EMBRACE POSSIBILITIES, INVEST IN CERTAINTIES

Fixed Income Investor Presentation

December 31, 2017

ASSURED GUARANTY® MUNICIPAL

MUNICIPAL ASSURANCE CORP.® AN ASSURED GUARANTY COMPANY

ASSURED GUARANTY® CORP.

Table of Contents

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) reduction in the amount of available insurance opportunities and/or in the demand for Assured Guaranty's insurance; (2) rating agency action, including a ratings downgrade, a change in outlook, the placement of ratings on watch for downgrade, or a change in rating criteria, at any time, of AGL or any of its subsidiaries, and/or of any securities AGL or any of its subsidiaries have issued, and/or of transactions that AGL's subsidiaries have insured; (3) developments in the world's financial and capital markets that adversely affect obligors' payment rates or Assured Guaranty's loss experience; (4) 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; (5) the failure of Assured Guaranty to realize loss recoveries that are assumed in its expected loss estimates; (6) increased competition, including from new entrants into the financial guaranty industry; (7) rating agency action on obligors, including sovereign debtors, resulting in a reduction in the value of securities in Assured Guaranty's investment portfolio and in collateral posted by and to Assured Guaranty; (8) the inability of Assured Guaranty to access external sources of capital on acceptable terms; (9) changes in the world's credit markets, segments thereof, interest rates or general economic conditions; (10) the impact of market volatility on the mark-to-market of Assured Guaranty's contracts written in credit default swap form; (11) changes in applicable accounting policies or practices; (12) changes in applicable laws or regulations, including insurance, bankruptcy and tax laws, or other governmental actions; (13) the impact of changes in the world's economy and credit and currency markets and in applicable laws or regulations relating to the decision of the United Kingdom to exit the European Union; (14) the possibility that acquisitions or alternative investments made by Assured Guaranty do not result in the benefits anticipated or subject Assured Guaranty to unanticipated consequences; (15) deterioration in the financial condition of Assured Guaranty's reinsurers, the amount and timing of reinsurance recoverables actually received and the risk that reinsurers may dispute amounts owed to Assured Guaranty under its reinsurance agreements; (16) difficulties with the execution of Assured Guaranty's business strategy; (17) loss of key personnel; (18) the effects of mergers, acquisitions and divestitures; (19) natural or man-made catastrophes; (20) other risk factors identified in AGL's filings with the U.S. Securities and Exchange Commission (the SEC); (21) other risks and uncertainties that have not been identified at this time; (22) management's response to these factors.
- The foregoing review of important factors should not be construed as exhaustive, and should be read in conjunction with the other cautionary statements that are included in Assured Guaranty's Form 10-K. The Company undertakes no obligation to update publicly or review any forward looking statement, whether as a result of new information, future developments or otherwise, except as required by law. Investors are advised, however, to consult any further disclosures the Company makes on related subjects in the Company's reports filed with the SEC.
- If one or more of these or other risks or uncertainties materialize, or if the Company's underlying assumptions prove to be incorrect, actual results may vary materially from what the Company projected. Any forward looking statements in this 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. and its consolidated entities (consisting primarily of Assured Guaranty (Europe) plc (AGE[1]), Municipal Assurance Holdings Inc. (MAC Holdings), a company formed to own 100% of the common stock of Municipal Assurance Corp. (MAC), and variable interest entities Assured Guaranty Municipal Corp. is required to consolidate under accounting principles generally accepted in the United States).
    - "AGM" means AGM Consolidated excluding MAC Holdings and MAC.
    - "Assured Guaranty Municipal" means AGM Consolidated excluding MAC Holdings, MAC and Assured Guaranty (Europe) Ltd.
  - Ratings on Assured Guaranty's insured portfolio and on bonds purchased pursuant to our loss mitigation or risk management strategies are our internal credit ratings. Internal credit ratings are expressed on a ratings scale similar to that used by the rating agencies and are generally reflective of an approach similar to that employed by the rating agencies, except that the Company's credit ratings focus on future performance, rather than lifetime performance. Exposures rated below investment grade are designated "BIG".
  - The Company reclassifies those portions of risks benefitting from collateralized reimbursement arrangements as the higher of AA or their current internal rating.
  - The Company excludes Company-insured securities that it has purchased for loss mitigation purposes from its disclosure of par and debt service outstanding (unless otherwise indicated) because it manages such securities as investments and not insurance exposure.
  - Ratings on the investment portfolios are the lower of the ratings from Moody's Investors Service, Inc. ("Moody's") or 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.
- When a financial measure is described as "operating," it is a non-GAAP measure.

