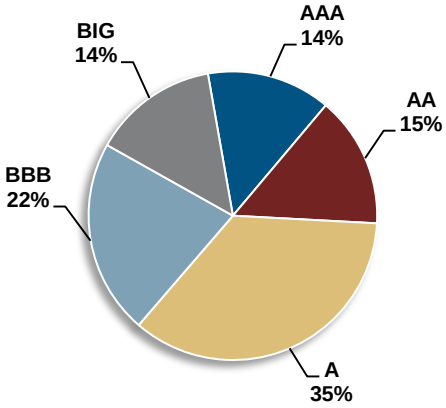




$14.1 billion, A- average rating

Assured Guaranty Corp.
Pro Forma





$58.1 billion, A average rating

1. Approximately $30 million of Radian's net par outstanding is excluded from the Assured Guaranty Corp. pro forma net par outstanding due to transactions whereby Radian insured securities that were already insured by AGC.

AGC
Insured Portfolio
Net Par Outstanding as of March 31, 2015

ASSURED GUARANTY

Net Par Outstanding By Asset Type
($ in millions)

	Net Par Outstanding	Avg. Internal Rating
U.S. public finance:		
General obligation	$ 7,272	A
Tax backed	5,655	A-
Transportation	4,204	A-
Municipal utilities	3,315	A-
Healthcare	3,094	A
Higher education	1,567	A
Infrastructure finance	985	BBB+
Investor-owned utilities	387	A-
Housing	79	A-
Other public finance	746	A
Total U.S. public finance	27,304	A-
Non-U.S. public finance:		
Pooled infrastructure	1,073	AA
Infrastructure finance	569	BBB+
Regulated utilities	566	A-
Other public finance	39	A+
Total non-U.S. public finance	2,247	A+
Total public finance	**$ 29,551**	**A**

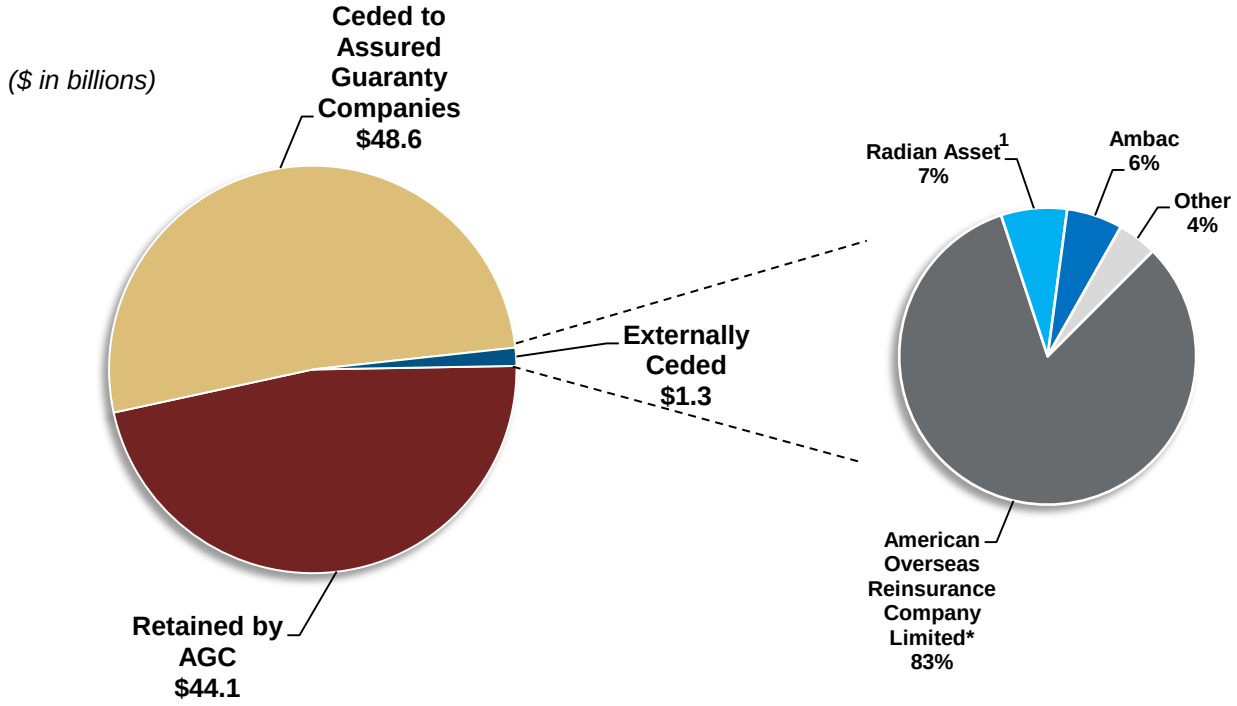
	Net Par Outstanding	Avg. Internal Rating
U.S. structured finance:		
Pooled corporate obligations	$ 4,968	A+
RMBS	3,126	BBB
CMBS and other commercial real estate related exposures	1,429	AAA
Consumer receivables	1,093	A+
Insurance securitization	891	A
Commercial receivables	305	A-
Structured credit	54	BB
Other structured finance	102	AA-
Total U.S. structured finance	11,968	A
Non-U.S. structured finance:		
Pooled corporate obligations	1,736	AA+
Commercial receivables	516	BBB
RMBS	30	AAA
Other structured finance	256	BBB+
Total non-U.S. structured finance	2,538	AA-
Total structured finance	**$ 14,506**	**A+**
Total net par outstanding	**$ 44,057**	**A**

