EMBRACE POSSIBILITIES, INVEST IN CERTAINTIES

Fixed Income Investor Presentation

September 30, 2021

ASSURED GUARANTY MUNICIPAL

ASSURED GUARANTY CORP.

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

Forward-Looking Statements and Safe Harbor Disclosure

- This presentation contains information that includes or is based upon forward looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward looking statements give the expectations or forecasts of future events of Assured Guaranty Ltd. (AGL) and its subsidiaries (collectively with AGL, Assured Guaranty or the Company). These statements can be identified by the fact that they do not relate strictly to historical or current facts and relate to future operating or financial performance.

- Any or all of Assured Guaranty's forward-looking statements herein are based on current expectations and the current economic environment and may turn out to be incorrect. Assured Guaranty's actual results may vary materially. Among factors that could cause actual results to differ adversely are: (1) the development, course and duration of the COVID-19 pandemic and the governmental and private actions taken in response, the effectiveness, acceptance and distribution of COVID-19 vaccines, and the global consequences of the pandemic and such actions, including their impact on the factors listed below; (2) changes in the world's credit markets, segments thereof, interest rates, credit spreads or general economic conditions; (3) developments in the world's financial and capital markets that adversely affect insured obligors' repayment rates, Assured Guaranty's insurance loss or recovery experience, investments of Assured Guaranty or assets it manages; (4) reduction in the amount of available insurance opportunities and/or in the demand for Assured Guaranty's insurance; (5) the loss of investors in Assured Guaranty's asset management strategies or the failure to attract new investors to Assured Guaranty's asset management business; (6) the possibility that budget or pension shortfalls or other factors will result in credit losses or impairments on obligations of state, territorial and local governments and their related authorities and public corporations that Assured Guaranty insures or reinsures; (7) insured losses in excess of those expected by Assured Guaranty or the failure of Assured Guaranty to realize loss recoveries that are assumed in its expected loss estimates for insurance exposures, including as a result of the failure to resolve Assured Guaranty's Puerto Rico exposure in a manner substantially consistent with the support agreements signed to date; (8) increased competition, including from new entrants into the financial guaranty industry; (9) poor performance of Assured Guaranty's asset management strategies compared to the performance of the asset management strategies of Assured Guaranty's competitors; (10) the possibility that investments made by Assured Guaranty for its investment portfolio, including alternative investments and investments it manages, do not result in the benefits anticipated or subject Assured Guaranty to reduced liquidity at a time it requires liquidity or to unanticipated consequences; (11) the impact of market volatility on the mark-to-market of Assured Guaranty's assets and liabilities subject to mark-to-market, including certain of its investments, most of its contracts written in credit default swap form, and variable interest entities as well as on the mark-to-market of assets Assured Guaranty manages; (12) rating agency action, including a ratings downgrade, a change in outlook, the placement of ratings on watch for downgrade, or a change in rating criteria, at any time, of AGL or any of its insurance subsidiaries, and/or of any securities AGL or any of its subsidiaries have issued, and/or of transactions that AGL's insurance subsidiaries have insured; (13) the inability of Assured Guaranty to access external sources of capital on acceptable terms; (14) changes in applicable accounting policies or practices; (15) changes in applicable laws or regulations, including insurance, bankruptcy and tax laws, or other governmental actions; (16) the failure of Assured Guaranty to successfully integrate the business of BlueMountain Capital Management, LLC (BlueMountain now known as Assured Investment Management LLC) and its associated entities; (17) the possibility that acquisitions made by Assured Guaranty, including its acquisition of BlueMountain (BlueMountain Acquisition), do not result in the benefits anticipated or subject Assured Guaranty to unanticipated consequences; (18) difficulties with the execution of Assured Guaranty's business strategy; (19) loss of key personnel; (20) the effects of mergers, acquisitions and divestitures; (21) natural or man-made catastrophes or pandemics; (22) other risk factors identified in AGL's filings with the U.S. SEC; (23) other risks and uncertainties that have not been identified at this time; and; (24) management's response to these factors.

- The foregoing review of important factors should not be construed as exhaustive, and should be read in conjunction with the other risk factors and cautionary statements that are included in Assured Guaranty's most recent Forms 10-K and subsequent Forms 10-Q. The Company undertakes no obligation to update publicly or review any forward-looking statement, whether as a result of new information, any future developments or otherwise, except as required by law. Investors are advised, however, to consult any further disclosures the Company makes on related subjects in the Company's reports filed with the SEC.

- If one or more of these or other risks or uncertainties materialize, or if the Company's underlying assumptions prove to be incorrect, actual results may vary materially from what the Company projected. Any forward-looking statements in this this presentation reflect the Company's current views with respect to future events and are subject to these and other risks, uncertainties and assumptions relating to its operations, results of operations, growth strategy and liquidity. For these statements, the Company claims the protection of the safe harbor for forward looking statements contained in Section 27A of the Securities Act of 1933, as amended (the Securities Act), and Section 21E of the Securities Exchange Act of 1934, as amended (the Exchange Act).

Conventions, Non-GAAP Financial Measures and Certain Statutory Data

- Unless otherwise noted, the following conventions are used in this presentation:
  - "AGM Consolidated" means Assured Guaranty Municipal Corp. (“AGM”) and its consolidated entities (consisting primarily of Assured Guaranty UK Limited (“AGUK”), Assured Guaranty (Europe) SA (“AGE”), AG Asset Strategies LLC (“AGAS”) and certain variable interest entities, and prior to April 1, 2021, MAC Holdings, Inc.). Until April 1, 2021, AGM owned 60.7% of the outstanding shares of Municipal Assurance Holdings Inc., and AGM's affiliate Assured Guaranty Corp. (AGC) owned the remaining 39.3%. On April 1, 2021, as part of a multi-step transaction, AGC sold its interest in MAC Holdings to AGM and MAC was merged with and into AGM, with AGM as the surviving company. AGM owns 65% of AGAS and consolidates all of AGAS. The reported exposures of AGM, AGUK and AGE may not equal AGM Consolidated due to eliminations.
  - 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 internal rating without such arrangements.
  - The Company excludes Company-insured securities that it has purchased for loss mitigation purposes from its disclosure of par and debt service outstanding (unless otherwise indicated) because it manages such securities as investments and not insurance exposure.
  - Ratings on the investment portfolios are the lower of the ratings from Moody’s Investors Service, Inc. (“Moody’s”) or S&P Global Ratings Services (“S&P”).
  - Percentages and totals in tables or graphs may not add due to rounding.
- This presentation references financial measures that are not in accordance with U.S. generally accepted accounting principles (“GAAP”), which management uses in order to assist analysts and investors in evaluating Assured Guaranty’s financial results. These financial measures are determined on the basis of methodologies other than in accordance with GAAP (“non-GAAP financial measures”), and are defined in the Appendix. Wherever possible, the Company has separately disclosed the effect of consolidating FG VIEs on the non-GAAP financial measures. See the Appendix for a more comprehensive description of non-GAAP financial measures.
- This presentation references AUM, or assets under management. For conventions used by the Company in presenting its AUM, see the Appendix.
- AGAS has no financial guaranty insurance par exposure, and is solely an LLC that holds the insurance companies’ investments in AssuredIM funds and other investments.
- All reconciliations in the Appendix of this presentation are on an AGL consolidated basis.
- Unless otherwise indicated, all information in this presentation is as of September 30, 2021, and by providing this presentation (even at a later date) the Company undertakes no duty to update any such information (except as required by law).

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 have written new business throughout the 2008 financial crisis and recession, and continue to do so today, leading the industry in new business production

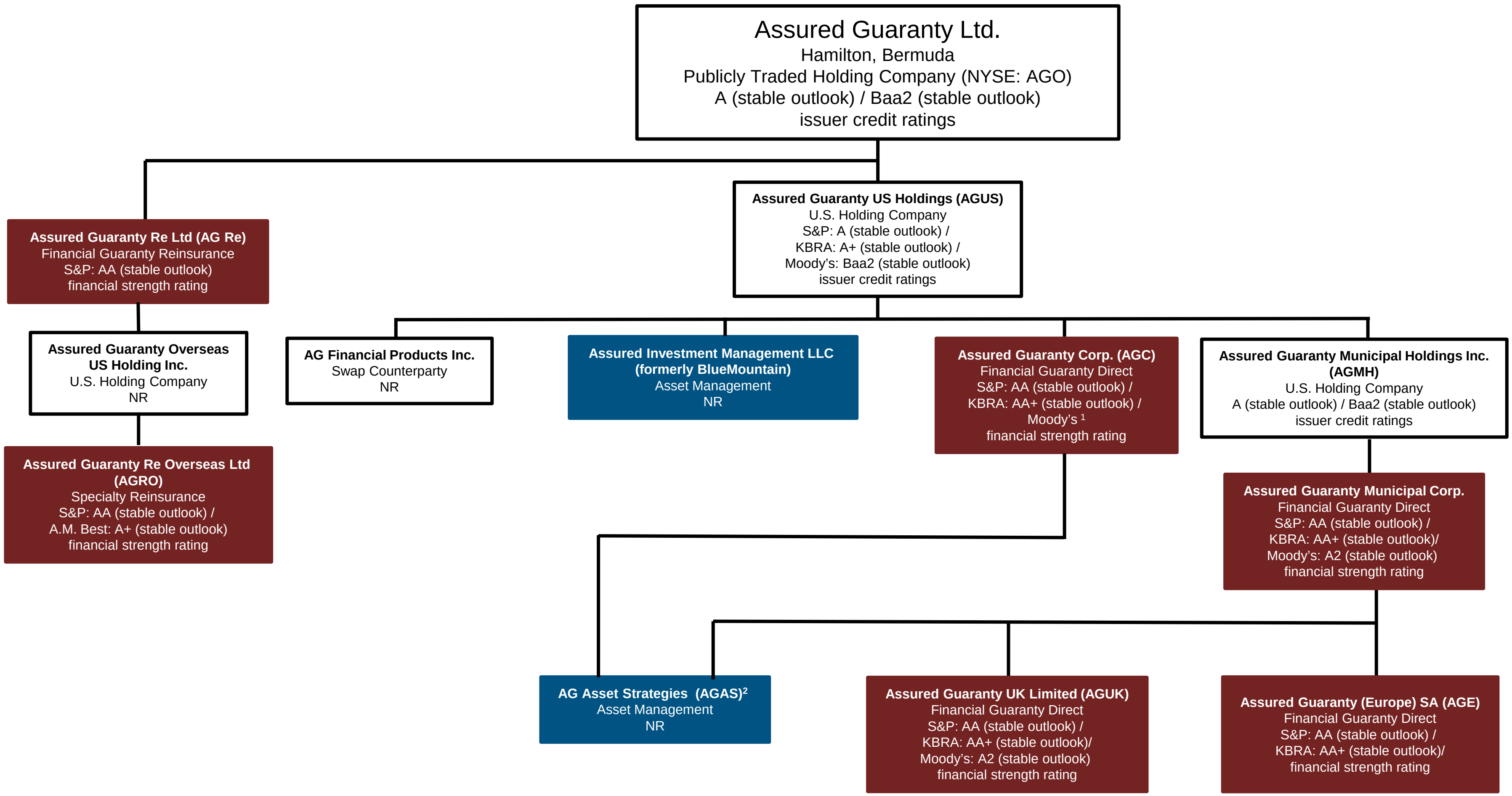
- **Assured Guaranty's primary focus, financial guaranty, has a strong capital base**
  - Over three decades of experience in the financial guaranty market
  - We maintain strong financial strength ratings from S&P, KBRA and A.M. Best
  - Consolidated investment portfolio and cash of $9.7 billion as of September 30, 2021[1,2]
  - Consolidated claims-paying resources of $11.1 billion as of September 30, 2021[3]

- **Assured Guaranty sees asset management as a way to diversify our sources of revenue and investment strategies**
  - AssuredIM has assets under management (AUM) of $17.6 billion as of September 30, 2021[4]

($ in billions)	AGL Consolidated (09/30/21)
Net par outstanding	$235.7
Total investment portfolio and cash[1,2]	$9.7
Claims-paying resources[3]	$11.1

1. See page 28 for a breakdown of the available-for-sale portfolio.
2. Excludes amounts invested by the U.S. subsidiaries in AssuredIM funds that have a fair value of $363 million as of September 30, 2021.
3. Aggregate data for the Company's insurance subsidiaries, based primarily on statutory measures. Claims on each insurer's guarantees are paid from that insurer's separate claims-paying resources. See page 10 for components of claims-paying resources.
4. For conventions used by the Company in presenting AUM, see the Appendix.

Assured Guaranty Ltd.
Corporate Structure



As of December 14, 2021
S&P / Moody's (unless otherwise specified)
NR = Not rated

1. Assured Guaranty requested in January 2017 that Moody's drop its rating of AGC; Moody's declined, and continues to rate AGC.
2. AGAS is co-owned by AGM (65%) and AGC (35%)

Investor and Issuer Benefits, and Insurance Operating Principles

- **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; during typical market conditions, the municipal market trades an average $2 billion weekly in bonds insured by Assured Guaranty companies
  - Credit enhancement provides protection in an uncertain credit environment
- **Underwriting principles and a strong risk management culture designed to preserve our franchise value**
- **Experienced and disciplined management**
- **Commitment to disclosure and transparency**
  - Extensive quarterly financial disclosures by holding company and subsidiaries
  - AGL is a publicly traded holding company (NYSE: AGO) subject to NYSE and SEC disclosure requirements
  - Subsidiaries subject to various jurisdictions' insurance regulatory disclosure requirements
  - Additional voluntary disclosures

AGL Strategic Priorities

- **Insurance**
  - **Growth of insured portfolio**
  - **Loss mitigation**
- **Asset management and alternative investments**
- **Capital management**

Strength of Financial Guaranty Business Model

- **The Company insures scheduled payments of principal and interest when due**
  - Insurance regulations forbid acceleration of our obligations without consent

- **Issuers that default on a few debt service payments may have the resources later to repay the Company for any liquidity claims the Company is required to pay during a stressful period**

- **The Company's ultimate loss on an insured obligation is not a function of that underlying obligation's market value**
  - Rather, the Company's ultimate loss is the sum of all principal and interest payments it makes under its policy less the sum of all reimbursements and other recoveries

- **The nature of the financial guaranty business model, which requires the Company to pay only any shortfall in interest and principal on scheduled payment dates, along with the Company's liquidity practices, reduce the need for the Company to sell investment assets in periods of market distress**

- **Our surveillance department regularly monitors sectors and credits that we believe could be negatively impacted by the COVID-19 pandemic. Through November 4, 2021, the Company has paid less than $10 million in first-time insurance claims it believes are due at least in part to credit stress arising specifically from COVID-19. The Company currently projects nearly full reimbursement of these claims**

Three Discrete Insurance Companies with Separate Capital Bases

ASSURED GUARANTY

Consolidated Statutory-Basis Claims-Paying Resources and Exposures

	As of September 30, 2021				
($ in millions)	AGM	AGC	AG Re[6]	Eliminations[2]	Consolidated
Claims-paying resources					
Policyholders' surplus	$2,910	$1,758	$759	$(211)	$5,216
Contingency reserve[1]	963	594	-	-	1,557
Qualified statutory capital	**3,873**	**2,352**	**759**	**(211)**	**6,773**
UPR and net deferred ceding commission income[1]	2,124	356	572	(76)	2,976
Loss and loss adjustment expense reserves[1,7]	-	-	91	-	91
Total policyholders' surplus and reserves	**5,997**	**2,708**	**1,422**	**(287)**	**9,840**
Present value of installment premium	455	195	227	-	877
Committed Capital Securities	200	200	-	-	400
Total claims-paying resources	**$6,652**	**$3,103**	**$1,649**	**$(287)**	**$11,117**
Statutory net exposure[1,3]	$151,042	$21,980	$59,394	$(653)	$231,763
Net debt service outstanding[1,3]	$239,609	$33,465	$90,039	$(1,361)	$361,752
Ratios:					
Net exposure to qualified statutory capital	39:1	9:1	78:1		34:1
Capital ratio[4]	62:1	14:1	119:1		53:1
Financial resources ratio[5]	36:1	11:1	55:1		33:1
Statutory net exposure to claims-paying resources	23:1	7:1	36:1		21:1
Separate Company Statutory Basis:					
Admitted Assets	$5,681	$2,741			
Total Liabilities	2,770	983			
Contingency Reserves	963	594			
Policyholders' Surplus	2,910	1,758			

1. The numbers shown for AGM have been adjusted to include 100% share of its United Kingdom (U.K.) and French insurance subsidiaries. On April 1, 2021, MAC was merged with and into AGM, with AGM as the surviving company.
2. Eliminations are primarily for (i) intercompany surplus notes between AGM and AGC, and (ii) eliminations of intercompany deferred ceding commissions. Net exposure and net debt service outstanding eliminations relate to second-to-pay policies under which an Assured Guaranty insurance subsidiary guarantees an obligation already insured by another Assured Guaranty insurance subsidiary.
3. Net exposure and net debt service outstanding are presented on a statutory basis. Includes $1,038 million of specialty insurance and reinsurance exposure.
4. The capital ratio is calculated by dividing net debt service outstanding by qualified statutory capital.
5. The financial resources ratio is calculated by dividing net debt service outstanding by total claims-paying resources.
6. Assured Guaranty Re Ltd. (AG Re) numbers represent the Company's estimate of AG Re on U.S. statutory-basis, except for contingency reserves.
7. Loss and LAE reserves exclude adjustments to claims-paying resources for AGM and AGC because they were in a net recoverable position of $109 million and $21 million.