1. AGE includes its subsidiaries Assured Guaranty (UK) plc (AGUK), Assured Guaranty (London) plc (AGLN) and CIFG Europe S.A. (CIFGE).

Corporate Overview

Corporate Overview

- **Assured Guaranty Ltd. ("AGL" and, together with its subsidiaries, "Assured Guaranty" or the "Company") is the leading financial guaranty franchise**
  - We are the only long-standing financial guaranty company to continue to write new business throughout the financial crisis and recession
  - We maintain strong financial strength ratings from one or more of S&P, KBRA and A.M. Best
- **Assured Guaranty's focus is financial guaranty**
  - Over three decades of experience in the financial guaranty market
  - Publicly traded holding company (NYSE: AGO) with extensive quarterly financial disclosures at holding company and subsidiaries, providing transparency to all investors
  - Three principal U.S. financial guaranty direct subsidiaries and one principal Bermuda financial guaranty reinsurance subsidiary
- **Strong capital base**
  - Consolidated investment portfolio and cash of $11.5 billion as of December 31, 2017[1]
  - Consolidated claims-paying resources of $11.8 billion as of December 31, 2017[2]

($ in billions)	AGL Consolidated (12/31/17)
Net par outstanding	$265.0
Total investment portfolio and cash[1]	$11.5
Claims-paying resources[2]	$11.8

1. See page 29 for a breakdown of the available-for-sale portfolio ($11.5 billion), which includes $94 million of other invested assets.
2. Aggregate data for the Company's operating subsidiaries, based primarily on statutory measures. Claims on each insurer's guarantees are paid from that insurer's separate claims-paying resources. See page 9 for components of claims-paying resources.

Operating Principles and Investor and Issuer Benefits

- **Underwriting principles and a strong risk management culture designed to protect our franchise**
- **Experienced and disciplined management**
- **Commitment to disclosure and transparency**
- **Our guaranty benefits investors and issuers because we provide credit selection, underwriting, surveillance and remediation, in addition to timely payment of scheduled principal and interest if an underlying transaction defaults**
  - Bond insurance helps homogenize the market’s view of insured credits, which typically increases market liquidity; every day, the municipal market trades an average of approximately $500 million in bonds insured by Assured Guaranty companies ($2.5 billion per week)
  - Credit enhancement provides protection in an uncertain credit environment

Strategic Priorities

- **Generate current and future revenue through new business production**
- **Manage capital efficiently**
- **Execute alternative strategies to create value, including acquisitions, investments and commutations**
- **Mitigate losses**

Assured Guaranty Ltd.
Corporate Structure

Assured Guaranty Ltd.
Hamilton, Bermuda
Publicly Traded Holding Company (NYSE: AGO)
A (stable outlook) / Baa2 (stable outlook)
issuer credit ratings

Assured Guaranty Re Ltd (AG Re)
Financial Guaranty Reinsurance
S&P: AA (stable outlook)
financial strength rating

Assured Guaranty Overseas US Holding Inc.
U.S. Holding Company
NR

Assured Guaranty Re Overseas Ltd (AGRO)
Specialty Reinsurance
S&P: AA (stable outlook) /
A.M. Best: A+ (stable outlook)
financial strength rating

Assured Guaranty US Holdings (AGUS)
U.S. Holding Company
A (stable outlook) / Baa2 (stable outlook)
issuer credit ratings

Assured Guaranty Finance Overseas Ltd.
European Marketing
NR

AG Financial Products Inc.
Swap Counterparty
NR

Assured Guaranty Corp. (AGC)
Financial Guaranty Direct
S&P: AA (stable outlook) /
KBRA: AA (stable outlook) /
Moody's (1)
financial strength rating

Assured Guaranty Municipal Holdings Inc. (AGMH; formerly Financial Security Assurance Holdings Ltd.)
U.S. Holding Company
A (stable outlook) / Baa2 (stable outlook)
issuer credit ratings