Reinsurance

AGC Has Ceded 1.4% of Its Gross Insured Portfolio to a Diversified Group of Non-Affiliated Reinsurers and Other Monolines

AGC's Total Gross Par Outstanding: $94.0 billion
As of March 31, 2015

Externally Ceded Par Outstanding: $1.3 billion (1.4%)
As of March 31, 2015



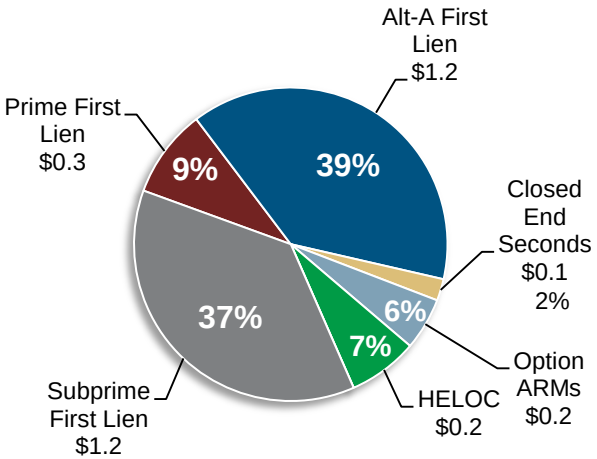
* Formerly RAM Reinsurance Company Ltd.
1. AGC acquired Radian Asset Assurance Inc. on April 1, 2015.

AGC U.S. RMBS Exposure

- **AGC's U.S. RMBS portfolio is amortizing on an absolute basis and has declined as a percentage of the portfolio**
  - $3.1 billion versus $13.4 billion at year-end 2007, a decrease of 77%
  - 7.1% of total net par outstanding versus 14.3% at year-end 2007
- **We have significantly mitigated ultimate losses**
  - R&W putbacks, litigation and agreements
  - Wrapped bond purchases
  - Terminations

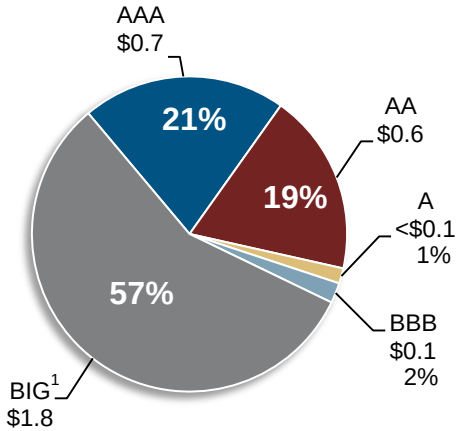
By Type

As of March 31, 2015
($ in billions)