Assured Guaranty
Principal Insurance Platforms

- **AGM[1], AGC, AGUK and AGE operate as four separate direct financial guaranty platforms, with AG Re operating as a reinsurer**
  - AGM[1] focuses exclusively on public finance and global infrastructure finance
  - 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
  - AGUK serves the U.K. market and certain other countries
  - AGE serves markets within the European Union (EU)
  - AG Re, as a reinsurer, provides additional capital and flexibility to Assured Guaranty Municipal[1], AGC, AGUK and AGE; AG Re's subsidiary AGRO is a specialty reinsurance company that primarily provides financial guaranty reinsurance and certain specialty insurance and reinsurance
- **Each of the insurance companies shares 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 each of the insurance companies, are strengthened through this structure**
  - Greater capacity to write business
  - More flexibility in balancing portfolio exposures
  - Enhanced operating efficiencies through common infrastructure

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

Assured Guaranty
Principal Insurance Platforms (Cont.)

- **Companies distinct for legal and regulatory purposes**
  - Separate capital bases with claims-paying resources[1] as of September 30, 2021:
    - AGM[2] $6.7 billion (includes AGUK and AGE)
    - AGC $3.1 billion
    - AG Re $1.6 billion (includes AGRO)
  - Separate insurance licenses
  - Separate regulators – AGM[3] is domiciled in New York; AGC is domiciled in Maryland; AGUK is domiciled in the United Kingdom; AGE is domiciled in France; AG Re and AGRO are domiciled in Bermuda
  - Dividend restrictions – New York, Maryland, the United Kingdom, France and Bermuda insurance law restrictions apply

1. Please see page 10 for additional details about the components of claims-paying resources as well as other statutory financial information.
2. For statutory purposes, AGM includes AGUK and AGE
3. Please see page 3 for a definition of this convention.

Assured Guaranty
Asset Management

- **AssuredIM provides asset management services**
  - As of September 30, 2021, AssuredIM had AUM[1] of $17.6 billion in four strategies

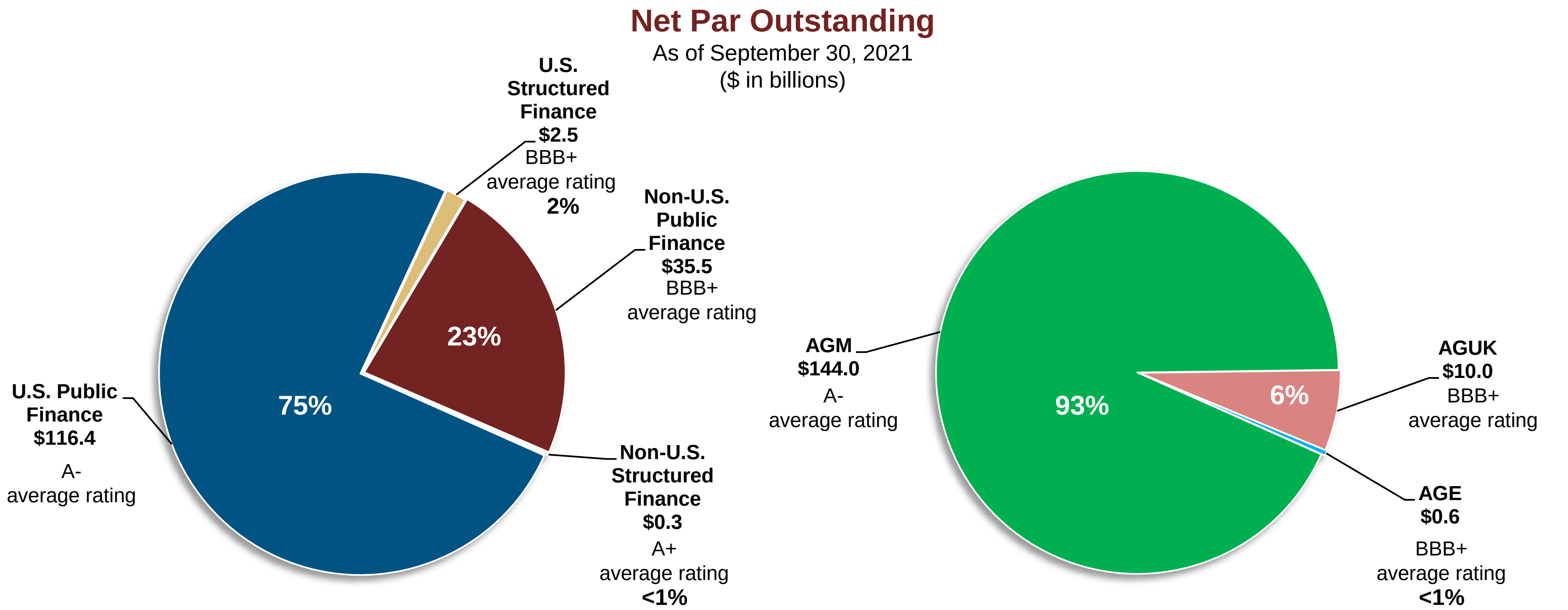
Strategy	AUM ($ billions)
CLOs	$14.7
Opportunity Funds	$1.6
Liquid Strategies	$0.4
Wind-Down Funds	$0.8
Total	**$17.6**

  - The Company is using the investment knowledge and experience in AssuredIM to expand the categories and types of investments in which the Company invests, as well as to maintain and grow its presence in the asset management business

1. Please see page 3 for a definition of this convention. For conventions used by the Company in presenting AUM, see the Appendix.

AGM Consolidated[1] Net Exposure

- **AGM Consolidated[1] is committed to insuring U.S. public finance and global infrastructure transactions. AGM's subsidiaries, AGUK and AGE, may also underwrite structured finance transactions.**

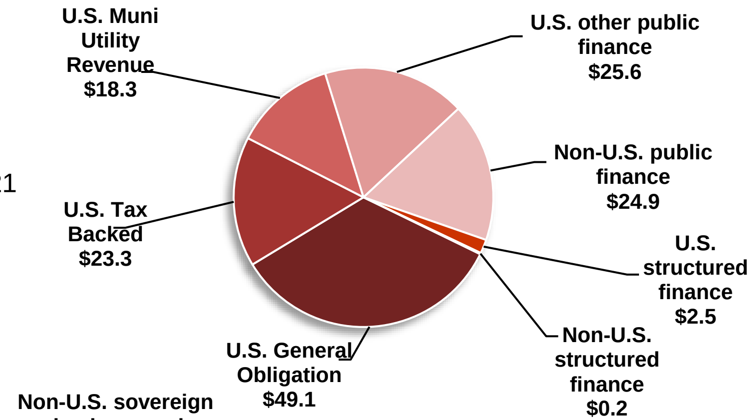


$154.7 billion, A- average rating

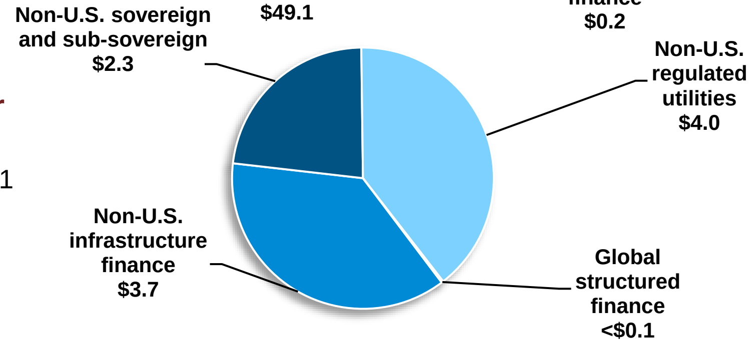
1. Please see page 3 for a definition of this convention.

AGM, AGUK and AGE Net Exposure

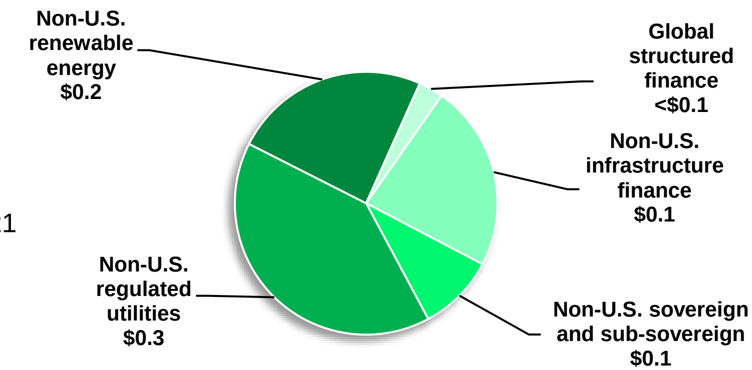
AGM Net Par Outstanding
As of Sept 30, 2021
$144.0 billion
A-
average rating



AGUK Net Par Outstanding
As of Sept 30, 2021
$10.0 billion
BBB+
average rating



AGE Net Par Outstanding
As of Sept 30, 2021
$0.6 billion
BBB+
average rating

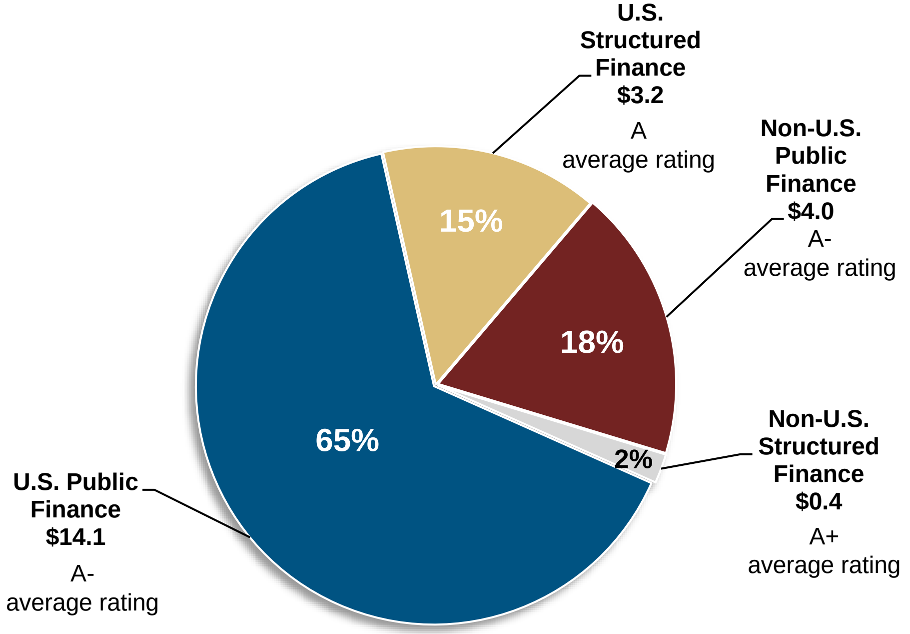


- **AGM is a U.S. insurance company currently writing financial guarantees in the public finance sector.**
  - Provides insurance in public finance
  - AGM’s legacy global structured finance insured portfolio ($2.7 billion as of September 30, 2021) represents only 2% of its net par outstanding.
  - AGM has not written structured finance since August 2008
- **AGUK is an insurance company currently engaged in providing financial guarantees in the U.K. and certain other countries**
  - Provides insurance in both public finance and structured finance
  - Through 2019, AGUK wrote business throughout the EU as well as certain other non-EU countries
  - New UK business is guaranteed using a co-insurance structure pursuant to which AGUK co-insures municipal and infrastructure transactions with AGM, and structured finance transactions with AGC
- **AGE is an insurance company currently engaged in providing financial guarantees throughout the EU**
  - Provides insurance in both public finance and structured finance
  - Established in mid-2019 to address the impact of the U.K.’s withdrawal from the EU

AGC is a Diversified Platform

- **AGC, a diversified insurer, may write all classes of financial guaranty business, including structured finance, U.S. public finance and global infrastructure**
- **Structured finance eligible for 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
  - Actively managed risk tolerance
  - Investment grade underlying credit quality

Net Par Outstanding
As of September 30, 2021
($ in billions)

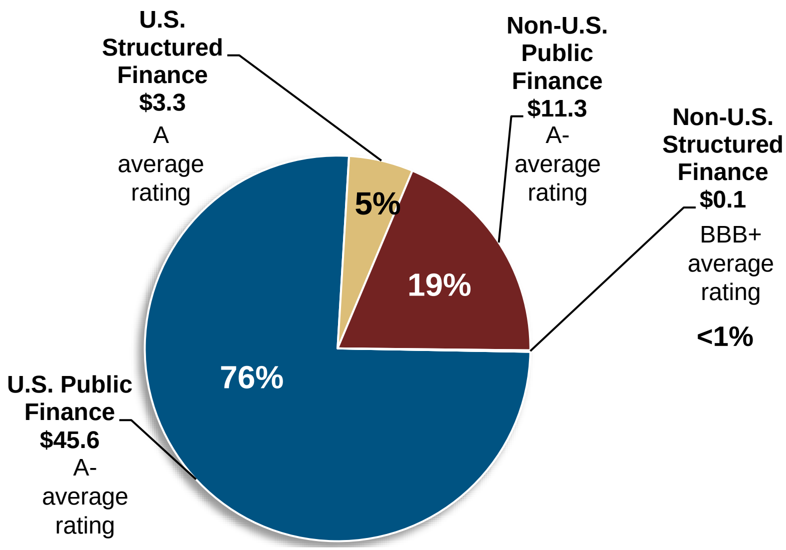


$21.7 billion, A- average rating

AG Re and AGRO

Consolidated AG Re Outstanding Net Exposure[1]

As of September 30, 2021 ($ in billions)

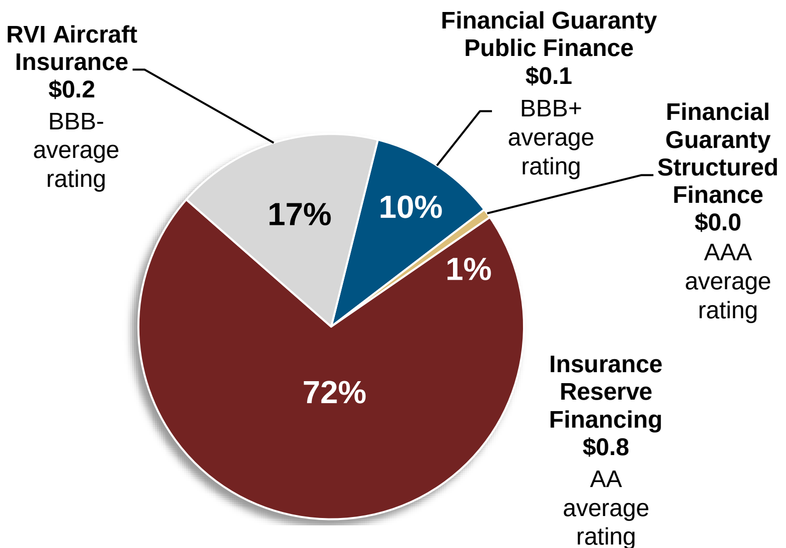


$60.3 billion, A- average rating

- **AG Re is an insurance company primarily engaged in providing reinsurance to financial guarantors**
  - Rated AA (stable outlook) by S&P
  - Licensed as a Class 3B Insurer in Bermuda
  - Provides financial guaranty reinsurance for its affiliates

AGRO Outstanding Net Exposure[1]

As of September 30, 2021 ($ in billions)



$1.2 billion, A+ average rating

- **AG Re's subsidiary, AGRO, is a specialty insurance company**
  - Rated AA (stable outlook) by S&P and A+ (stable outlook) by A.M. Best
  - Licensed as a Class 3A Insurer and Class C Long-Term Insurer in Bermuda
  - Provides specialty insurance and reinsurance, including aircraft residual value insurance and life financial reinsurance programs
  - Also has a financial guaranty reinsurance portfolio

1. Includes specialty reinsurance not included in the net par of the other operating companies

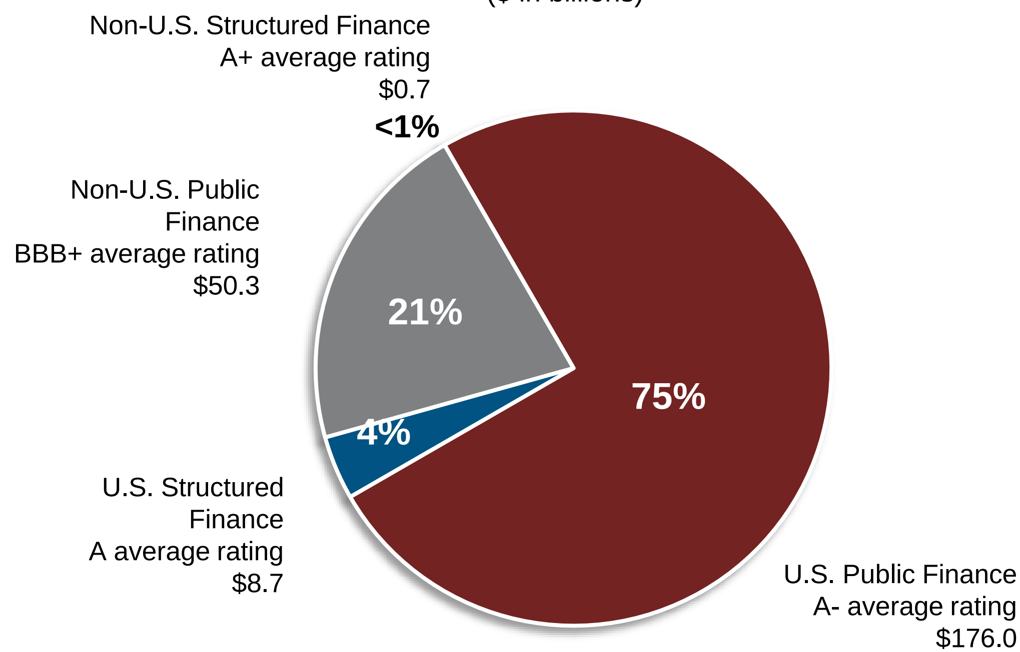
Underwriting Discipline

- **Our U.S. public finance portfolio, our largest exposure category, generally performed well during the 2008 recession and in subsequent years, including into the COVID-19 pandemic, despite persistent financial pressures on municipal obligors**
  - Our portfolio is well-diversified with approximately 6,000 direct U.S. public finance obligors. We currently expect future losses to be paid, net of recoveries, on less than ten exposures[1].
  - Our Puerto Rico exposure[2] represents our largest below investment grade U.S. public finance exposure.
- **Our surveillance department regularly monitors sectors and credits that we believe could be negatively impacted by the COVID-19 pandemic or any other natural disaster**
  - The Company has paid only relatively small first-time insurance claims it believes are due at least in part to credit stress arising specifically from COVID-19, on which we currently project nearly full reimbursement

Consolidated Net Par Outstanding[3]

As of September 30, 2021

($ in billions)



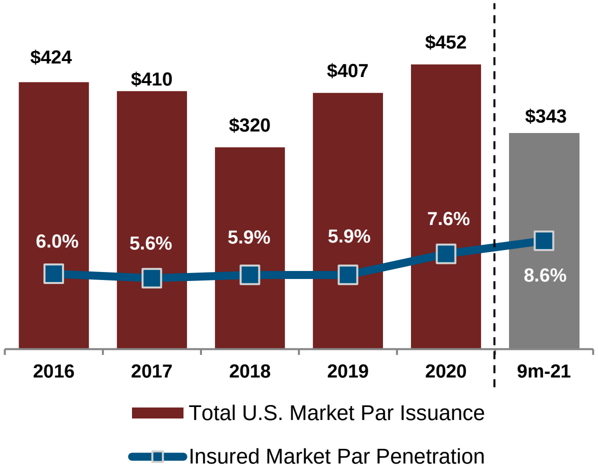
$235.7 billion, A- average rating

1. Includes exposure to Puerto Rico.
2. See pages 32-34 for a more detailed analysis of the Company's Puerto Rico exposure.
3. Excludes specialty insurance and reinsurance net exposure of $1 billion.