Assured Guaranty Municipal Corp. (formerly Financial Security Assurance Inc.)
Financial Guaranty Direct
S&P: AA (stable outlook) /
KBRA: AA+ (stable outlook)/
Moody's: A2 (stable outlook)
financial strength rating

Municipal Assurance Holdings Inc.[2]
U.S. Holdings Company
NR

Municipal Assurance Corp. (MAC)
Financial Guaranty Direct
S&P: AA (stable outlook) /
KBRA: AA+ (stable outlook)
financial strength rating

Assured Guaranty (Europe) plc (AGE) (formerly Financial Security Assurance (U.K.) Limited)
Financial Guaranty Direct
AA (stable outlook) /
A2 (stable outlook)
financial strength rating

Assured Guaranty (UK) plc (AGUK)
Financial Guaranty Direct
AA (stable outlook) / (1)
financial strength ratings

CIFG Europe S.A.
Financial Guaranty Direct
NR

Assured Guaranty (London) plc
Financial Guaranty Direct
BB (positive outlook) /
Baa2 (stable outlook)
financial strength ratings

Ratings and company names as of March 16, 2018.
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 and AGUK; Moody's declined, and continues to rate AGC and AGUK.
2. AGM and AGC own 60.7% and 39.3%, respectively, of the outstanding stock of Municipal Assurance Holdings Inc., which owns 100% of the outstanding common stock of MAC.

Four Discrete Operating Companies with Separate Capital Bases

ASSURED GUARANTY®

Consolidated Statutory-Basis Claims-Paying Resources and Exposures

	As of December 31, 2017					
($ in millions)	AGM	AGC	MAC	AG Re[8]	Eliminations[3]	Consolidated
Claims-paying resources						
Policyholders' surplus	$2,254	$2,073	$270	$1,041	($427)	$5,211
Contingency reserve[1]	1,108	642	224	-	(224)	1,750
Qualified statutory capital	**3,362**	**2,715**	**494**	**1,041**	**(651)**	**6,961**
Unearned premium reserve[1]	1,657	354	248	663	(248)	2,674
Loss and loss adjustment expense reserves[1]	634	135	0	323	0	1,092
Total policyholders' surplus and reserves	**5,653**	**3,204**	**742**	**2,027**	**(899)**	**10,727**
Present value of installment premium[1]	183	126	1	136	(1)	445
Committed Capital Securities	200	200	-	-	-	400
Excess of loss reinsurance facility[2]	180	180	180	-	(360)	180
Total claims-paying resources (including MAC adjustment for AGM and AGC)	**$6,216**	**$3,710**	**$923**	**$2,163**	**($1,260)**	**$11,752**
Adjustment for MAC[4]	451	292	-	-	(743)	-
Total claims-paying resources (excluding MAC adjustment for AGM and AGC)	**$5,765**	**$3,418**	**$923**	**$2,163**	**($517)**	**$11,752**
Statutory net par outstanding[5]	$120,504	$23,914	$30,100	$65,174	($689)	$239,003
Equity method adjustment[4]	18,271	11,829	-	-	(30,100)	-
Adjusted statutory net par outstanding[1]	$138,775	$35,743	$30,100	$65,174	($30,789)	$239,003
Net debt service outstanding[5]	$191,884	$36,018	$44,323	$102,187	($1,072)	$373,340
Equity method adjustment[4]	26,904	17,419	-	-	(44,323)	-
Adjusted net debt service outstanding[1]	$218,788	$53,437	$44,323	$102,187	($45,395)	$373,340
Ratios:						
Adjusted net par outstanding to qualified statutory capital	41:1	13:1	61:1	63:1		34:1
Capital ratio[6]	65:1	20:1	90:1	98:1		54:1
Financial resources ratio[7]	35:1	14:1	48:1	47:1		32:1
Admitted Assets (statutory basis)	$5,480	$3,127	$824			
Total Liabilities (statutory basis)	3,226	1,054	553			
Contingency Reserves (statutory basis)	972	554	224			
Surplus to Policyholders (statutory basis)	2,254	2,073	270			