$3.1 billion, 7.1% of net par outstanding

By Rating



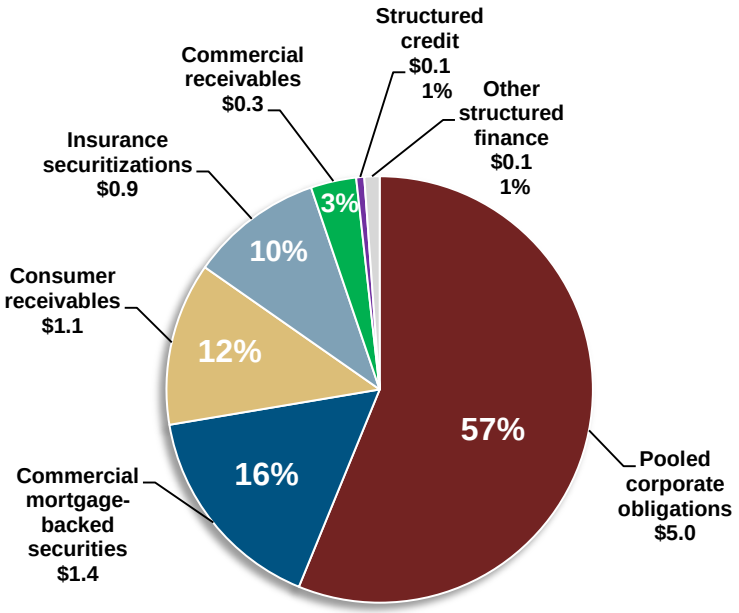
1. Please see footnote 2 on page 39.

AGC Non-RMBS Exposure
U.S. Structured Finance

- **AGC's non-RMBS U.S. structured finance exposures consist principally of:**
  - Pooled corporate obligations
  - CMBS
  - Consumer receivables
- **Non-RMBS U.S. structured finance credit experience has been generally strong given the economic stress caused by the financial crisis**
  - 44% rated AAA
  - 14% rated BIG

U.S. Non-RMBS Structured Finance

As of March 31, 2015
($ in billions)



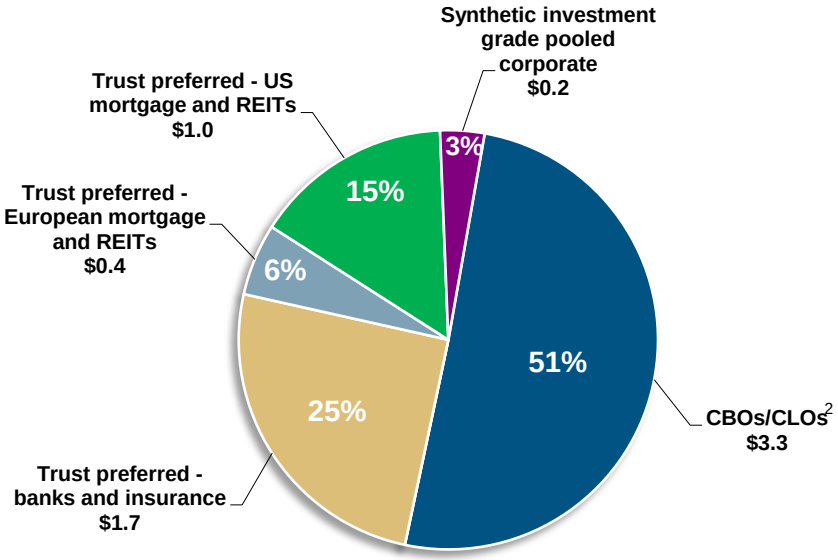
$8.8 billion net par outstanding

AGC Global Direct Pooled Corporate Obligations

- **Our pooled corporate exposure is highly rated and protected by overcollateralization. In AGC's direct portfolio:**
  - Average current credit enhancement of 40.3%
  - 53% rated AAA, average rating AA-
- **AGC's $3.0 billion Trust Preferred Securities (TruPS) CDO portfolio is diversified by region (U.S. and European) as well as by collateral type (bank, thrift, insurance company, real estate investment trust (REIT) and CMBS)**
  - Includes more than 1,400 issuers
  - All our exposure at the CDO level is to the most senior debt tranche
  - All U.S. bank and insurance TruPS CDOs, European TruPS CDOs and U.S. mortgage and REIT TruPS CDOs were originated at AAA attachment points
- **The $1.0 billion of TruPS CDOs backed by U.S. mortgage and REITs is the lowest average rated pooled corporate subsector**
  - BB+ average rating

Direct Pooled Corporate Obligations[1] By Asset Class

As of March 31, 2015
($ in billions)



$6.6 billion net par outstanding

1. AGC also assumed $109 million of pooled corporate exposure.
2. CBOs are collateralized bond obligations. CLOs are collateralized loan obligations.