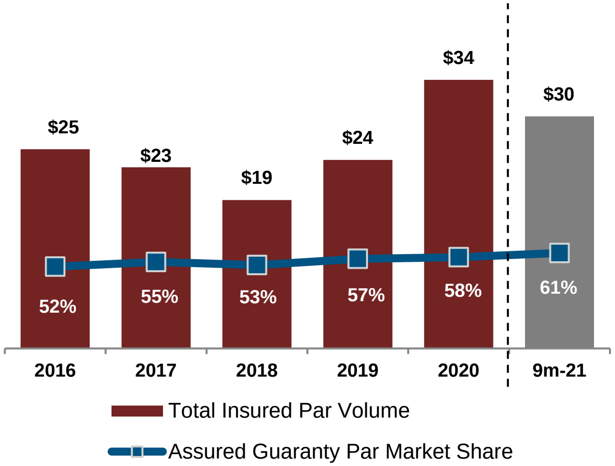
Creating Value
Insurance
Penetration in the U.S. Public Finance Market

- **Assured Guaranty has seen strong new business production for U.S. public finance in the first nine months of 2021**
  - Year-to-date, we insured 826 primary market transactions totaling approximately $17.4 billion of par, up approximately 16% over the same period in 2020, and wrote 47 secondary market policies totaling $184 million of par
  - Year-to date, PVP was approximately $165 million, the second highest first-nine-month new business production in U.S. public finance since we acquired AGM in 2009
- **Industry insured par penetration and transaction penetration in the first nine months of both 2021 and 2020 were higher than in recent history**
  - Insurance was utilized on 8.5% of all par issued, compared with 7.7% in the same period of 2020
  - Insurance was utilized on 18.8% of all transactions, unchanged from the same period of 2020
  - Assured Guaranty maintained its lead in the primary insurance market, insuring approximately 61% of all insured par

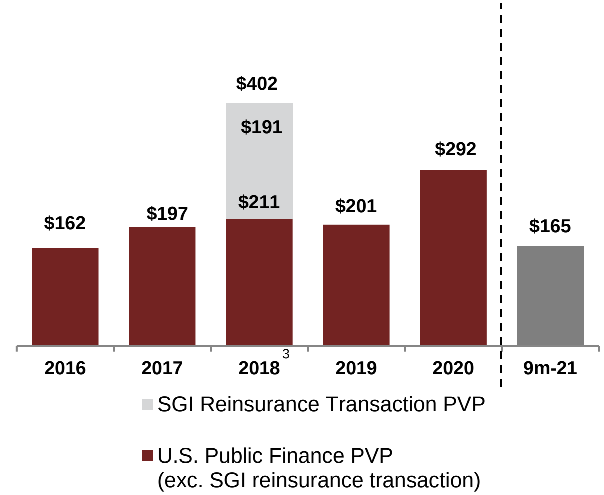
Insured Market Par Penetration Rate and Total U.S. Public Finance Market Volume[1]
($ in billions)



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



U.S. Public Finance Total PVP[2]
($ in millions)



1. Source: Refinitiv as of September 30, 2021 based on sale date. Excludes corporate-CUSIP transactions.
2. Includes PVP from both primary and secondary transactions.
3. In 2Q 2018, the Syncora Guarantee, Inc. (SGI) reinsurance transaction created $191 million of U.S. public finance PVP on $7.6 billion of gross written par.
4. This is a non-GAAP financial measure. For an explanation and reconciliation of non-GAAP financial measures, please refer to the Appendix.

Broadening Market Awareness

Current Advertising Campaigns

Looking for secondary market bond insurance pricing? It's staring you in the face.

With the Bloomberg Terminal,® your ability to get indicative pricing for AGM secondary market bond insurance couldn't be easier. Enter the bond's CUSIP, go to Muni ALLQ, and it's on your screen. If your bond is one of the more than 25,000 we've prequalified, you'll see our price per bond based on $1 million of par, and you can opt to see how much availability we may be offering.

To confirm availability and get definitive pricing, call, email or use the Bloomberg network to contact one of the following professionals on our Secondary Markets desk:

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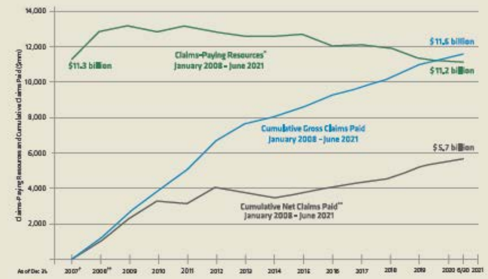
ASSURED GUARANTY

A STRONGER BOND

ASSURED GUARANTY MUNICIPAL CORP. – ASSURED GUARANTY CORP. – NEW YORK, NY

PROOF OF OUR ENDURING FINANCIAL STRENGTH:

After 13.5 years and $11.6 billion paid to insured investors, our claims-paying resources* are still $11 billion.



Assured Guaranty has proven our reliability and the resilience of our business model by executing successful strategies for new business production, loss mitigation and prudent management of our risk profile, capital and investment portfolio. From January 2008 to June 2021:

- We paid $11.6 billion to keep investors whole.
- After reinsurance payments and our effective loss mitigation efforts, our net claims paid totaled $5.7 billion.
- We also spent an additional $4.7 billion to repurchase shares and pay dividends.

Yet at the end of the same period:

- **We had virtually the same amount of claims-paying resources.***
- Our insured portfolio leverage had been cut by more than half, greatly improving our risk profile.
- We had produced $6.0 billion of adjusted operating income.§

We are even better prepared today for whatever the future may hold.

* Aggregate data for insurance subsidiaries within the Assured Guaranty Ltd. (AGL)(NYSE: AGO) group. Claims on each insurance subsidiary's guarantees are paid from that subsidiary's separate claims-paying resources. Details in the latest AGL Financial Supplement at assuredguaranty.com/agldata.
**Net claims paid = gross claims paid less recoveries, reimbursements and reinsurance. Excludes effect of insured securities repurchased for loss mitigation.
† Pro forma. Includes AGM pre-acquisition. Represents beginning of loss period for 2008 (January 1, 2008).
†† Pro forma. Includes AGM pre-acquisition.
§ Adjusted operating income is a non-GAAP financial measure. See the June 30, 2021 Assured Guaranty Ltd. financial supplement at assuredguaranty.com/agldata for an explanation and a reconciliation to the most comparable GAAP financial measure, which was $6.7 billion of net income attributable to Assured Guaranty Ltd. during the same period.

AGO LISTED NYSE

ASSURED GUARANTY

A STRONGER BOND

ASSURED GUARANTY MUNICIPAL CORP. – ASSURED GUARANTY CORP. – NEW YORK, NY

Municipal Market Update

Select Assured Guaranty Transactions in 2021

ASSURED GUARANTY

$800,325,000
Seaport Revenue Refunding Bonds
Miami-Dade County Seaport, FL
August 2021

$658,055,000
Certificates of Participation, Series 2021A (Taxable)
City of Tucson, AZ
Feb 2021

$551,535,000
Pilot Revenue Refunding Bonds, Series 2021A & Taxable Series 2021B
NYCIDA (Queens Baseball Stadium), NY
Feb 2021

$548,175,000
Senior Lien Refunding Revenue Bonds, Series 2021
Central Florida Expressway Authority, FL
Apr 2021

$372,495,000
Water Rev Ref Bonds
Sewerage Rev Ref Bonds
(Taxable)
City of New Orleans, LA
Feb 2021

$311,960,000
Taxable Bonds, Series 2021 (Corporate CUSIP)
Summa Health
Apr 2021

$297,978,000
Power Supply System Revenue Refunding Bonds, Ser '21A and '21B (Taxable)
OK Municipal Power Authority
June 2021

$242,935,000
Revenue, Series 2021A & 2021B (Taxable)
ME Health & Higher Ed Facilities Authority
May 2021

$205,665,000
School Facilities Construction & Improvement Bonds, Ser 2021
Gahanna-Jefferson School District, OH
Feb 2021

$187,585,000
Senior & Junior Lien Toll Road Ref Bonds, Ser B&D(Taxable)
Foothill/Eastern Transportation Corridor Agency, CA
Jan 2021

$150,970,000
Airport Revenue Bonds, Series 2021A (AMT) and B (Non-AMT)
Allegheny County Airport Authority, PA
August 2021

$150,000,000
Taxable Corporate CUSIP Fixed Rate Bonds, Series 2021
Southeast Alaska Regional Health Consortium
September 2021

$147,330,000
Rental Car Special Facility Revenue Refunding Bonds, Series 2021 (Taxable)
City of Austin, TX
Feb 2021

$136,095,000
2021 General Obligation Ref Bonds, Ser B (Taxable)
West Contra Costa Unified School District, CA
Jun 2021

$129,510,000
Transmission System Revenue Refunding Bonds, Series 2021
Texas Municipal Power Agency
June 2021

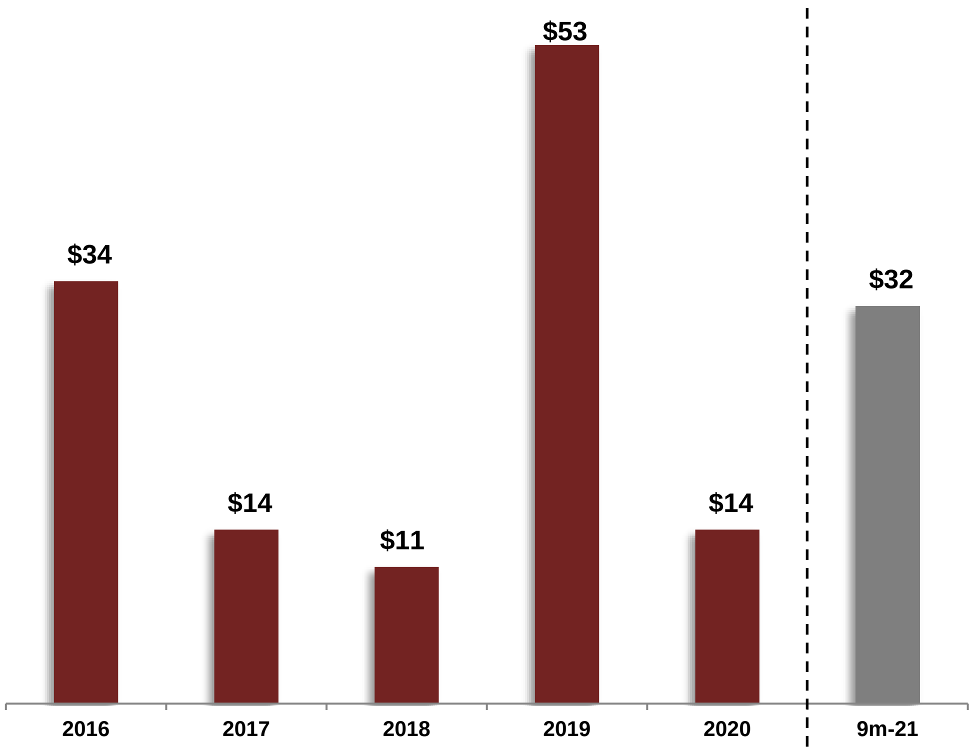
$123,670,000
Facilities Revenue Bonds, Series 2021C
The Trustees of the University of Wyoming
August 2021

Source: Refinitiv SDC Database. Amounts are on a sale-date basis and reflect only those series insured by AGM.

Creating Value
Insurance
U.S. Structured Finance Business Activity

- **In third quarter 2021, we insured a large insurance securitization transaction**
- **In second quarter 2021, we insured an insurance securitization and a whole business securitization**
- **In first quarter 2021, we insured a balloon note guaranty and a tax credit securitization**
- **Focus has been on bilateral transactions to improve policy beneficiaries' capital management efficiency**
- **New structured finance business production tends to have longer lead times, causing production levels to vary significantly from period to period.**

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



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

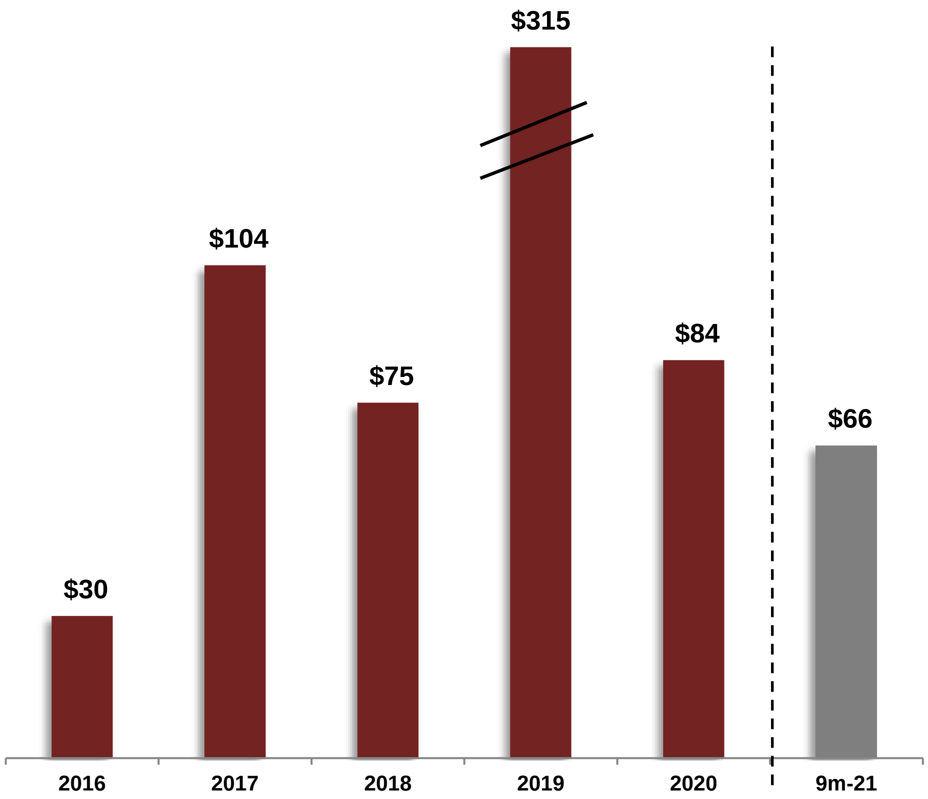
Creating Value

Insurance

Non-U.S. Business Activity

- In third quarter 2021, non-U.S. new business PVP was primarily driven by a large U.K. university housing transaction
- In second quarter 2021, activity included a healthcare transaction, a toll road concession, a solar energy transaction, and two secondary market transactions
- In first quarter 2021, we guaranteed a debt service reserve guarantee to replace liquidity facilities for a public utility and restructured a transaction that was previously insured
- The Company has insured new non-U.S. public finance business every quarter since the end of 2015

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



1. This is a non-GAAP financial measure. For an explanation and reconciliation of non-GAAP financial measures, please refer to the Appendix.
2. In 2Q 2018, the SGI reinsurance transaction created $53 million of non-U.S. PVP on $3.3 billion of gross written par

Creating Value
AssuredIM

- **AssuredIM executed on its key strategic goals during the first nine months of 2021**
  - Had gross inflows of $2.3 billion
  - Issued four new CLOs, selling a significant percentage of the new CLOs' equity to third parties
  - Increased fee earning AUM to $16.3 billion as of September 30, 2021, from $8.0 billion on December 31, 2019
- **The Company is using the investment knowledge and experience acquired with AssuredIM to expand the categories and types of investments included in its investment portfolio, and to manage a portion of its investment portfolio**
  - In addition to the cash and common stock included in the acquisition, Assured Guaranty has allocated $750 million of capital to invest in funds managed by AssuredIM
    - As of September 30, 2021, AGAS had committed $659 million to AssuredIM Funds, including $279 million that has yet to be funded
    - Capital was committed to several funds, with each fund dedicated to a single strategy, comprising CLOs, asset-based finance, healthcare structured capital and liquid municipal investments
  - Also, Assured Guaranty's U.S. insurance companies have entered into an investment management agreement with AssuredIM to manage a portfolio of municipal obligations and a portfolio of CLOs
    - As of September 30, 2021, they have together allocated $250 million to municipal obligation strategies and $300 million to CLO strategies
- **The Company plans to continue capital management strategies, which includes share repurchases and continuing to investigate additional opportunities in the asset management business**