1. The numbers shown for Assured Guaranty Municipal Corp. (AGM) and Assured Guaranty Corp. (AGC) have been adjusted to include their indirect share of Municipal Assurance Corp. (MAC). AGM and AGC own 60.7% and 39.3%, respectively, of the outstanding stock of Municipal Assurance Holdings Inc., which owns 100% of the outstanding common stock of MAC. In addition, the numbers shown for AGM have been adjusted to include 100% share of its respective European insurance subsidiaries. Amounts include financial guaranty insurance and credit derivatives.
2. Represents the $180 million portion placed with an unaffiliated reinsurer of a $400 million aggregate excess-of-loss reinsurance facility for the benefit of AGC, AGM and MAC, which became effective January 1, 2018. The facility terminates on January 1, 2020, unless AGC, AGM and MAC choose to extend it.
3. Eliminations are primarily for (i) intercompany surplus notes between AGM and AGC, (ii) MAC amounts, whose proportionate share are included in AGM and AGC based on ownership percentages, and (iii) eliminations related to the sale of European Subsidiaries from AGC to AGM. Net par and net debt service outstanding eliminations relate to second-to-pay policies under which an Assured Guaranty insurance subsidiary guarantees an obligation already insured by another Assured Guaranty insurance subsidiary, and net par related to intercompany cessions from AGM and AGC to MAC.
4. Represents adjustments for AGM's and AGC's interest and indirect ownership of MAC.
5. Net par outstanding and net debt service outstanding are presented on a statutory basis.
6. The capital ratio is calculated by dividing adjusted net debt service outstanding by qualified statutory capital.
7. The financial resources ratio is calculated by dividing adjusted net debt service outstanding by total claims-paying resources (including MAC adjustment for AGM and AGC).
8. Assured Guaranty Re Ltd. (AG Re) numbers represent the Company's estimate of United States (U.S.) statutory accounting practices prescribed or permitted by insurance regulatory authorities, except for contingency reserves.

Assured Guaranty
Principal Operating Platforms

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

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

Assured Guaranty
Principal Operating Platforms (Continued)

- **Companies distinct for legal and regulatory purposes**
  - Separate insurance licenses
  - Separate regulators – Assured Guaranty Municipal[1] and MAC are domiciled in New York; AGC is domiciled in Maryland
  - Dividend restrictions – New York, Maryland and Bermuda insurance law restrictions apply
  - Separate insured credit exposures: net par as of December 31, 2017 – AGM[1] $126.1 billion[2], MAC $41.5 billion, AGC $26.8 billion
  - Separate capital bases – claims-paying resources[3] as of December 31, 2017 – AGM[1] $5.8 billion, MAC $0.9 billion, AGC $3.4 billion
- **Under GAAP, Assured Guaranty Municipal Corp. is required to consolidate several entities, including MAC, when reporting financial data**
  - Because of the legal and regulatory distinction between Assured Guaranty Municipal Corp. and its consolidated entities, it can be useful to look at Assured Guaranty Municipal Corp. not only on a consolidated basis but also after excluding one or more of its consolidated entities
  - Please see page 3 for a list of conventions used to indicate which consolidated entities are included when we refer to "AGM Consolidated," "AGM" or "Assured Guaranty Municipal"

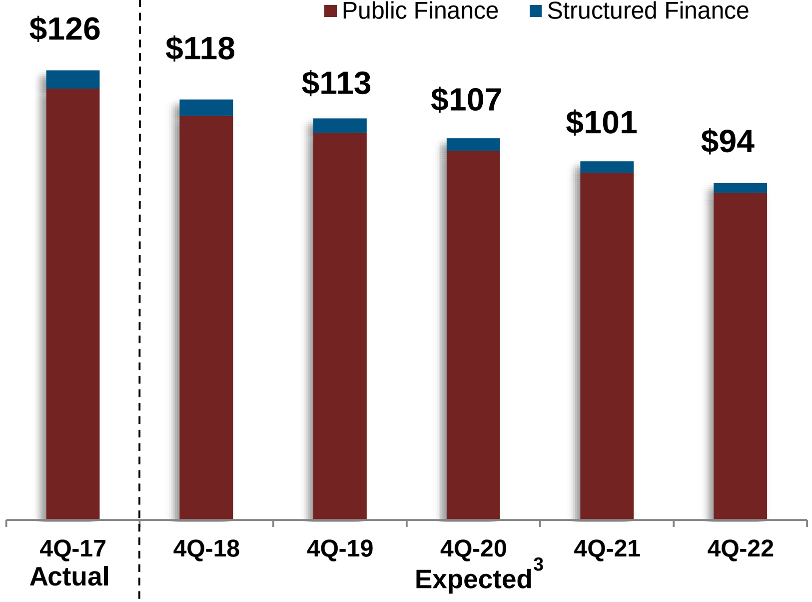
1. Please see page 3 for a definition of this convention.
2. Includes GICs (see the footnote on page 38).
3. Please see page 9 for additional details about the components of claims-paying resources as well as other statutory financial information. Consolidated claims-paying resources of the Assured Guaranty group include those of AGM, MAC and AGC shown above, and $2.2 billion at AG Re., less intercompany eliminations of $0.5 billion.