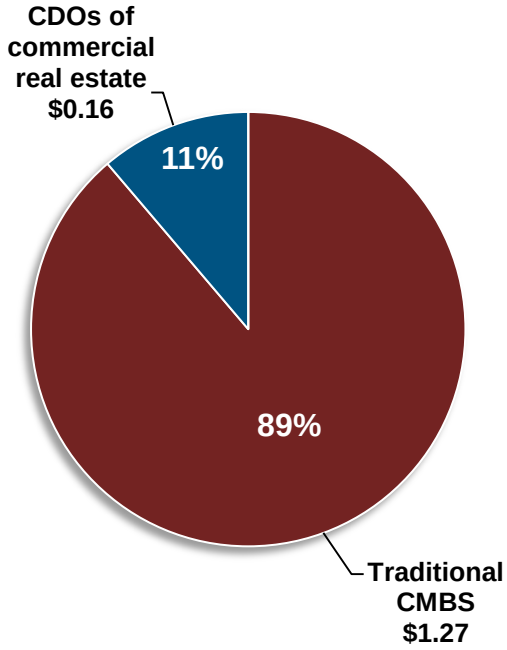
AGC Direct U.S. CMBS Exposure

- **AGC's CMBS-related exposures were underwritten at high attachment points**
  - All deals were written with triple-A ratings at inception
  - AAA current average rating
- **$1.3 billion traditional CMBS portfolio**
  - Most of the exposures were written as "basket trades"; some have additional credit enhancement from a first-loss deductible
  - 100% rated AAA as of March 31, 2015
  - Average current credit enhancement stands at 41.4% vs. initial credit enhancement of 32.9%
- **$160 million commercial real estate CDO portfolio**
  - Two transactions
  - Average current credit enhancement stands at 57.9% vs. initial credit enhancement of 53.4%
- **Beginning in the middle of 2006, AGC concluded that underwriting standards applied to newly originated commercial property loans were deteriorating and adjusted underwriting standards accordingly**

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

By Sector

As of March 31, 2015
($ in billions)



$1.43 billion net par outstanding

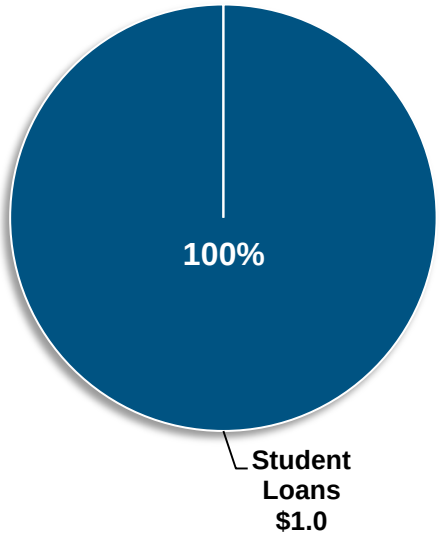
1. AGC also assumed $3 million of U.S. CMBS exposure.

AGC Direct U.S. Consumer Receivables

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

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

As of March 31, 2015
($ in billions)