Financial Strength Ratings
U.S. Insurance Companies

Financial Strength Ratings[1]

	S&P	KBRA	Moody's
AGM[2]	AA Stable Outlook (July 2021)	AA+ Stable Outlook (October 2021)	A2 Stable Outlook (August 2019)
AGC	AA Stable Outlook (July 2021)	AA+ stable outlook (October 2021)	(3)

Recent Rating Activity

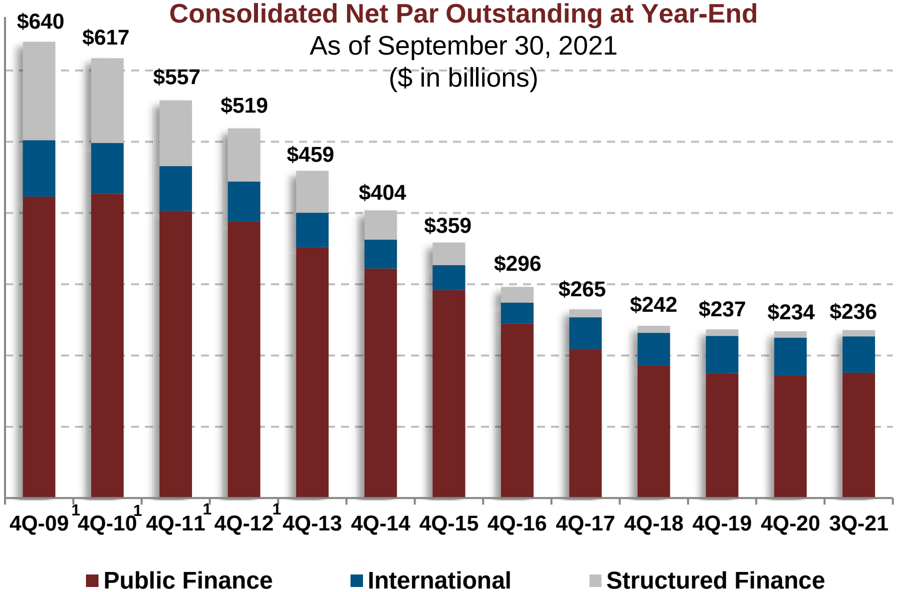
- **In July 2021, S&P affirmed the AA (stable outlook) financial strength ratings of the insurance companies**
  - S&P's capital adequacy analysis for Assured Guaranty includes the potential impact of the proposed settlements contemplated by the plan support agreements for Puerto Rico GO, PBA, HTA and CCDA exposures and the restructuring support agreement for PREPA
  - S&P expects 2021 business volume to reflect investors "realizing the benefits of the financial guarantee product during market uncertainty"
- **In October 2021, KBRA upgraded AGC's financial strength rating to AA+ (from AA) with stable outlook and affirmed Assured Guaranty Municipal at AA+ (stable outlook)**
  - KBRA noted "AGC's upgrade reflects its stronger capital position relative to conservative stress scenario losses at a high confidence level as applied across its portfolio."

1. Date shown is date of most recent rating action or affirmation
2. Please see page 3 for a definition of this convention.
3. In January 2017, Assured Guaranty requested that Moody's drop its rating of AGC; Moody's declined, and continues to rate AGC

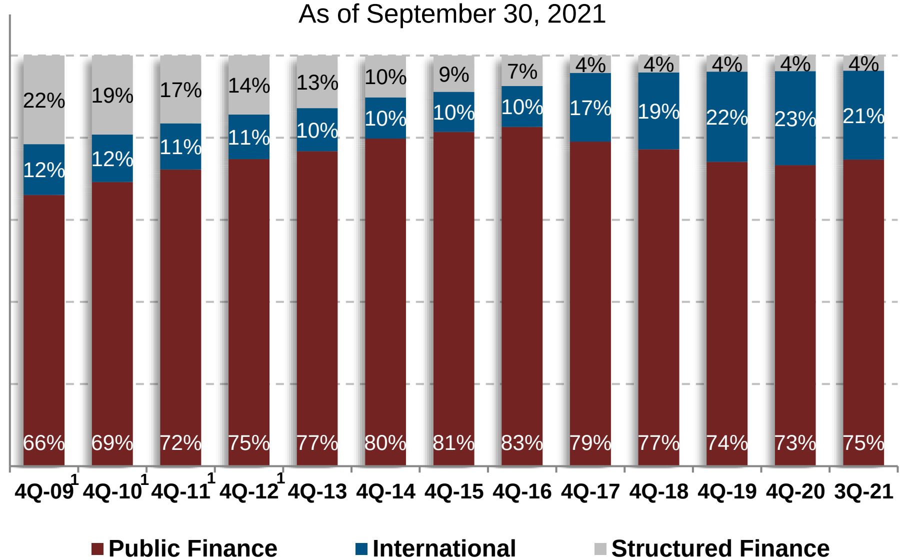
Net Par Outstanding

- **In the last five years, the net par outstanding of the insured portfolio has stabilized significantly, driven mainly by increased insured net par for the international sector**
  - Since 2015, the international portfolio has ***increased*** by over 50%, and currently accounts for approximately 21% of total net par outstanding compared with 10% of total net par outstanding in 2015
- **We expect that our rate of new business written should soon tend to equal or exceed that of exposures amortized in a given year, stabilizing UPR and future earned revenue**
  - For the seventh consecutive quarter, net par outstanding has increased. It has risen from $231 billion in the first quarter of 2020 to $236 billion in the third quarter of 2021.
  - Over this period, U.S. public finance net par outstanding has increased by $3.1 billion and non-U.S. public finance has increased by $1.7 billion

Insured Portfolio
Consolidated Net Par Outstanding at Year-End
As of September 30, 2021
($ in billions)



Insured Portfolio Composition
Consolidated Net Par Outstanding at Year-End
As of September 30, 2021



1. Gross of wrapped bond purchases made primarily for loss mitigation.

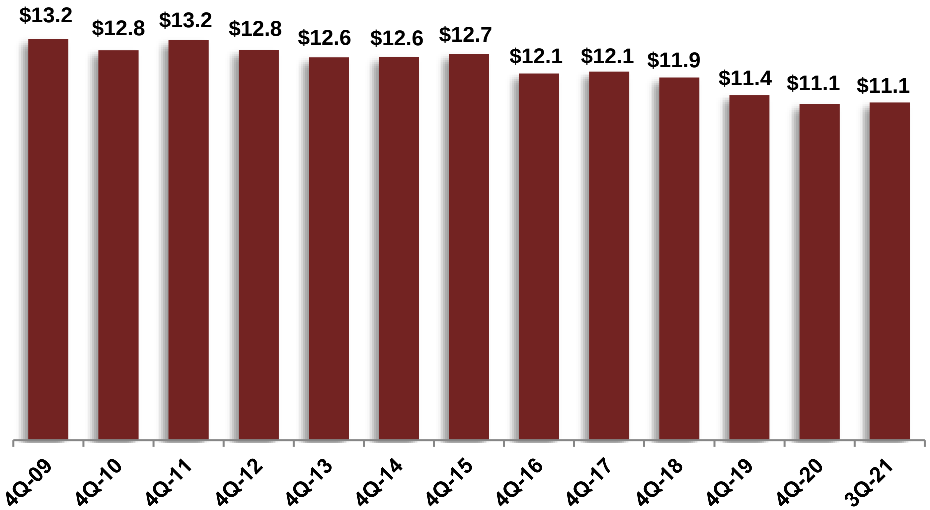
Assured Guaranty Today

Capital Changes and Insured Portfolio Since the Global Financial Crisis

ASSURED GUARANTY

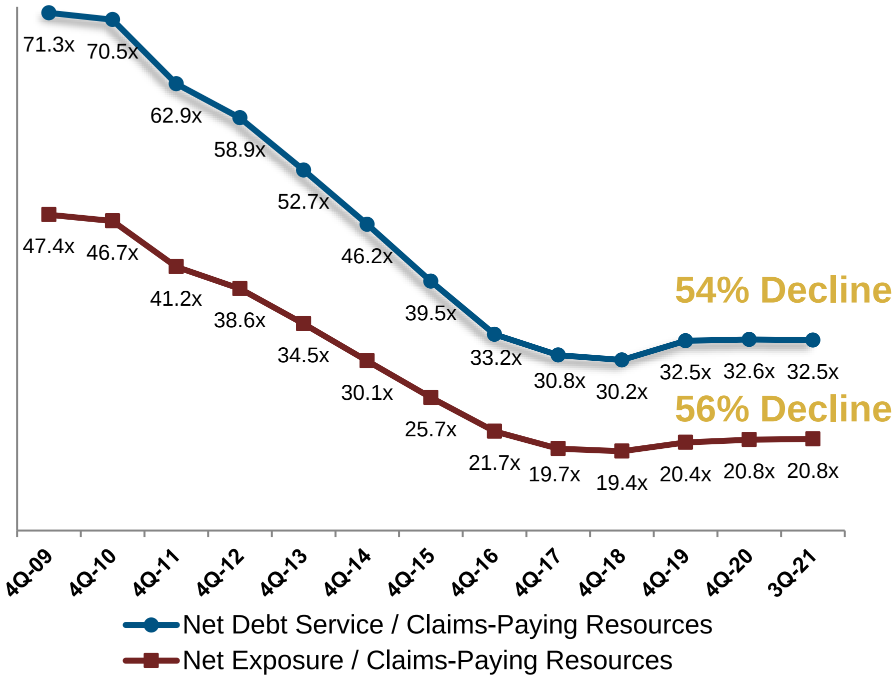
Claims-Paying Resources

$ in billions



- Assured Guaranty's robust business model and successful surveillance, loss mitigation and acquisition strategies, along with our access to capital in debt and equity markets, enabled us to maintain a strong financial position during and the Great Recession and right into the COVID-19 pandemic
- Since 2008, group claims-paying resources declined modestly despite nearly $11 billion paid out in gross policyholder claims
- Of those claims, approximately 67% were RMBS, 30% public finance (including Puerto Rico) and the remainder other asset classes

Insured Leverage

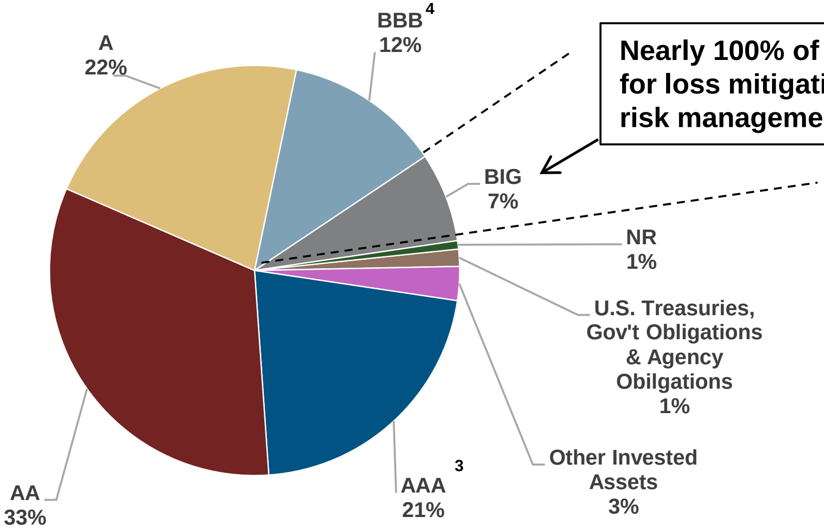


- Since our acquisition of AGM in July 2009, group insured leverage as a multiple of claims-paying resources has declined by more than 50%
- As new business originations increase and portfolio amortization decreases, group insured leverage will begin to increase

Underlying Value
High-Quality Investment Portfolio

ASSURED GUARANTY

Total Invested Assets and Cash[1,2]
As of September 30, 2021



$9.7 billion, A+ average rating[2]

- **Predominately consists of highly rated, fixed maturity and short-term investments, and cash; 54% rated AA or higher**
- **Approximately $795 million invested in liquid, short-term investments and cash**
- **Overall duration of the fixed maturity securities and short-term investments is 4.5 years**
- **The Company's U.S. insurance subsidiaries' investments in AssuredIM funds have a fair value of $465 million as of September 30, 2021**
  - Approximately $363 million invested in these funds is not included in the $9.7 billion of total invested assets and cash because the Company consolidates them in accordance with GAAP

1. Includes securities purchased or obtained as part of loss mitigation or other risk management strategies.
2. Ratings are represented by the lower of the Moody's and S&P classifications except for bonds purchased for loss mitigation or other risk management strategies, which use internal ratings classifications. Other invested assets are not rated.
3. Included in the AAA category are short-term securities and cash.
4. Includes securities held long-term that were purchased or obtained as part of loss mitigation or other risk management strategies of $861 million in par with carrying value of $686 million.

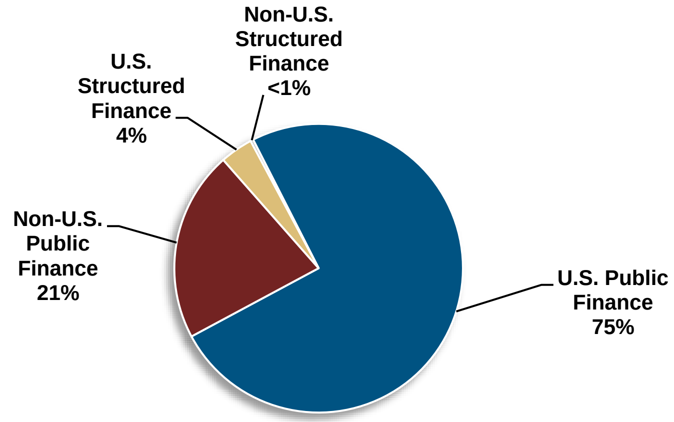
Assured Guaranty Ltd. Consolidated Insured Portfolio Overview

AGL Consolidated

Insured Portfolio

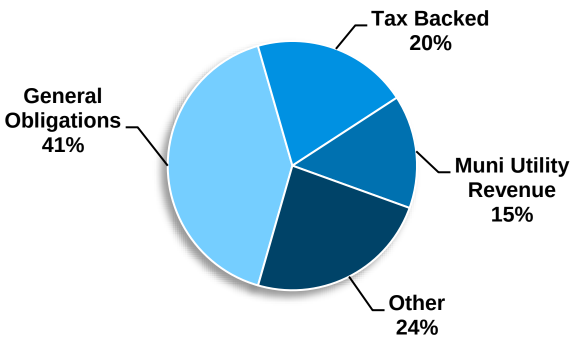
Net Par Outstanding as of September 30, 2021

Portfolio Diversification by Sector



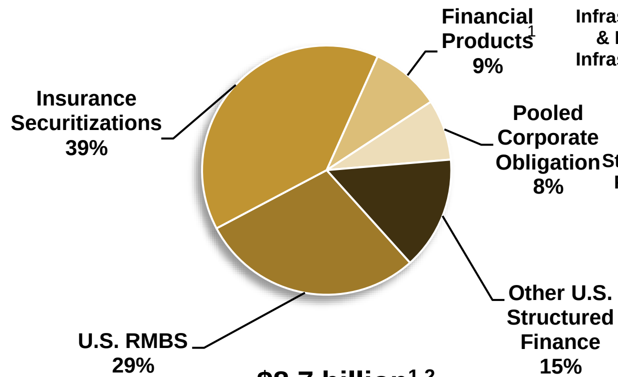
$235.7 billion[1,2]

U.S. Public Finance Portfolio



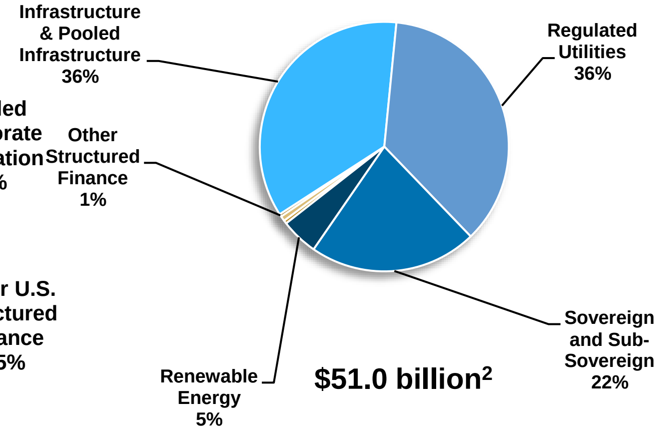
$176.0 billion[2]

U.S. Structured Finance Portfolio



$8.7 billion[1,2]

Non-U.S. Portfolios Public & Structured Finance

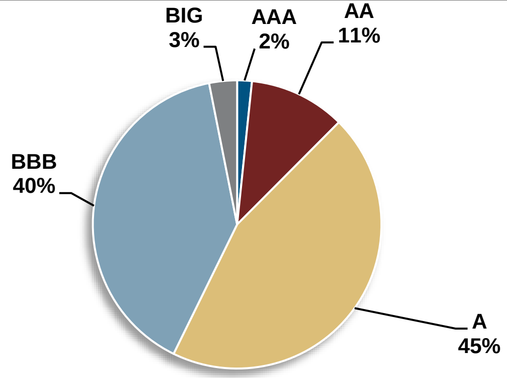


$51.0 billion[2]

1. Includes GICs. Please see the footnote on page 37.
2. Consolidated amounts include those of AG Re except AG Re's specialty insurance and reinsurance net exposure of $1 billion.