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

- **Assured Guaranty Municipal[1] is committed to insuring only U.S. public finance and global infrastructure transactions now and in the future[2]**
- **Assured Guaranty Municipal's[1] existing insured portfolio continues to rapidly evolve toward its public finance focus**
- **We project that Assured Guaranty Municipal's[1] legacy global structured finance insured portfolio ($5 billion as of December 31, 2017 vs. $127 billion as of September 30, 2008) will amortize more rapidly than our public finance portfolio – 11% by year-end 2018 and 22% by year-end 2019[3]**

Assured Guaranty Municipal[1] Insured Portfolio Amortization

Current and Projected Year-End Net Par Outstanding
As of December 31, 2017
($ in billions)



1. Please see page 3 for a definition of this convention.
2. Assured Guaranty Municipal[1] stopped writing structured finance transactions in August 2008.
3. Represents the future expected amortization of current net par outstanding as of December 31, 2017. Actual amortization of the existing portfolio will differ from the expected shown here because, for example, (a) some obligors may call, prepay or defease guaranteed obligations (e.g., in the context of U.S. public finance refundings), and (b) the expected amortization of structured finance transactions is based in part on management's assumptions regarding the performance of the underlying assets while the actual performance of those assets may differ from management's assumptions. Actual amortization of the U.S. public and global infrastructure finance portfolio and the structured finance portfolio may be faster or slower than expected by management; both portfolios may differ from expectations in the same direction or one portfolio may amortize more quickly while the other may amortize more slowly.

Municipal Assurance Corp. (MAC)

MUNICIPAL ASSURANCE CORP.

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

As of December 31, 2017, Municipal Assurance Corp. (MAC) has:

- $0.9 billion in claims-paying resources, consisting of $494 million in statutory capital, $248 million in unearned premium reserves[1] (UPR), and $180 million in excess-of-loss reinsurance[2];
- A $41 billion insured U.S. municipal-only portfolio that is geographically diversified;
- A $813 million investment portfolio;
- Strong financial strength ratings: AA+ (stable outlook) from Kroll Bond Rating Agency (KBRA) and AA (stable outlook) from S&P;
- Conservative and well-defined underwriting standards; and
- A high level of transparency, including quarterly financial supplements and the publication of Credit Summaries for primary-market insured transactions.

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

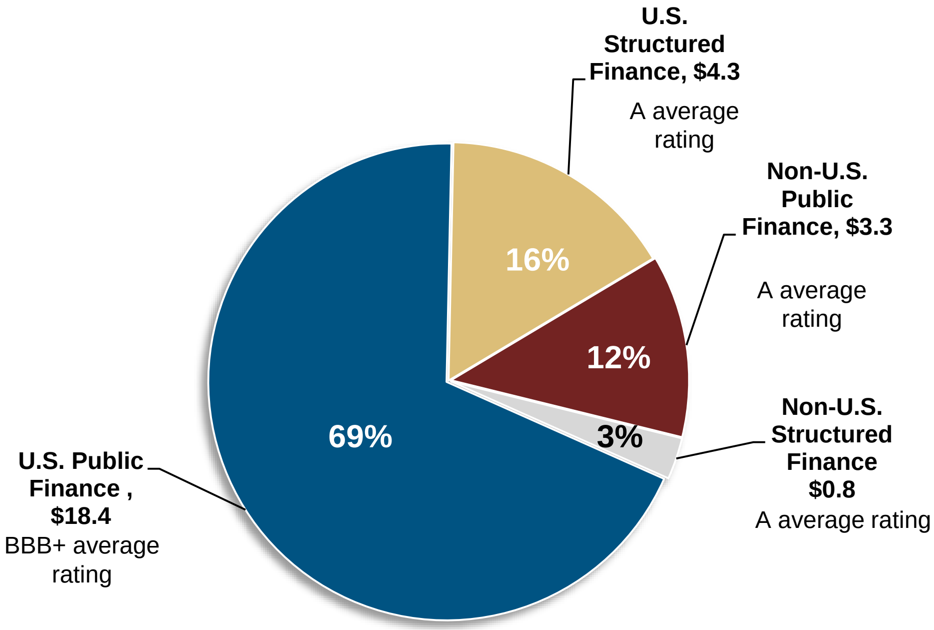
1. Statutory basis.
2. Represents the $180 million portion placed with an unaffiliated reinsurer of a $400 million aggregate excess-of-loss reinsurance facility for the benefit of AGC, AGM and MAC, which became effective January 1, 2018. The facility terminates on January 1, 2020, unless AGC, AGM and MAC choose to extend it. Please see page 9 for additional details about the components of claims-paying resources as well as other statutory financial information.