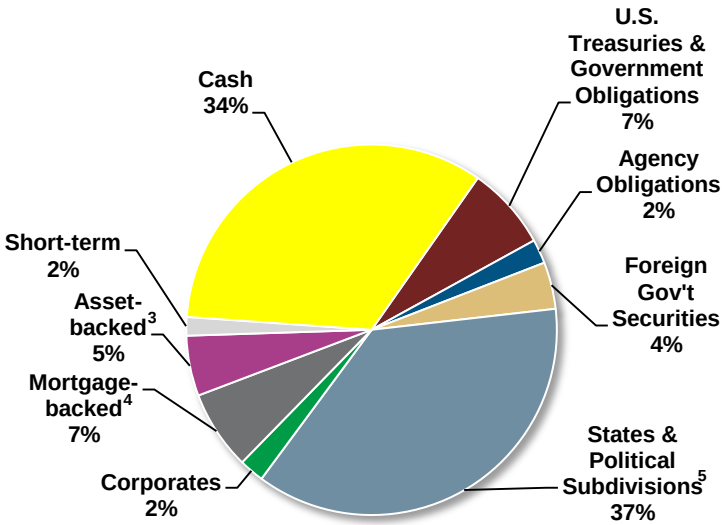


$1.0 billion net par outstanding

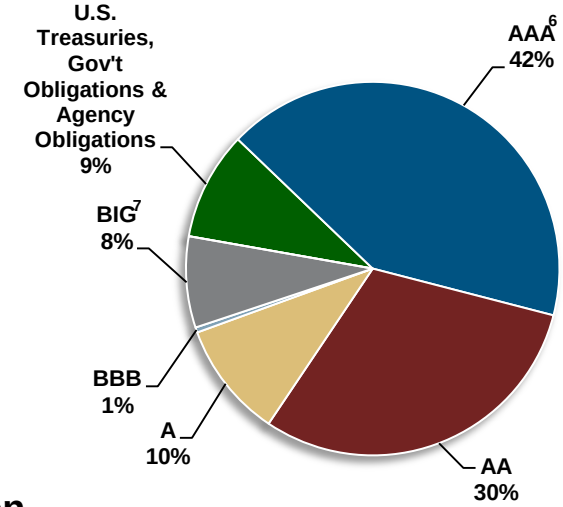
1. AGC also assumed $64 million of U.S. consumer receivable exposure.

AGC
Investment Portfolio
Fair Value as of March 31, 2015

Investments Available for Sale and Cash[1] By Category



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



Total = $2.5 billion

1. Includes fixed maturity securities, short-term investments and cash and excludes other invested assets. Also includes securities purchased or obtained as part of loss mitigation or other risk management strategies, some of which (with a fair value of $124 million) were issued by entities that were subsequently consolidated as VIEs and which are therefore eliminated in consolidation on the balance sheet.
2. Ratings are represented by the lower of the Moody's and S&P classifications except for securities purchased or obtained as part of loss mitigation or other risk management strategies, which use internal ratings classifications.
3. Included in the asset-backed category are securities purchased or obtained as part of loss mitigation or other risk management strategies with a fair value of $130 million. The remaining securities have a fair value of <$1 million and an average rating of BBB+.
4. Included in the mortgage-backed category are securities purchased or obtained as part of loss mitigation or other risk management strategies with a fair value of $151 million and agency-backed securities with a fair value of $13 million. The remaining securities have a fair value of $7 million and an average rating of AAA.
5. Included in the states & political subdivisions category are securities purchased or obtained as part of loss mitigation or other risk management strategies with a fair value of $3 million.
6. Included in the AAA category are short-term securities and cash.
7. Included in the BIG category are securities purchased or obtained as part of loss mitigation or other risk management strategies with a fair value of $195 million.

AGC Expected Loss and LAE to Be Paid
As of March 31, 2015

($ in millions)

Rollforward of Net Expected Loss and LAE to be Paid for the Three Months Ended March 31, 2015

Financial Guaranty Insurance Contracts and Credit Derivatives	Net Expected Loss to be Paid (Recovered) as of December 31, 2014	Economic Loss Development During 1Q-15[1]	(Paid) Recovered Losses During 1Q-15	Net Expected Loss to be Paid (Recovered) as of March 31, 2015
Public Finance:				
U.S. public finance	$ 49	$ 5	$ 0	$ 54
Non-U.S. public finance	2	0	—	2
Public Finance:	51	5	0	56
U.S. RMBS				
First lien:				
Prime first lien	3	0	(1)	2
Alt-A first lien	58	(6)	1	53
Option ARMs	1	7	(1)	7
Subprime first lien	61	0	(2)	59
Total first lien	123	1	(3)	121
Second lien:				
Closed-end second lien	6	0	0	6
HELOC	(2)	(1)	1	(2)
Total second lien	4	(1)	1	4
Total U.S. RMBS	127	0	(2)	125
Triple-X life insurance transactions	(19)	0	0	(19)
TruPS	18	(8)	—	10
Other structured finance	(31)	(1)	4	(28)
Structured Finance	**95**	**(9)**	**2**	**88**
Total	**$ 146**	**$ (4)**	**$ 2**	**$ 144**

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

1. Includes the effect of changes in the Company's estimate of future recovery on R&W.

Appendix

Appendix
Explanation of Non-GAAP Financial Measures

ASSURED GUARANTY

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

The Company references financial measures that are not in accordance with GAAP. Management and the board of directors utilize non-GAAP financial measures in evaluating the Company's financial performance and as a basis for determining senior management incentive compensation. By providing these non-GAAP financial measures, investors, analysts and financial news reporters have access to the same information that management reviews internally. In addition, Assured Guaranty's presentation of non-GAAP financial measures is consistent with how analysts calculate their estimates of Assured Guaranty's financial results in their research reports on Assured Guaranty and with how investors, analysts and the financial news media evaluate Assured Guaranty's financial results.