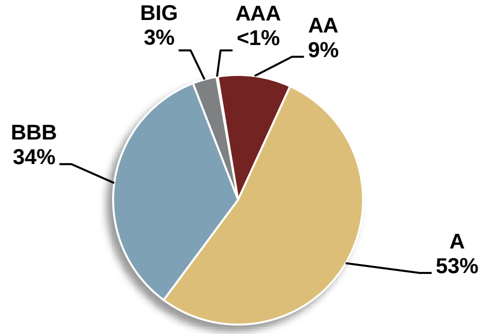
AGL Consolidated
Insured Portfolio Ratings
Net Par Outstanding as of September 30, 2021

Portfolio Diversification by Rating



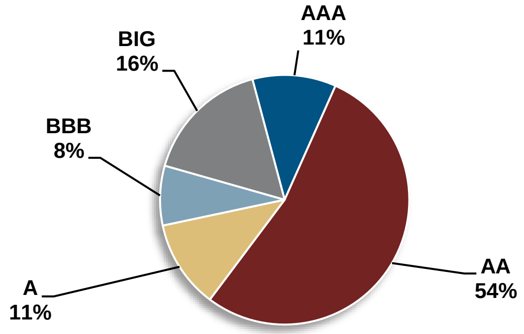
$235.7 billion[1,2]

U.S. Public Finance Portfolio



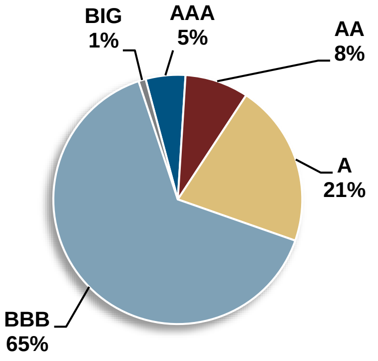
$176.0 billion[2]

U.S. Structured Finance Portfolio



$8.7 billion[1,2]

Non-U.S. Portfolios Public & Structured Finance



$51.0 billion[2]

1. Includes GICs. Please see the footnote on page 37.
2. Consolidated amounts include those of AG Re except AG Re's specialty insurance and reinsurance net exposure of $1 billion.

Public Finance

Puerto Rico Exposure

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

As of September 30, 2021

($ in millions)	Net Par Outstanding AGM	AGC	AG Re	Eliminations [2]	Total Net Par Outstanding	Gross Par Outstanding
Puerto Rico Exposures Subject to a Support Agreement [3]:						
Commonwealth of Puerto Rico - General Obligation (GO) Bonds [3]	$574	$170	$353	$-	$1,097	$1,135
Puerto Rico Public Buildings Authority (PBA) [4]	2	122	-	(2)	122	122
Subtotal – GO/PBA PSA	**$576**	**$292**	**$353**	**$(2)**	**$1,219**	**$1,257**
Puerto Rico Highways and Transportation Authority (PRHTA) (Transportation Revenue Bonds) [4]	$233	$467	$178	$(79)	$799	$799
Puerto Rico Highways and Transportation Authority (PRHTA) (Highways Revenue Bonds) [4]	381	51	25	-	457	457
Puerto Rico Convention Center District Authority (PRCCDA)	-	152	-	-	152	152
Subtotal – HTA/CCDA PSA	**$614**	**$670**	**$203**	**$(79)**	**$1,408**	**$1,408**
Puerto Rico Electric Power Authority (PREPA) [4]	$469	$69	$210	$-	$748	$759
Puerto Rico Infrastructure Financing Agency (PRIFA)	-	15	1	-	16	16
Subtotal – PREPA and PRIFA	**$469**	**$84**	**$211**	**$-**	**$764**	**$775**
Subtotal Subject to a Support Agreement	**$1,659**	**$1,046**	**$767**	**$(81)**	**$3,391**	**$3,440**
Other Puerto Rico Exposures:						
Puerto Rico Municipal Finance Agency (MFA) [5]	$126	$16	$37	$-	$179	$187
Puerto Rico Aqueduct and Sewer Authority (PRASA) and University of Puerto Rico (U of PR) [5]	-	2	-	-	2	2
Subtotal of Other Puerto Rico Exposures	**$126**	**$18**	**$37**	**$-**	**$181**	**$189**
Total exposure to Puerto Rico	**$1,785**	**$1,064**	**$804**	**(81)**	**$3,572**	**$3,629**

1. The general obligation bonds of Puerto Rico and various obligations of its related authorities and public corporations are all rated BIG.
2. Net par 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.
3. The Support Agreements, including the GO/PBA PSA and the HTA/CCDA PSA, are described in Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2021, Part 1, Financial Information, Item 1, Financial Statements, Note 3, Outstanding Exposure.
4. As of the date of this filing, the seven-member financial oversight board established by the Puerto Rico Oversight, Management, and Economic Stability Act (PROMESA) has certified a filing under Title III of PROMESA for these exposures.
5. As of the date of this filing, the Company has not paid claims on these credits.

Public Finance

Puerto Rico Exposure

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

As of September 30, 2021

($ millions)	2021 (4Q)	2022 (1Q)	2022 (2Q)	2022 (3Q)	2022 (4Q)	2023	2024	2025	2026	2027	2028	2029	2030	2031 - 2035	2036 - 2040	2041 - 2042	Total
Puerto Rico Exposures Subject to a Support Agreement																	
Commonwealth of Puerto Rico - GO	$ -	$ -	$ -	$ 37	$ -	$ 14	$ 73	$ 68	$ 35	$ 90	$ 33	$ 63	$ 48	$ 491	$ 145	$ -	$ 1,097
PBA	-	-	-	-	-	7	-	6	11	40	1	1	1	38	17	-	122
Subtotal - GO/PBA PSA	-	-	-	37	-	21	73	74	46	130	34	64	49	529	162	-	1,219
PRHTA (Transportation revenue)	-	-	-	28	-	33	4	29	24	29	34	49	31	242	251	45	799
PRHTA (Highway revenue)	-	-	-	40	-	32	32	34	1	-	10	13	16	227	52	-	457
PRCCDA	-	-	-	-	-	-	-	-	-	19	-	-	-	104	29	-	152
Subtotal - HTA/CCDA PSA	-	-	-	68	-	65	36	63	25	48	44	62	47	573	332	45	1,408
PREPA	-	-	-	28	-	95	93	68	106	105	68	39	44	102	-	-	748
PRIFA	-	-	-	-	-	2	-	-	-	-	-	-	-	-	10	4	16
Subtotal - PREPA and PRIFA	-	-	-	28	-	97	93	68	106	105	68	39	44	102	10	4	764
Subtotal Subject to a Support Agreement	-	-	-	133	-	183	202	205	177	283	146	165	140	1,204	504	49	3,391
Other Puerto Rico Exposures																	
MFA	-	-	-	43	-	23	19	18	37	15	12	7	5	-	-	-	179
PRASA and U of PR	-	-	-	-	-	-	1	-	-	-	-	-	-	1	-	-	2
Subtotal Other Puerto Rico Exposures	-	-	-	43	-	23	20	18	37	15	12	7	5	1	-	-	181
Total	**$ -**	**$ -**	**$ -**	**$ 176**	**$ -**	**$ 206**	**$ 222**	**$ 223**	**$ 214**	**$ 298**	**$ 158**	**$ 172**	**$ 145**	**$ 1,205**	**$ 504**	**$ 49**	**$ 3,572**

ASSURED GUARANTY

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

As of September 30, 2021

($ millions)	2021 (4Q)	2022 (1Q)	2022 (2Q)	2022 (3Q)	2022 (4Q)	2023	2024	2025	2026	2027	2028	2029	2030	2031 - 2035	2036 - 2040	2041 - 2042	Total
Puerto Rico Exposures Subject to a Support Agreement																	
Commonwealth of Puerto Rico - GO	$ -	$ 29	$ -	$ 65	$ -	$ 70	$ 128	$ 119	$ 82	$ 136	$ 74	$ 103	$ 84	$ 623	$ 160	$ -	$ 1,673
PBA	-	3	-	3	-	13	6	13	17	44	3	4	3	49	18	-	176
Subtotal - GO/PBA PSA	-	32	-	68	-	83	134	132	99	180	77	107	87	672	178	-	1,849
PRHTA (Transportation revenue)	-	21	-	48	-	73	42	67	61	64	67	81	61	367	300	47	1,299
PRHTA (Highway revenue)	-	12	-	52	-	54	53	53	18	17	27	29	32	277	55	-	679
PRCCDA	-	3	-	4	-	7	7	7	7	26	6	6	6	127	30	-	236
Subtotal - HTA/CCDA PSA	-	36	-	104	-	134	102	127	86	107	100	116	99	771	385	47	2,214
PREPA	3	15	2	43	3	129	121	91	126	122	80	47	52	110	-	-	944
PRIFA	-	-	-	-	-	3	1	1	1	1	-	1	1	3	13	4	29
Subtotal - PREPA and PRIFA	3	15	2	43	3	132	122	92	127	123	80	48	53	113	13	4	973
Subtotal Subject to a Support Agreement	3	83	2	215	3	349	358	351	312	410	257	271	239	1,556	576	51	5,036
Other Puerto Rico Exposures																	
MFA	-	5	-	48	-	29	24	22	41	17	14	8	6	-	-	-	214
PRASA and U of PR	-	-	-	-	-	-	1	-	-	-	-	-	-	1	-	-	2
Subtotal Other Puerto Rico Exposures	-	5	-	48	-	29	25	22	41	17	14	8	6	1	-	-	216
Total	**$ 3**	**$ 88**	**$ 2**	**$ 263**	**$ 3**	**$ 378**	**$ 383**	**$ 373**	**$ 353**	**$ 427**	**$ 271**	**$ 279**	**$ 245**	**$ 1,557**	**$ 576**	**$ 51**	**$ 5,252**

AGL Consolidated
Detroit & Stockton Exposure

Details of Assured Guaranty's Exposure to Detroit

- **Municipal utilities exposure is $352 million of water revenue bonds and $869 million of sewer revenue bonds. Both the water and sewer systems provide services to areas that extend significantly beyond the City of Detroit.**

- **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 nearly 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%.

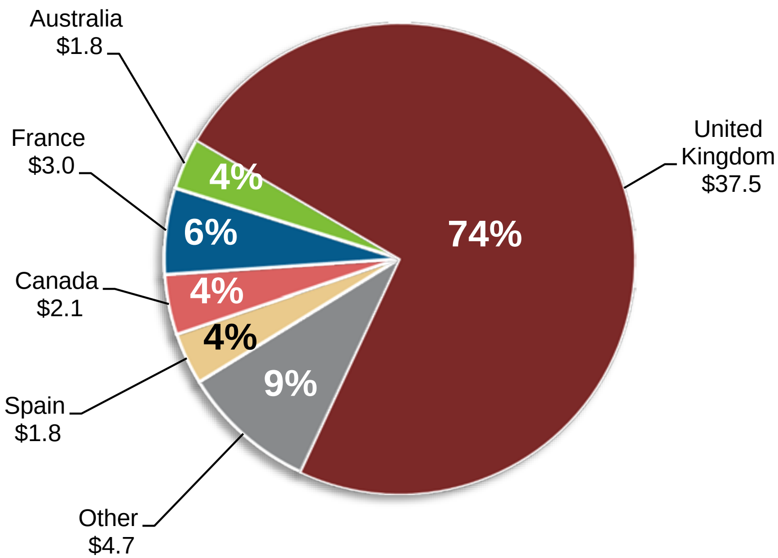
Details of Assured Guaranty's Exposure to Stockton

- **Net par exposure to Stockton is $100 million of pension obligation bonds.**

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

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

Non-U.S. Exposure
As of September 30, 2021
($ in billions)

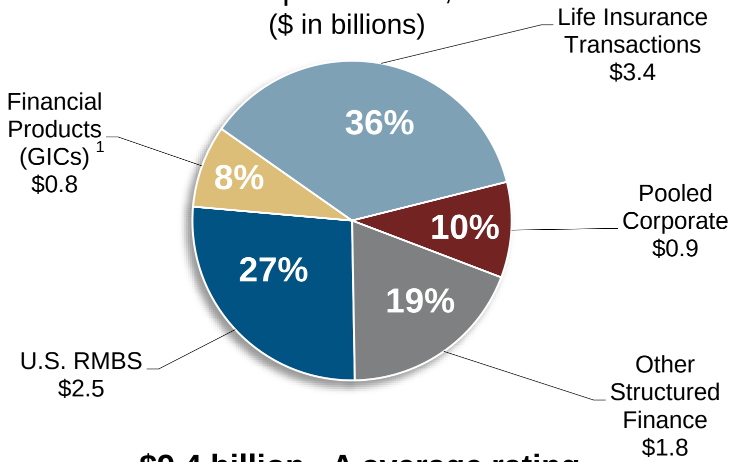


$51.0 billion, BBB+ average rating

- **99% of non-U.S. exposure is Public Finance**
  - Direct sovereign debt is limited to Poland ($279 million) and Mexico ($50 million)
- **1% of non-U.S. exposure is Structured Finance**

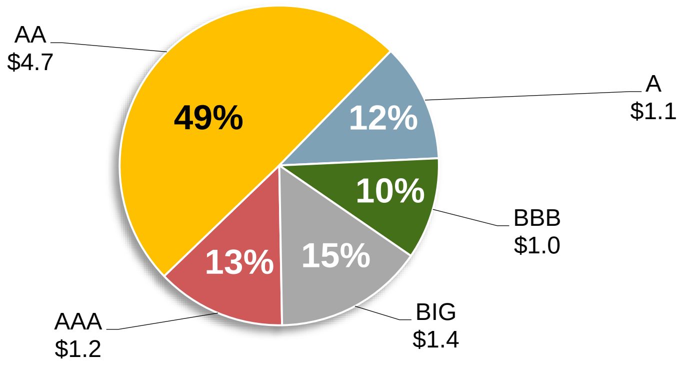
Structured Finance Exposures
Net Par Outstanding

By Type
As of September 30, 2021
($ in billions)



$9.4 billion, A average rating

By Internal Rating



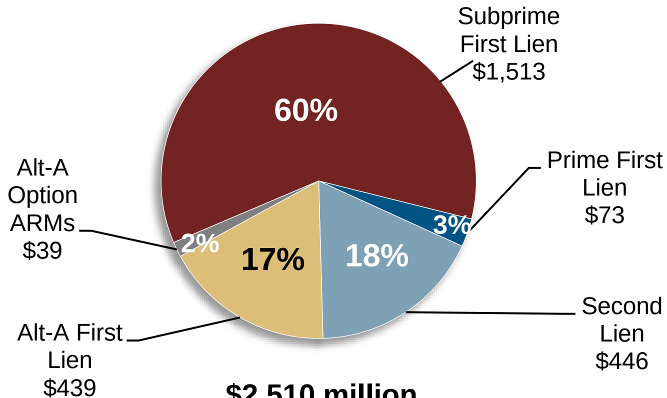
- **Assured Guaranty's total structured finance exposure of $9.4 billion, as of September 30, 2021, reflects a $165.2 billion reduction from $174.6 billion on December 31, 2009, a 95% reduction**

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

Consolidated U.S. RMBS

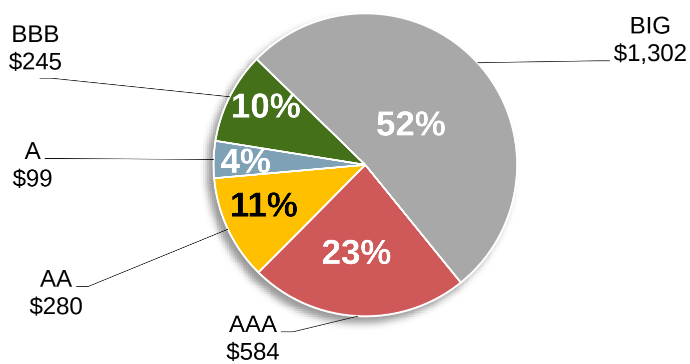
By Type

As of September 30, 2021
($ in millions)



$2,510 million
(1.1% of total net par outstanding)

By Internal Rating[1]



- **Our $2.5 billion U.S. RMBS portfolio is amortizing both on a dollar basis and as a percentage of the portfolio**
  - Assured Guaranty's U.S. RMBS exposure of $2.5 billion on September 30, 2021, reflects a $26.7 billion reduction from $29.2 billion on December 31, 2009, a 91% reduction
  - As of September 30, 2021, U.S. RMBS exposure excludes $850 million of net par related to loss mitigation strategies, including loss mitigation securities held in the investment portfolio
- **Our loss reserving methodology is driven by our assumptions on several factors:**
  - Liquidation rates
  - Conditional default rates
  - Conditional prepayment rates
  - Loss severity
  - Interest rates
  - COVID-19 forbearances
- **We have significantly mitigated ultimate losses**
  - R&W putbacks, litigation and agreements
  - Wrapped bond purchases
  - Termination of insurance on BIG credits

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

Consolidated Insurance
Expected Loss and LAE to Be Paid
Three Months Ended September 30, 2021

($ in millions)

Rollforward of Net Expected Loss and LAE to be Paid[1] for the Three Months Ended September 30, 2021

	Net Expected Loss to be Paid (Recovered) as of Jun 30, 2021	Economic Loss Development (Benefit) During 3Q-21	(Paid) Recovered Losses During 3Q-21	Net Expected Loss to be Paid (Recovered) as of Sep 30, 2021
Public Finance:				
U.S. public finance	$221	$(29)	$(201)	$(9)
Non-U.S. public finance	22	(2)	(1)	19
Public Finance:	243	(31)	(202)	10
Structured Finance				
U.S. RMBS	178	(65)	29	142
Other structured finance	45	2	-	47
Structured Finance:	223	(63)	29	189
Total	**$466**	**$(94)**	**$(173)**	**$199**

Expected loss to be paid in the table above represents the PV of expected net claims payments and reimbursements. 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 2020 AGL Form 10-K for a complete discussion of the accounting policy for financial guaranty insurance and credit derivative contracts.