AGC is Our Most 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 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 December 31, 2017
($ in billions)

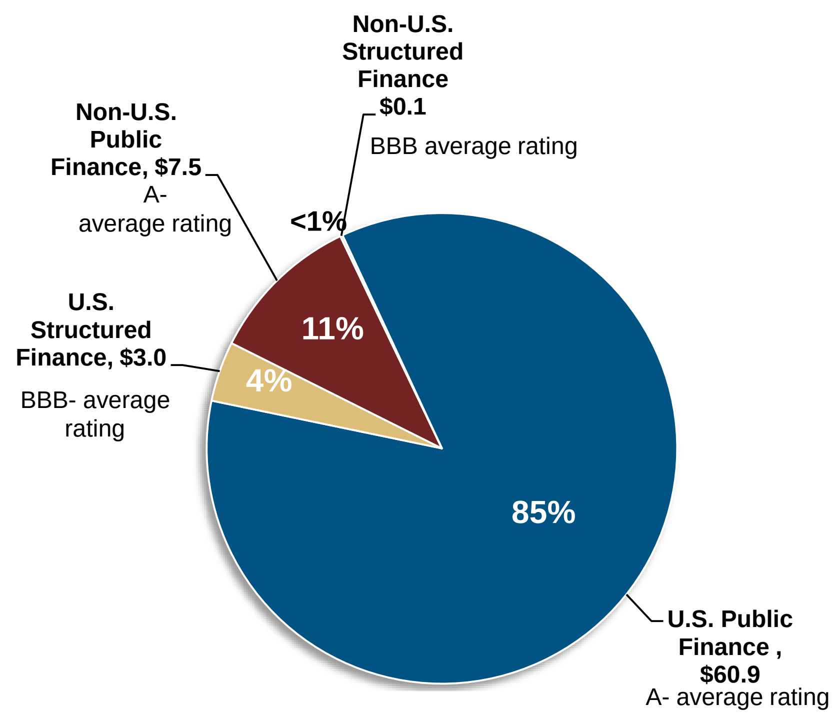


$26.8 billion, A- average rating

AG Re's Operating Structure

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

Net Par Outstanding
As of December 31, 2017
($ in billions)