The following paragraphs define each non-GAAP financial measure and describe why it is useful. A reconciliation of the non-GAAP financial measure and the most directly comparable GAAP financial measure, if available, is presented within this presentation. Non-GAAP financial measures should not be viewed as substitutes for their most directly comparable GAAP measures.

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

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

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

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

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

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

Appendix
Explanation of Non-GAAP Financial Measures (Continued)

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

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

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

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

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

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

Appendix
Explanation of Non-GAAP Financial Measures (Continued)

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

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

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

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

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

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

Appendix
AGL Consolidated
Reconciliation of PVP to GWP

($ in millions)

	Three Months Ended March 31, 2015	Three Months Ended March 31, 2014
New business production analysis:		
PVP:		
Public finance - U.S.	$ 13	$ 23
Public finance - non-U.S.	—	7
Structured finance - U.S.	18	1
Structured finance - non-U.S.	5	—
Total PVP	**$ 36**	**$ 31**
Reconciliation of PVP to gross written premiums (GWP):		
Total PVP	**$ 36**	**$ 31**
Less: PVP of non-financial guaranty insurance	6	—
PVP of financial guaranty insurance	30	31
Less: financial guaranty installment premium PVP	17	10
Total: Financial guaranty upfront GWP	**13**	**21**
Plus: installment GWP and other GAAP adjustments[1]	19	9
Total GWP	**$ 32**	**$ 30**
Gross par written:		
Public finance - U.S.	$ 2,441	$ 1,737
Public finance - non-U.S.	—	128
Structured finance - U.S.	261	4
Structured finance - non-U.S.	6	—
Total	**$ 2,708**	**$ 1,869**

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

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

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

($ in millions, except per share amounts)

	As of:			
	March 31, 2015		December 31, 2014	
	Total	Per Share	Total	Per Share
Reconciliation of shareholders' equity to adjusted book value:				
Shareholders' equity	**$ 5,786**	**$ 37.86**	**$ 5,758**	**$ 36.37**
Less after-tax adjustments:				
Effect of consolidating FG VIEs	(49)	(0.32)	(44)	(0.28)
Non-credit impairment unrealized fair value gains (losses) on credit derivatives	(460)	(3.01)	(527)	(3.33)
Fair value gains (losses) on committed capital securities	24	0.16	23	0.14
Unrealized gain (loss) on investment portfolio excluding foreign exchange effect	395	2.58	373	2.36
Operating shareholders' equity	**$ 5,876**	**38.45**	**$ 5,933**	**37.48**
After-tax adjustments:				
Less: Deferred acquisition costs	155	1.02	156	0.99
Plus: Net present value of estimated net future credit derivative revenue	99	0.65	109	0.69
Plus: Net unearned premium reserve on financial guaranty contracts in excess of expected loss to be expensed	2,534	16.58	2,609	16.48
Adjusted book value	**$ 8,354**	**$ 54.66**	**$ 8,495**	**$ 53.66**

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

Appendix

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

ASSURED GUARANTY

Net Par Outstanding by Asset Type
March 31, 2015
($ in millions)

	AGM[1]	MAC	AGM Consolidated[1]
U.S. public finance:			
General obligation	$ 41,247	$ 51,104	$ 92,351
Tax backed	24,845	13,044	37,889
Municipal utilities	21,245	14,003	35,248
Transportation	11,568	3,476	15,044
Healthcare	7,384	-	7,384
Higher education	3,503	3,702	7,205
Housing	1,452	593	2,045
Infrastructure finance	1,323	-	1,323
Other public finance	891	908	1,799
Total U.S. public finance	113,458	86,830	200,288
Non-U.S. public finance:			
Infrastructure finance	8,793	-	8,793
Regulated utilities	5,972	-	5,972
Other public finance	4,431	-	4,431
Total non-U.S. public finance	19,196	-	19,196
Total public finance	**$ 132,654**	**$ 86,830**	**$ 219,484**
U.S. structured finance:			
Pooled corporate obligations	$ 12,292	$ -	12,292
RMBS	4,791	-	4,791
Financial products [2]	2,147	-	2,147
Insurance securitizations	328	-	328
Consumer receivables	154	-	154
Commercial receivables	37	-	37
Structured credit	6		6
Other structured finance	158	-	158
Total U.S. structured finance	19,913	-	19,913
Non-U.S. structured finance:			
Pooled corporate obligations	2,725	-	2,725
RMBS	658	-	658
Other structured finance	369	-	369
Total non-U.S. structured finance	3,752	-	3,752
Total structured finance	**$ 23,665**	**$ -**	**$ 23,665**
Total	**$ 156,319**	**$ 86,830**	**$ 243,149**