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

Consolidated Insurance Expected Loss and LAE to Be Paid

Nine Months Ended September 30, 2021

($ in millions)

Rollforward of Net Expected Loss and LAE to be Paid[1] for the Nine Months Ended September 30, 2021

	Net Expected Loss to be Paid (Recovered) as of Dec 31, 2020	Economic Loss Development (Benefit) During 2021	(Paid) Recovered Losses During 2021	Net Expected Loss to be Paid (Recovered) as of Sep 30, 2021
Public Finance:				
U.S. public finance	$305	$(13)	$(301)	$(9)
Non-U.S. public finance	36	(15)	(2)	19
Public Finance:	341	(28)	(303)	10
Structured Finance				
U.S. RMBS	148	(82)	76	142
Other structured finance	40	9	(2)	47
Structured Finance:	188	(73)	74	189
Total	**$529**	**$(101)**	**$(229)**	**$199**

Expected loss to be paid in the table above represents the PV of expected net claims payments and reimbursements. 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 2020 AGL Form 10-K for a complete discussion of the accounting policy for financial guaranty insurance and credit derivative contracts.

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

Below Investment Grade Insurance Exposures

Net Par Outstanding by BIG Category[1]

- **As of September 30, 2021, approximately $2.4 billion (33%) of the aggregate BIG exposure was Category 1, which are transactions that show sufficient deterioration to make future losses possible but for which none are currently expected**

Financial Guaranty Insurance and Credit Derivatives Surveillance Categories

($ millions)	September 30, 2021	December 31, 2020
BIG Category 1		
U.S. public finance	$1,837	$1,777
Non-U.S. public finance	431	846
U.S. structured finance	129	228
Non-U.S. structured finance	-	-
Total Category 1	$2,397	$2,851
BIG Category 2		
U.S. public finance	$115	$57
Non-U.S. public finance	-	-
U.S. structured finance	69	77
Non-U.S. structured finance	-	-
Total Category 2	$184	$134
BIG Category 3		
U.S. public finance	$3,491	$3,605
Non-U.S. public finance	46	49
U.S. structured finance	1,228	1,336
Non-U.S. structured finance	-	-
Total Category 3	$4,765	$4,990
BIG Total	**$7,346**	**$7,975**

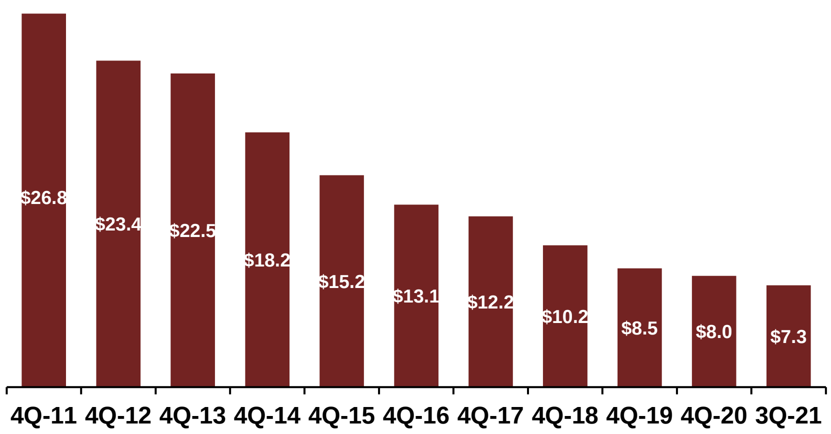
1. Assured Guaranty's surveillance department is responsible for monitoring our portfolio of credits and maintains a list of BIG credits. BIG Category 1: Below-investment-grade transactions showing sufficient deterioration to make future losses possible, but for which none are currently expected. BIG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

BIG Exposure Decline

- **Since 4Q-11, BIG net par outstanding has declined by $19.5 billion**
- **The largest components of our BIG exposure are Puerto Rico at 49% and U.S. RMBS at 18%**

BIG Net Par Outstanding

($ in billions)



Changes in BIG Net Par Outstanding

($ in millions)	Full Year 2018	Full Year 2019	Full Year 2020	Q3 2021
Beginning BIG par	**$12,238**	**$10,160**	**$8,506**	**$7,975**
Amortization / Claim Payments	(968)	(1,008)	(1,261)	(526)
Acquisitions / Reinsurance Agreements	368	6	144	0
FX Change	(53)	(0)	53	(13)
Terminations	(88)	(45)	(48)	(44)
Removals / Upgrades	(1,791)	(719)	(3)	(365)
Additions / Downgrades	524	127	584	318
Bond Purchases	(70)	(15)	-	0
Total Decrease / Increase	**(2,078)**	**(1,654)**	**(531)**	**(630)**
Ending BIG par	**$10,160**	**$8,506**	**$7,975**	**$7,346**
BIG Percentage of net par outstanding	**4.2%**	**3.6%**	**3.4%**	**3.1%**

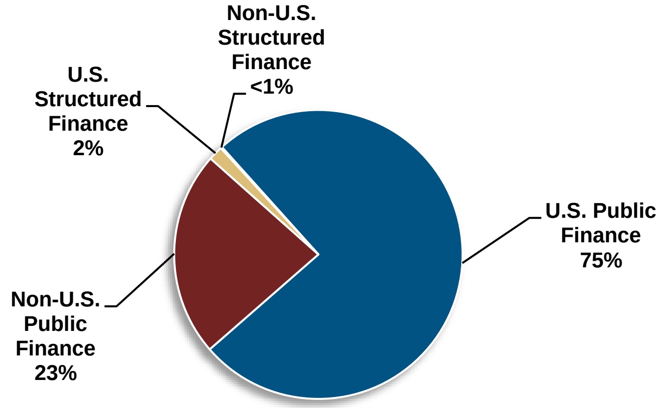
AGM Consolidated[1] Portfolio Review

Eiffage CEVM / Foster + Partners / Jean-Pierre Lescourret

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

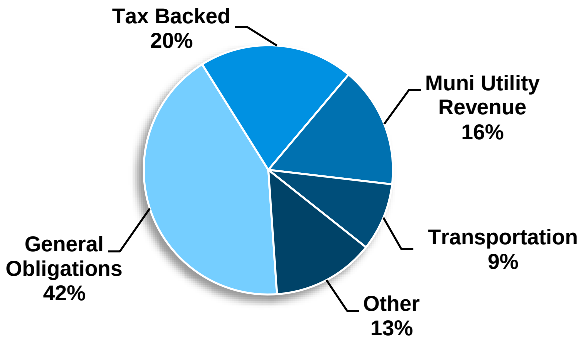
AGM Consolidated[1]
Insured Portfolio
Net Par Outstanding as of September 30, 2021

Portfolio Diversification by Sector



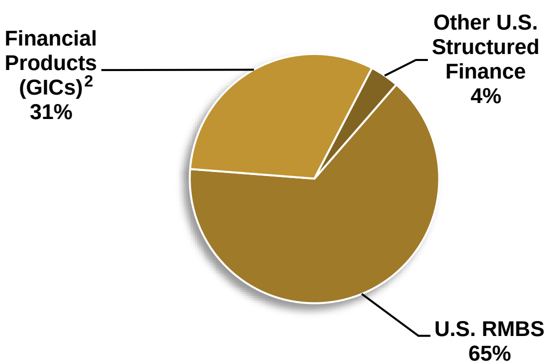
$154.7 billion[2]

U.S. Public Finance Portfolio



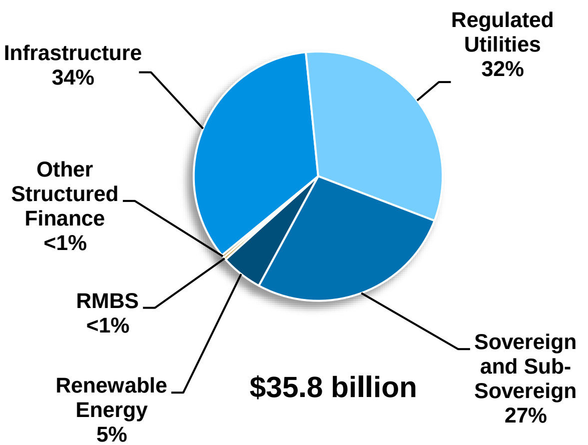
$116.4 billion

U.S. Structured Finance Portfolio



$2.5 billion

Non-U.S. Portfolios Public & Structured Finance

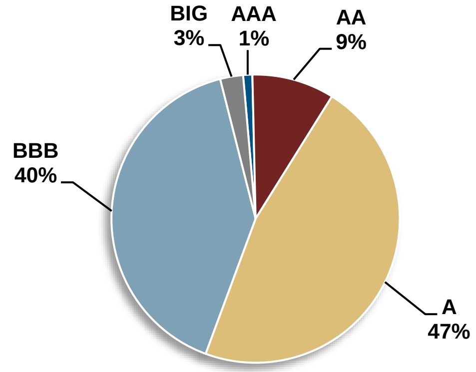


$35.8 billion

1. Please see page 3 for a definition of this convention.
2. Includes GICs. Please see the footnote on page 37.

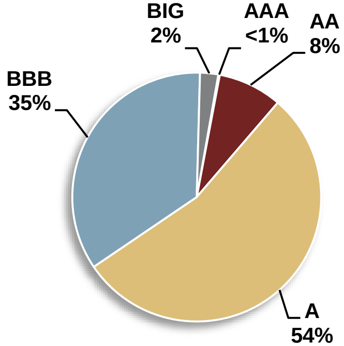
AGM Consolidated[1]
Insured Portfolio Ratings
Net Par Outstanding as of September 30, 2021

Portfolio Diversification by Rating



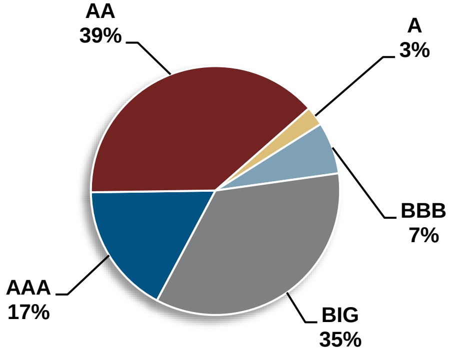
$154.7 billion[2]

U.S. Public Finance Portfolio



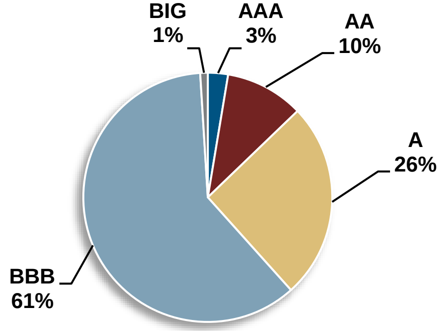
$116.4 billion

U.S. Structured Finance Portfolio



$2.5 billion[2]

Non-U.S. Portfolios Public & Structured Finance



$35.8 billion

1. Please see page 3 for a definition of this convention.
2. Includes GICs. Please see the footnote on page 37.

AGM Consolidated[1]

Insured Portfolio September 30, 2021

Net Par Outstanding By Asset Type

($ in millions)

	Net Par Outstanding	Avg. Internal Rating
U.S. public finance:		
General obligation	$ 49,115	A-
Tax backed	23,339	A-
Municipal utilities	18,285	A-
Transportation	10,258	BBB+
Healthcare	7,249	BBB+
Higher education	4,515	A-
Infrastructure finance	2,606	BBB
Housing revenue	736	BBB
Renewable energy	12	A
Other public finance	271	A-
Total U.S. public finance	116,386	A-
Non-U.S. public finance:		
Infrastructure finance	12,288	BBB
Regulated utilities	11,589	BBB+
Sovereign and sub-sovereign	9,692	A+
Renewable energy	1,938	A-
Total non-U.S. public finance	35,507	BBB+
Total public finance	**$ 151,893**	**A-**

	Net Par Outstanding	Avg. Internal Rating
U.S. structured finance:		
RMBS	$ 1,621	BB+
Financial products[2]	785	AA-
Other structured finance	94	A
Total U.S. structured finance	2,500	BBB+
Non-U.S. structured finance:		
RMBS	135	BBB+
Other structured finance	123	AAA
Total non-U.S. structured finance	258	A+
Total structured finance	**$ 2,758**	**BBB+**
Total net par outstanding	**$ 154,651**	**A-**

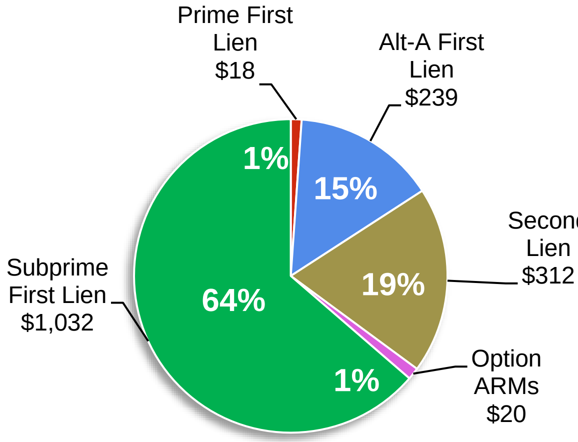
1. Please see page 3 for a definition of this convention.
2. Financial Products (GICs). Please see the footnote on page 37 .

AGM Consolidated[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**
  - $1.6 billion net par outstanding versus $17.1 billion at year-end 2008, a decrease of 91%
  - 1.0% of total net par outstanding versus 4.0% at year-end 2008
  - No U.S. RMBS underwritten since January 2008
- **We have significantly mitigated ultimate losses**
  - R&W putbacks, litigation and agreements
  - Wrapped bond purchases
  - Terminations of below investment grade credits

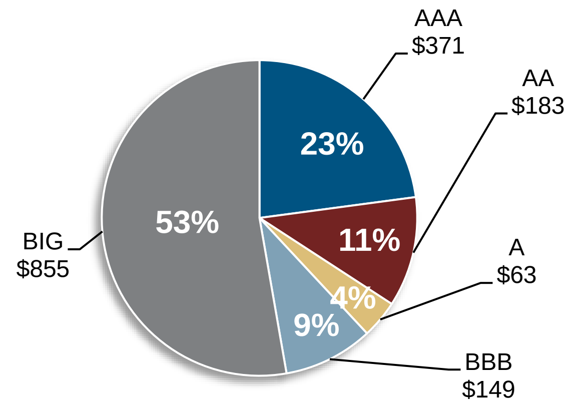
By Type

As of September 30, 2021
($ in millions)



$1.6 billion, 1.0% of net par outstanding

By Rating[2]

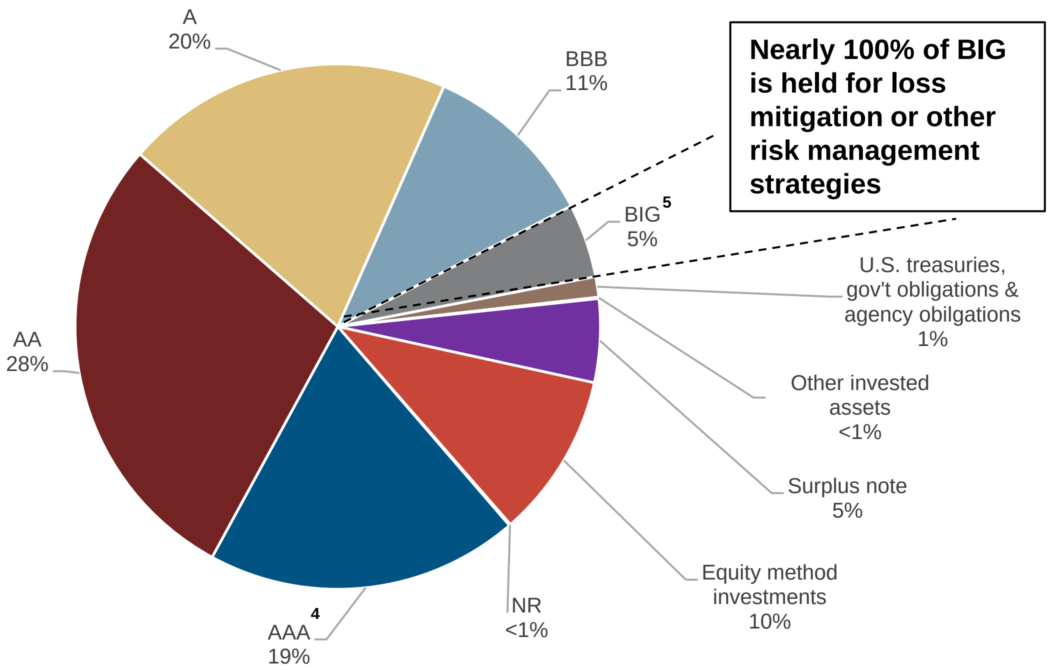


1. Please see page 3 for a definition of this convention.
2. Please see footnote 1 on page 38.

AGM Consolidated[1]
Investment Portfolio
Fair Value as of September 30, 2021

Invested Assets and Cash[2,3]

As of September 30, 2021



$5.8 billion, A+ average rating[3]

- **Predominately consists of highly rated, fixed maturity and short-term investments, and cash; 54% rated AA or higher**
- **Approximately $296 million invested in liquid, short-term investments and cash**
- **Overall duration of the fixed maturity securities and short-term investments is 4.1 years**
- **Equity method investments includes alternative investments including 100% of AGAS investments in AssuredIM Funds**
  - AGM owns 65% of AGAS, but consolidates AGAS and reports non-controlling interest for the 35% of AGAS owned by its affiliate, AGC

1. Please see page 3 for a definition of this convention.
2. Includes securities purchased or obtained as part of loss mitigation or other risk management strategies.
3. Ratings are represented by the lower of the Moody's and S&P classifications except for bonds purchased for loss mitigation or other risk management strategies, which use internal ratings classifications. Other invested assets are not rated.
4. Included in the AAA category are short-term securities and cash.
5. Includes securities held long-term that were purchased or obtained as part of loss mitigation or other risk management strategies of $348 million in par with carrying value of $265 million.

AGM Consolidated Expected Loss and LAE to Be Paid
Three Months Ended September 30, 2021

($ in millions)

Rollforward of Net Expected Loss and LAE to be Paid[1] for the Three Months Ended September 30, 2021

	Net Expected Loss to be Paid (Recovered) as of Jun 30, 2021	Economic Loss Development (Benefit) During 3Q-21	(Paid) Recovered Losses During 3Q-21	Net Expected Loss to be Paid (Recovered) as of Sep 30, 2021
Public Finance:				
U.S. public finance	$(73)	$(14)	$(91)	$(178)
Non-U.S. public finance	18	(2)	-	16
Public Finance:	(55)	(16)	(91)	(162)
Structured Finance				
U.S. RMBS	94	(42)	21	73
Other structure finance	6	1	(1)	6
Structured Finance:	100	(41)	20	79
Total	**$45**	**$(57)**	**$(71)**	**$(83)**

Expected loss to be paid in the table above represents the PV of expected net claims payments and reimbursements. 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 2020 AGL Form 10-K for a complete discussion of the accounting policy for financial guaranty insurance and credit derivative contracts.

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

AGM Consolidated Expected Loss and LAE to Be Paid
Nine Months Ended September 30, 2021

($ in millions)

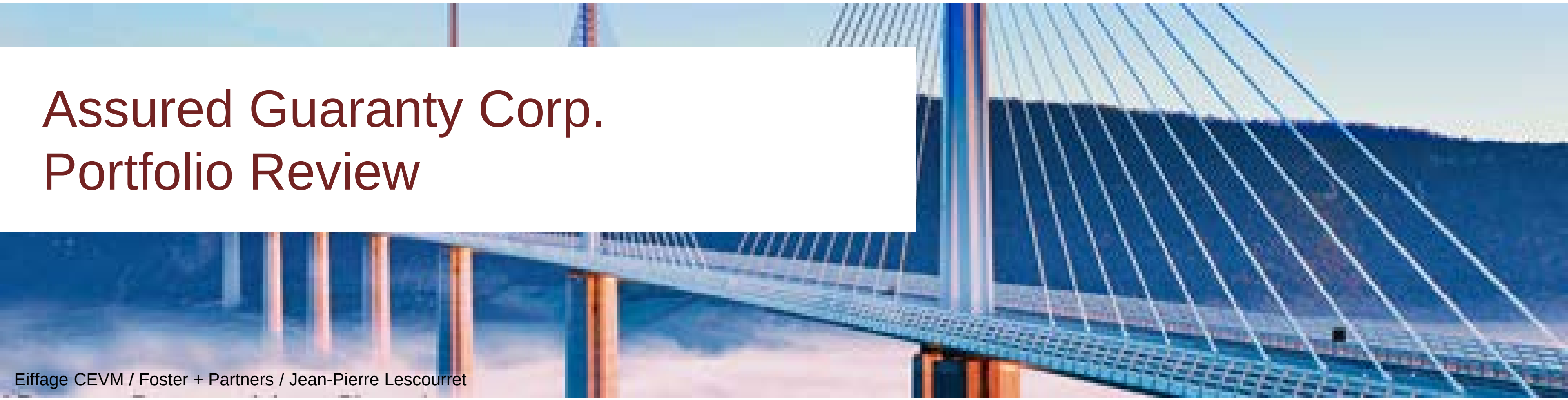
Rollforward of Net Expected Loss and LAE to be Paid[1] for the Nine Months Ended September 30, 2021

	Net Expected Loss to be Paid (Recovered) as of Dec 31, 2020	Economic Loss Development (Benefit) During 2021	(Paid) Recovered Losses During 2021	Net Expected Loss to be Paid (Recovered) as of Sep 30, 2021
Public Finance:				
U.S. public finance	$(8)	$(32)	$(138)	$(178)
Non-U.S. public finance	29	(12)	(1)	16
Public Finance:	21	(44)	(139)	(162)
Structured Finance				
U.S. RMBS	66	(45)	52	73
Other structure finance	7	-	(1)	6
Structured Finance:	73	(45)	51	79
Total	**$94**	**$(89)**	**$(88)**	**$(83)**

Expected loss to be paid in the table above represents the PV of expected net claims payments and reimbursements. 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 2020 AGL Form 10-K for a complete discussion of the accounting policy for financial guaranty insurance and credit derivative contracts.

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

Assured Guaranty Corp.
Portfolio Review



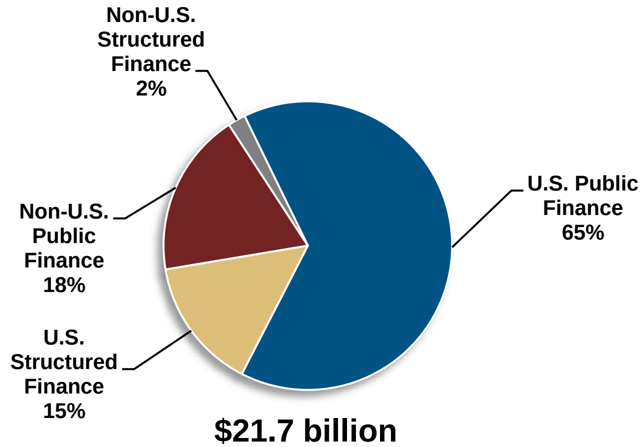
Eiffage CEVM / Foster + Partners / Jean-Pierre Lescourret

AGC

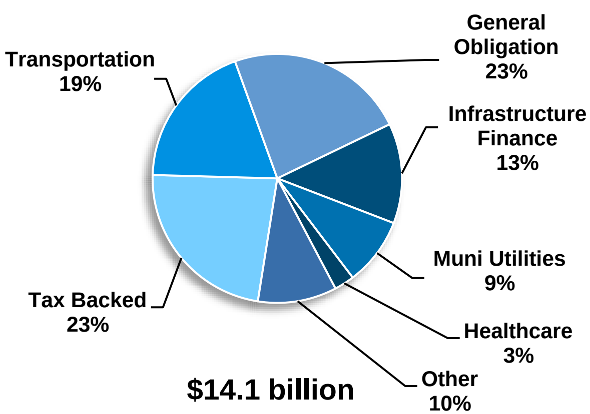
Insured Portfolio

Net Par Outstanding as of September 30, 2021

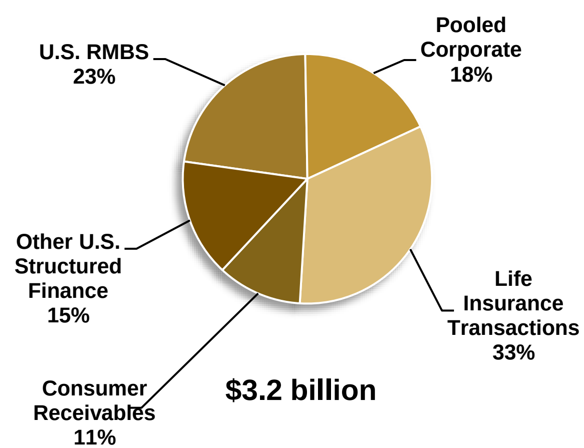
Portfolio Diversification by Sector



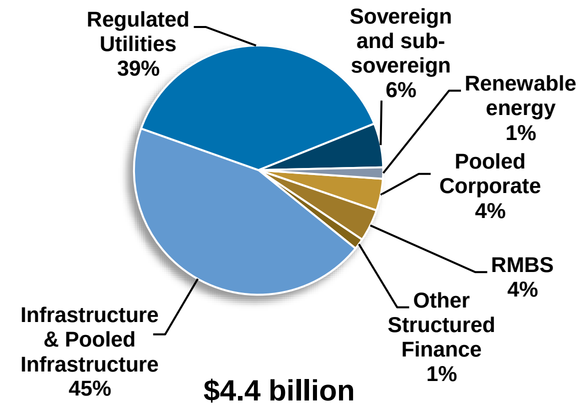
U.S. Public Finance Portfolio



U.S. Structured Finance Portfolio

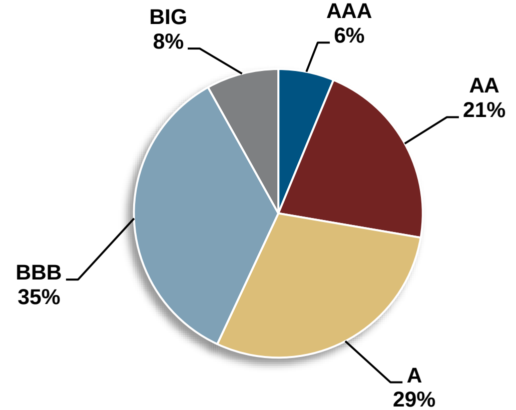


Non-U.S. Portfolios Public & Structured Finance



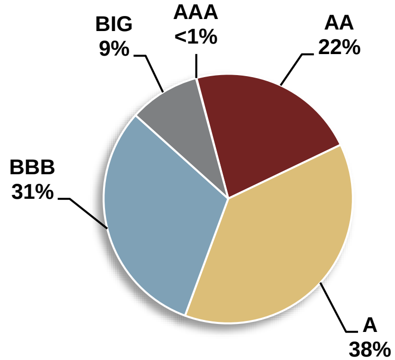
AGC
Insured Portfolio Ratings
Net Par Outstanding as of September 30, 2021

Portfolio Diversification by Rating



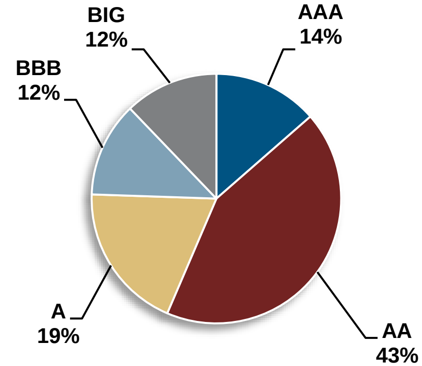
$21.7 billion

U.S. Public Finance Portfolio



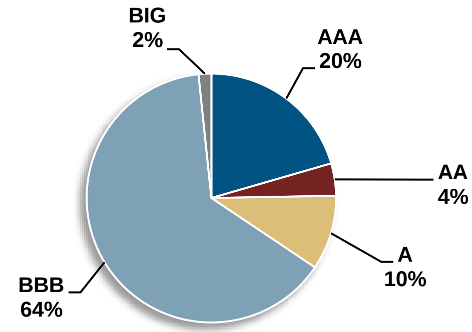
$14.1 billion

U.S. Structured Finance Portfolio



$3.2 billion

Non-U.S. Portfolios Public & Structured Finance



$4.4 billion

AGC
Insured Portfolio
Net Par Outstanding as of September 30, 2021

Net Par Outstanding By Asset Type
($ in millions)

	Net Par Outstanding	Avg. Internal Rating
U.S. public finance:		
General obligation	$ 3,282	A-
Tax backed	3,224	BBB-
Transportation	2,678	A-
Infrastructure finance	1,827	A+
Municipal utilities	1,240	A-
Healthcare	367	BBB
Investor-owned utilities	322	A-
Higher education	332	A
Renewable energy	126	A-
Housing revenue	89	B
Other public finance	568	A-
Total U.S. public finance	14,055	A-
Non-U.S. public finance:		
Regulated utilities	1,706	BBB+
Infrastructure finance	1,290	BBB
Pooled infrastructure	686	AAA
Sovereign and sub-sovereign	253	A-
Renewable energy	65	BBB-
Total non-U.S. public finance	4,000	A-
Total public finance	**$ 18,055**	**A-**

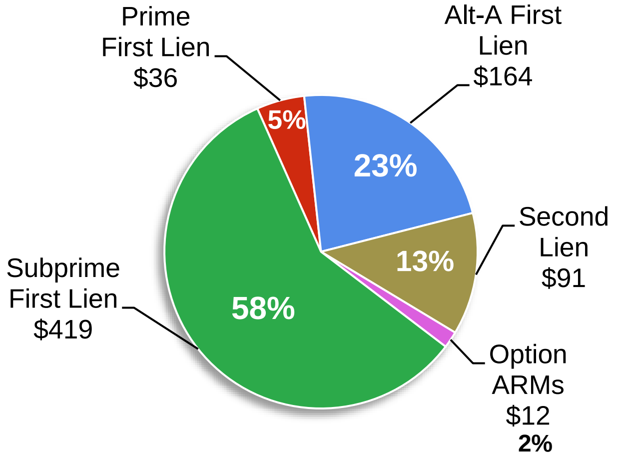
	Net Par Outstanding	Avg. Internal Rating
U.S. structured finance:		
Life insurance transactions	$ 1,055	AA-
RMBS	723	BBB-
Pooled corporate obligations	590	AA
Consumer receivables	353	A+
Other structured finance	490	A-
Total U.S. structured finance	3,211	A
Non-U.S. structured finance:		
RMBS	184	A+
Pooled corporate obligations	183	AA-
Other structured finance	63	BBB+
Total non-U.S. structured finance	430	A+
Total structured finance	**$ 3,641**	**A**
Total net par outstanding	**$ 21,696**	**A-**

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**
  - $0.7 billion versus $13.4 billion at year-end 2007, a decrease of 95%
  - 3.3% of total net par outstanding versus 14.3% at year-end 2007
- **We have significantly mitigated ultimate losses**
  - R&W putbacks, litigation and agreements
  - Wrapped bond purchases
  - Terminations

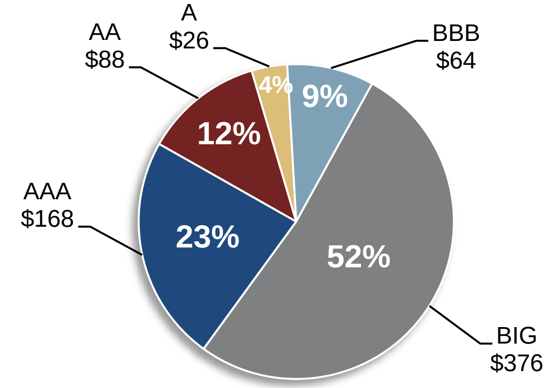
By Type

As of September 30, 2021
($ in millions)



$722 million, 3.3% of net par outstanding

By Rating[1]



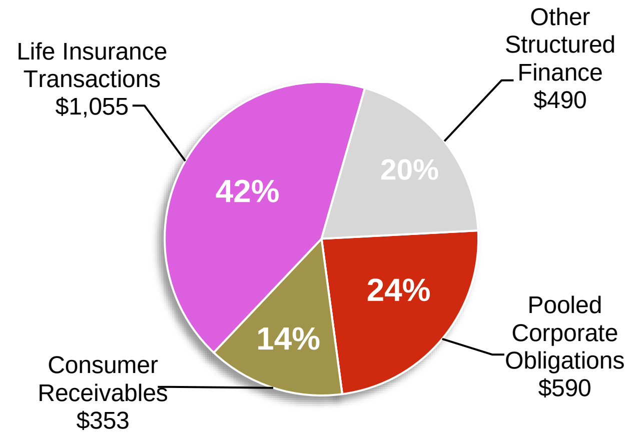
1. Please see footnote 1 on page 38.

AGC Non-RMBS Exposure
U.S. Structured Finance

- **AGC's non-RMBS U.S. structured finance exposures consist principally of:**
  - Life insurance transactions
  - Pooled corporate obligations
  - Consumer receivables
- **Non-RMBS U.S. structured finance credit experience has been generally strong despite the economic stress caused by the financial crisis and the COVID-19 pandemic**
  - 11% rated AAA
  - 1% rated BIG

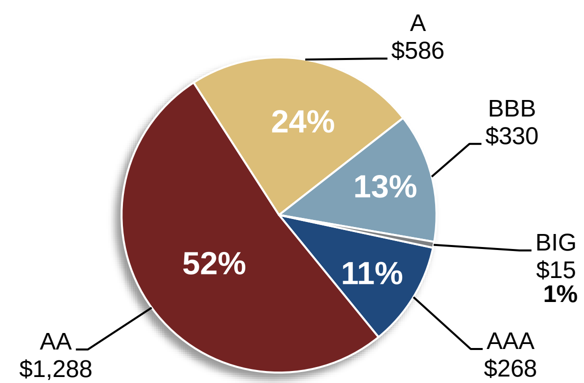
By Type

As of September 30, 2021
($ in millions)



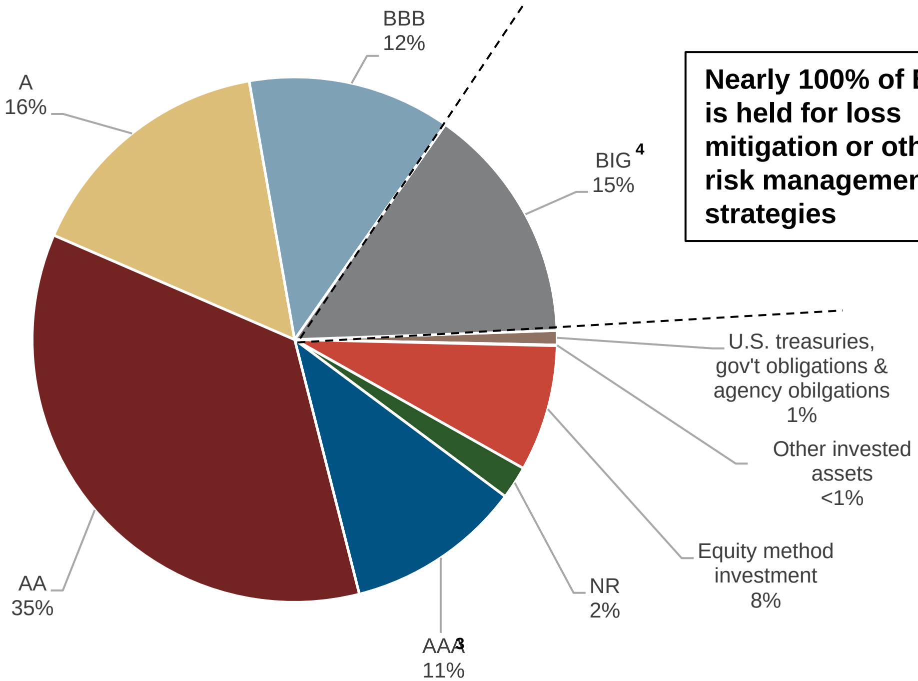
$2,488 million, 11.5% of net par outstanding

By Rating



AGC
Investment Portfolio
Fair Value as of September 30, 2021

Invested Assets and Cash[1,2]
As of September 30, 2021



Nearly 100% of BIG is held for loss mitigation or other risk management strategies

$2.8 billion, A- average rating[2]

- **Predominately consists of highly rated, fixed maturity and short-term investments, and cash; 47% rated AA or higher**
- **Approximately $78 million invested in liquid, short-term investments and cash**
- **Overall duration of the fixed maturity securities and short-term investments is 5.3 years**
- **AGC has an ownership interest in AGAS with a carrying value of $213 million as of September 30, 2021**

1. Includes securities purchased or obtained as part of loss mitigation or other risk management strategies.
2. Ratings are represented by the lower of the Moody's and S&P classifications except for bonds purchased for loss mitigation or other risk management strategies, which use internal ratings classifications. Other invested assets are not rated.
3. Included in the AAA category are short-term securities and cash.
4. Includes securities held long-term that were purchased or obtained as part of loss mitigation or other risk management strategies of $511 million in par with carrying value of $418 million.