Distribution by Ratings of U.S. Public Finance Portfolio
March 31, 2015
($ in millions)

	AGM[1]	MAC	AGM Consolidated[1]
Ratings:			
AAA	$ 1,066	$ 1,819	$ 2,885
AA	30,583	28,797	59,380
A	60,599	48,276	108,875
BBB	17,966	7,847	25,813
BIG	3,244	91	3,335
Net par outstanding	**$ 113,458**	**$ 86,830**	**$ 200,288**

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

Appendix

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

	Fair Value March 31, 2015 ($ in millions)		
	AGM[1]	MAC	AGM Consolidated[1]
Investment portfolio, available-for-sale			
Fixed-maturity securities:			
Obligations of states and political subdivisions	$ 2,498	$ 1,109	$ 3,607
Insured obligations of state and political subdivisions	483	200	683
U.S. Treasury securities and obligations of U.S. government agencies	16	18	34
Agency obligations	26	9	35
Corporate securities	545	99	644
Mortgage-backed securities (MBS):			
Residential MBS (RMBS)	741	22	763
Commercial MBS (CMBS)	210	26	236
Asset-backed securities	157	25	182
Foreign government securities	183	-	183
Total fixed-maturity securities	4,859	1,508	6,367
Short-term investments and cash	180	25	204
Total	**$ 5,039**	**$ 1,533**	**$ 6,571**
Less: FG VIEs	166	-	166
Total	**$ 4,873**	**$ 1,533**	**$ 6,405**

	Fair Value March 31, 2015 ($ in millions)		
	AGM[1]	MAC	AGM Consolidated[1]
Ratings:			
U.S. Treasury securities and obligations of U.S. government agencies	$ 16	$ 18	$ 34
Agency obligations	26	9	35
AAA/Aaa	537	186	723
AA/Aa	2,600	1,021	3,621
A/A	1,060	272	1,332
BBB	17	2	19
Below investment grade (BIG)	603	-	602
Total fixed-maturity securities, available-for-sale	4,859	1,508	6,366
Less: FG VIEs	172	-	172
Total fixed-maturity securities, available-for-sale	**$ 4,687**	**$ 1,508**	**$ 6,194**

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

Appendix

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

AGM[1] – Estimated Ending Net Par Outstanding[2]
March 31, 2015
($ in millions)

	Public Finance	Structured Finance	Total
2015 (as of March 31)	$ 132,654	$ 23,665	$ 156,319
2015	124,043	18,243	142,286
2016	115,912	14,508	130,420
2017	108,387	7,113	115,500
2018	102,924	5,975	108,899
2019	97,777	5,046	102,823
2024	70,453	3,258	73,711
2029	44,422	2,235	46,657
2034	24,675	943	25,618

Public Finance – Estimated Ending Net Par Outstanding[2]
March 31, 2015
($ in millions)

	AGM[1]	MAC	AGM Consolidated[1]
2015 (as of March 31)	$ 132,654	$ 86,830	$ 219,484
2015	124,043	78,997	203,040
2016	115,912	70,843	186,755
2017	108,387	64,316	172,703
2018	102,924	59,201	162,125
2019	97,777	54,533	152,310
2024	70,453	34,360	104,813
2029	44,422	18,297	62,719
2034	24,675	8,254	32,929

Public Finance – Expected Net Par Amortization[2]
March 31, 2015
($ in millions)

	AGM[1]	MAC	AGM Consolidated[1]
2015	$ 8,611	$ 7,833	$ 16,444
2016	8,131	8,154	16,285
2017	7,525	6,527	14,052
2018	5,463	5,115	10,578
2019	5,147	4,668	9,815
2015-2019	34,877	32,297	67,174
2020-2024	27,324	20,173	47,497
2025-2029	26,031	16,063	42,094
2030-2034	19,747	10,043	29,790
After 2034	24,675	8,254	32,929

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

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Fixed Income Investor Presentation

March 31, 2015