AGC Expected Loss and LAE to Be Paid
Three Months Ended September 30, 2021

($ in millions)

Rollforward of Net Expected Loss and LAE to be Paid[1] for the Three Months Ended September 30, 2021

	Net Expected Loss to be Paid (Recovered) as of Jun 30, 2021	Economic Loss Development (Benefit) During 3Q-21	(Paid) Recovered Losses During 3Q-21	Net Expected Loss to be Paid (Recovered) as of Sep 30, 2021
Public Finance:				
U.S. public finance	$200	$(12)	$(74)	$113
Non-U.S. public finance	2	-	-	2
Public Finance:	202	(13)	(74)	115
Structured Finance				
U.S. RMBS	75	(19)	8	64
Other structure finance	(33)	2	-	(31)
Structured Finance:	42	(17)	8	33
Total	**$244**	**$(29)**	**$(67)**	**$148**

Expected loss to be paid in the table above represents the PV of expected net claims payments and reimbursements. 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 2020 AGL Form 10-K for a complete discussion of the accounting policy for financial guaranty insurance and credit derivative contracts.

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

AGC Expected Loss and LAE to Be Paid

Six Months Ended September 30, 2021

($ in millions)

Rollforward of Net Expected Loss and LAE to be Paid[1] for the Nine Months Ended September 30, 2021

	Net Expected Loss to be Paid (Recovered) as of Dec 31, 2020	Economic Loss Development (Benefit) During 2021	(Paid) Recovered Losses During 2021	Net Expected Loss to be Paid (Recovered) as of Sep 30, 2021
Public Finance:				
U.S. public finance	$199	$18	$(104)	$113
Non-U.S. public finance	3	(1)	-	2
Public Finance:	202	17	(104)	115
Structured Finance				
U.S. RMBS	74	(29)	19	64
Other structure finance	(38)	7	-	(31)
Structured Finance:	36	(22)	19	33
Total	**$238**	**$(5)**	**$(85)**	**$148**

Expected loss to be paid in the table above represents the PV of expected net claims payments and reimbursements. 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 2020 AGL Form 10-K for a complete discussion of the accounting policy for financial guaranty insurance and credit derivative contracts.

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

Appendix

Appendix
Explanation of Non-GAAP Financial Measures

The Company discloses both (a) financial measures determined in accordance with GAAP and (b) financial measures not determined in accordance with GAAP (non-GAAP financial measures). Financial measures identified as non-GAAP should not be considered substitutes for GAAP financial measures. The primary limitation of non-GAAP financial measures is the potential lack of comparability to financial measures of other companies, whose definitions of non-GAAP financial measures may differ from those of the Company.

The Company believes its presentation of non-GAAP financial measures provides information that is necessary for analysts to calculate their estimates of Assured Guaranty's financial results in their research reports on Assured Guaranty and for investors, analysts and the financial news media to evaluate Assured Guaranty's financial results.

GAAP requires the Company to consolidate VIE where it is deemed to be the primary beneficiary which include:

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

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

Management and the Board of Directors use non-GAAP financial measures further adjusted to remove the effect of VIE consolidation (which the Company refers to as its core financial measures), as well as GAAP financial measures and other factors, to evaluate the Company's results of operations, financial condition and progress towards long-term goals. The Company uses core financial measures in its decision-making process for and in its calculation of certain components of management compensation. The core financial measures that the Company uses to help determine compensation are: (1) adjusted operating income, further adjusted to remove the effect of VIE consolidation, (2) adjusted operating shareholders' equity, further adjusted to remove the effect of VIE consolidation, (3) growth in adjusted book value per share, further adjusted to remove the effect of VIE consolidation, and (4) PVP.

Management believes that many investors, analysts and financial news reporters use adjusted operating shareholders' equity and/or adjusted book value, each further adjusted to remove the effect of VIE consolidation, as the principal financial measures for valuing AGL's current share price or projected share price and also as the basis of their decision to recommend, buy or sell AGL's common shares. Management also believes that many of the Company's fixed income investors also use adjusted operating shareholders' equity, further adjusted to remove the effect of VIE consolidation to evaluate the Company's capital adequacy.

Adjusted operating income, further adjusted for the effect of VIE consolidation enables investors and analysts to evaluate the Company's financial results in comparison with the consensus analyst estimates distributed publicly by financial databases.

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

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

1) Elimination of realized gains (losses) on the Company's investments, except for gains and losses on securities classified as trading. The timing of realized gains and losses, which depends largely on market credit cycles, can vary considerably across periods. The timing of sales is largely subject to the Company's discretion and influenced by market opportunities, as well as the Company's tax and capital profile.

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

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

4) Elimination of foreign exchange gains (losses) on remeasurement of net premium receivables and loss and LAE reserves that are recognized in net income. Long-dated receivables and loss and LAE reserves represent the present value of future contractual or expected cash flows. Therefore, the current period's foreign exchange remeasurement gains (losses) are not necessarily indicative of the total foreign exchange gains (losses) that the Company will ultimately recognize.

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

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

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

Adjusted operating shareholders' equity is defined as shareholders' equity attributable to AGL, as reported under GAAP, adjusted for the following:

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

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

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

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

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

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

2) Addition of the net present value of estimated net future revenue. See below.

3) Addition of the deferred premium revenue on financial guaranty contracts in excess of expected loss to be expensed, net of reinsurance. This amount represents the present value of the expected future net earned premiums, net of the present value of expected losses to be expensed, which are not reflected in GAAP equity.

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

The unearned premiums and revenues included in adjusted book value will be earned in future periods, but actual earnings may differ materially from the estimated amounts used in determining current adjusted book value due to changes in foreign exchange rates, prepayment speeds, terminations, credit defaults and other factors.

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

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

Net Present Value of Estimated Net Future Revenue: Management believes that this amount is a useful measure because it enables an evaluation of the value of the present value of estimated net future revenue for contracts other than financial guaranty insurance contracts (such as specialty insurance and reinsurance contracts and credit derivatives). This amount represents the net present value of estimated future revenue from these contracts (other than credit derivatives with net expected losses), net of reinsurance, ceding commissions and premium taxes.

Future installment premiums are discounted at the approximate average pre-tax book yield of fixed-maturity securities purchased during the prior calendar year, other than loss mitigation securities. The discount rate is recalculated annually and updated as necessary. Net present value of estimated future revenue for an obligation may change from period to period due to a change in the discount rate or due to a change in estimated net future revenue for the obligation, which may change due to changes in foreign exchange rates, prepayment speeds, terminations, credit defaults or other factors that affect par outstanding or the ultimate maturity of an obligation. There is no corresponding GAAP financial measure.

PVP or Present Value of New Business Production: Management believes that PVP is a useful measure because it enables the evaluation of the value of new business production for the Company by taking into account the value of estimated future installment premiums on all new contracts underwritten in a reporting period as well as additional installment premium on existing contracts (which may result from supplements or fees or from the issuer not calling an insured obligation the Company projected would be called), whether in insurance or credit derivative contract form, which management believes GAAP gross written premiums and changes in fair value of credit derivatives do not adequately measure. PVP in respect of contracts written in a specified period is defined as gross upfront and installment premiums received and the present value of gross estimated future installment premiums.

Future installment premiums are discounted at the approximate average pre-tax book yield of fixed-maturity securities purchased during the prior calendar year, other than loss mitigation securities. The discount rate is recalculated annually and updated as necessary. Under GAAP, financial guaranty installment premiums are discounted at a risk-free rate. Additionally, under GAAP, management records future installment premiums on financial guaranty insurance contracts covering non-homogeneous pools of assets based on the contractual term of the transaction, whereas for PVP purposes, management records an estimate of the future installment premiums the Company expects to receive, which may be based upon a shorter period of time than the contractual term of the transaction.

Actual installment premiums may differ from those estimated in the Company's PVP calculation due to factors including, but not limited to, changes in foreign exchange rates, prepayment speeds, terminations, credit defaults, or other factors that affect par outstanding or the ultimate maturity of an obligation.

Appendix

Reconciliation of Gross Written Premiums (GWP) to PVP

Reconciliation of GWP to PVP	Three Months Ended September 30,		Year Ended December 31,						
(dollars in millions)	2021	2020	2020	2019	2018	2017	2016	2015	2014
Total GWP	$106	$121	$454	$677	$612	$307	$154	$181	$104
Less: Installment GWP and other GAAP adjustments[1]	52	28	191	469	119	99	(10)	55	(22)
Upfront GWP	54	93	263	208	493	208	164	126	126
Plus: Installment premium PVP	42	24	127	361	204	107	61	65	46
Total PVP	$96	$117	$390	$569	$697	$315	$225	$191	$172

	Three Months Ended September 30,		Year Ended December 31,						
PVP:	2021	2020	2020	2019	2018	2017	2016	2015	2014
Public Finance - U.S.	$55	$93	$292	$201	$402	$197	$161	$124	$128
Public Finance - non-U.S.	17	24	82	308	116	89	29	33	8
Structured Finance - U.S.	21	-	14	53	167	14	34	28	27
Structured Finance - non-U.S.	3	-	2	7	12	15	1	6	9
Total PVP	$96	$117	$390	$569	$697	$315	$225	$191	$172

Reconciliation of GWP to PVP	Nine Months Ended September 30,	
(dollars in millions)	2021	2020
Total GWP	$277	$334
Less: Installment GWP and other GAAP adjustments[1]	125	152
Upfront GWP	152	182
Plus: Installment premium PVP	111	82
Total PVP	$263	$264

PVP	Nine Months Ended September 30,	
(dollars in millions)	2021	2020
Public Finance - U.S.	$165	$182
Public Finance - non-U.S.	63	73
Structured Finance - U.S.	32	9
Structured Finance - non-U.S.	3	-
Total PVP	$263	$264

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

Appendix

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

Adjusted Operating Income Reconciliation (dollars in millions, except per share amounts)	**Three Months Ended September 30, 2021**		**Three Months Ended September 30, 2020**		**Nine Months Ended September 30, 2021**		**Nine Months Ended September 30, 2020**	
	Total	**Per Diluted Share**	**Total**	**Per Diluted Share**	**Total**	**Per Diluted Share**	**Total**	**Per Diluted Share**
Net income (loss) attributable to AGL	**$17**	**$0.22**	**$86**	**$1.02**	**$126**	**$1.66**	**$214**	**$2.43**
Less pre-tax adjustments:								
Realized gains (losses) on investments	3	0.04	13	0.16	4	0.05	12	0.14
Non-credit impairment unrealized fair value gains (losses) on credit derivatives	9	0.12	(3)	(0.03)	(41)	(0.54)	6	0.07
Fair value gains (losses) on CCS	(3)	(0.05)	(10)	(0.13)	(28)	(0.37)	13	0.14
Foreign exchange gains (losses) on remeasurement of premiums receivable and loss and LAE reserves	(27)	(0.36)	40	0.48	(21)	(0.28)	(15)	(0.17)
Total pre-tax adjustments	(18)	(0.25)	40	0.48	(86)	(1.14)	16	0.18
Less tax effect on pre-tax adjustments	1	0.02	(2)	(0.04)	15	0.20	(2)	(0.03)
Adjusted Operating income	$34	$0.45	$48	$0.58	$197	$2.60	$200	$2.28

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

Appendix

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

Adjusted book value[1] reconciliation (dollars in millions, except per share amounts)	**As of** September 30, 2021 Total	September 30, 2021 Per Share	June 30, 2021 Total	June 30, 2021 Per Share	December 31, 2020 Total	December 31, 2020 Per Share	September 30, 2020 Total	September 30, 2020 Per Share	June 30, 2020 Total	June 30, 2020 Per Share	December 31, 2019 Total	December 31, 2019 Per Share
Reconciliation of shareholders' equity to adjusted book value[1]:												
Shareholders' equity	**$6,300**	**$88.42**	**$6,503**	**$87.74**	**$6,643**	**$85.66**	**$6,549**	**$79.63**	**$6,444**	**$76.66**	**$6,639**	**$71.18**
Less pre-tax adjustments:												
Non-credit impairment unrealized fair value gains (losses) on credit derivatives	(32)	(0.44)	(41)	(0.55)	9	0.12	(50)	(0.60)	(47)	(0.56)	(56)	(0.60)
Fair value gains (losses) on CCS	24	0.33	27	0.36	52	0.66	65	0.79	76	0.90	52	0.56
Unrealized gain (loss) on investment portfolio excluding foreign exchange effect	492	6.90	552	7.45	611	7.89	563	6.85	510	6.07	486	5.21
Less Taxes	(90)	(1.26)	(98)	(1.33)	(116)	(1.50)	(99)	(1.21)	(92)	(1.09)	(89)	(0.95)
Adjusted operating shareholders' equity[1]	5,906	82.89	6,063	81.81	6,087	78.49	6,070	73.80	5,997	71.34	6,246	66.96
Pre-tax adjustments:												
Less: Deferred acquisition costs	129	1.81	126	1.70	119	1.54	118	1.44	116	1.37	111	1.19
Plus: Net present value of estimated net future revenue	164	2.30	178	2.40	182	2.35	183	2.23	188	2.24	206	2.20
Plus: Net unearned premium reserve on financial guaranty contracts in excess of expected loss to be expensed	3,383	47.49	3,354	45.26	3,355	43.27	3,346	40.68	3,317	39.46	3,296	35.34
Plus Taxes	(597)	(8.37)	(596)	(8.05)	(597)	(7.70)	(596)	(7.25)	(590)	(7.04)	(590)	(6.32)
Adjusted book value[1]	$8,727	$122.50	$8,873	$119.72	$8,908	$114.87	$8,885	$108.02	$8,796	$104.63	$9,047	$96.99
Gain (loss) related to FG VIE consolidation included in adjusted operating shareholders' equity[1]	$-	$-	$3	$0.05	$2	$0.03	$1	$0.01	$8	$0.09	$7	$0.07
Gain (loss) related to FG VIE consolidation included in adjusted book value[1]	$(9)	($0.12)	$(6)	($0.09)	$(8)	($0.10)	$(8)	($0.11)	$(2)	($0.03)	($4)	($0.05)

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

Appendix

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

ROE Reconciliation
(dollars in millions)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2021	**2020**	**2021**	**2020**
Net income (loss) attributable to AGL	**$17**	**$86**	**$126**	**214**
Adjusted operating income[2]	34	48	197	200
Average shareholders' equity attributable to AGL	**$6,402**	**$6,497**	**$6,472**	**$6,594**
Average adjusted operating shareholders' equity[2]	5,985	6,034	5,997	6,158
Gain (loss) related to VIE consolidation included in average adjusted operating shareholders' equity[2]	2	5	1	4
GAAP ROE[1]	**1.0%**	**5.3%**	**2.6%**	**4.3%**
Adjusted operating ROE[1,2]	2.2%	3.2%	4.4%	4.3%

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

Appendix
Assets Under Management

Assets Under Management: The Company uses AUM as a metric to measure progress in its Asset Management segment. Management fee revenue is based on a variety of factors and is not perfectly correlated with AUM. However, we believe AUM is a useful metric for assessing the relative size and scope of our asset management business. The Company uses measures of its AUM in its decision-making process and intends to use a measure of change in AUM in its calculation of certain components of management compensation. Investors also use AUM to evaluate companies that participate in the asset management business. AUM refers to the assets managed, advised or serviced by the Asset Management segment and equals the sum of the following:

- the amount of aggregate collateral balance and principal cash of AssuredIM's CLOs, including CLO equity that may be held by Assured Investment Management funds. This also includes CLO assets managed by BlueMountain Fuji Management, LLC (BM Fuji), which was sold to a third party in Second Quarter 2021. AssuredIM is not the investment manager of BM Fuji-advised CLOs, but following the sale, AssuredIM sub-advises and continues to provide personnel and other services to BM Fuji associated with the management of BM Fuji-advised CLOs pursuant to a sub-advisory agreement and a personnel and services agreement, consistent with past practices, and

- the net asset value of all funds and accounts other than CLOs, plus any unfunded commitments. Changes in NAV attributable to movements in fund value of certain private equity funds are reported on a quarter lag.

CLO AUM includes CLO equity that is held by various AssuredIM funds of $186 million as of September 30, 2021, and $265 million as of December 31, 2020. This CLO equity corresponds to the majority of the non-fee earning CLO AUM, as AssuredIM typically rebates the CLO fees back to AssuredIM funds.

The Company's calculation of AUM may differ from the calculation employed by other investment managers and, as a result, this measure may not be directly comparable to similar measures presented by other investment managers. The calculation also differs from the manner in which AssuredIM affiliates registered with the SEC report "Regulatory Assets Under Management" on Form ADV and Form PF in various ways.

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Fixed Income Investor Presentation
September 30, 2021

ASSURED GUARANTY®