$71.4 billion, A- average rating

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

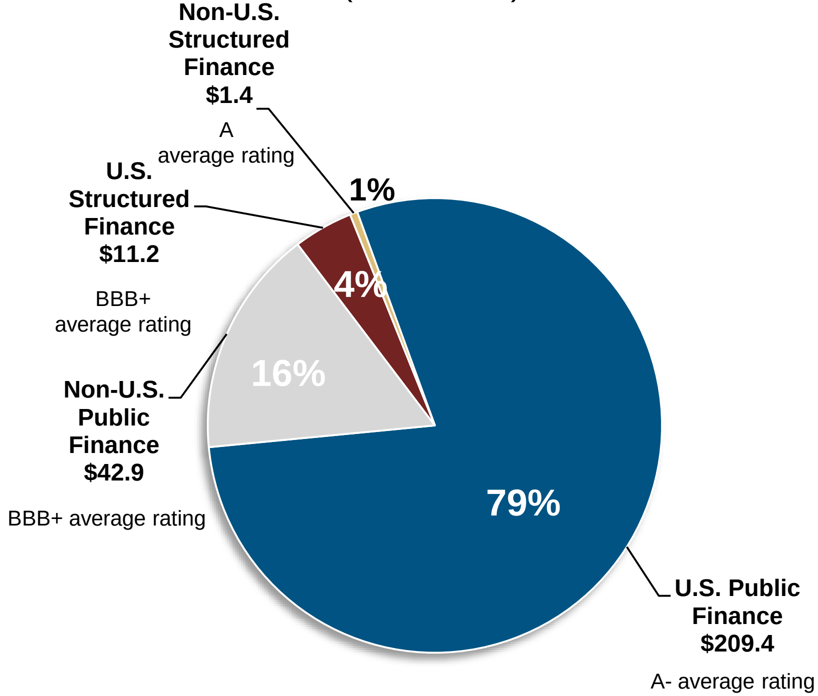
Underwriting Discipline

- **Our U.S. public finance portfolio, our largest exposure category, generally performed well during the recession and in subsequent years, despite persistent financial pressures on municipal obligors**
  - Our portfolio is well-diversified with approximately 7,900 direct U.S. public finance obligors. We expect future losses to be paid, net of recoveries, on approximately a dozen exposures.
  - We have proactively managed those exposures that have experienced credit deterioration and payment default, like Detroit, Harrisburg and Stockton, with relatively small expected losses.
  - Our Puerto Rico exposure represents our largest below investment grade U.S. public finance exposure.
- **Neither AGM[1] nor AGC underwrote collateralized debt obligations (CDOs) backed by RMBS, which has protected us from losses on the scale experienced by our former competitors**

Consolidated Net Par Outstanding

As of December 31, 2017

($ in billions)



$265.0 billion, A- average rating

1. Please see page 3 for a definition of this convention.
2. See pages 34-36 for a more detailed analysis of the Company's Puerto Rico exposure.

Creating Value

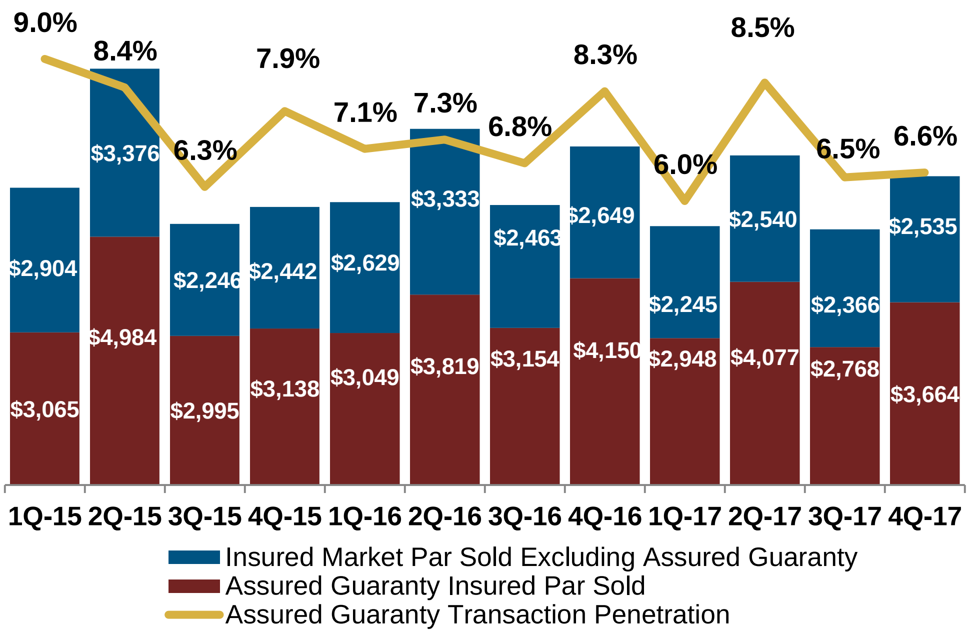
New Business Production (Par Insured)

Penetration in the U.S. Public Finance Market

- **We are focused on building demand for our guaranties, both in the primary and the secondary markets for U.S. public finance**
  - Primary market policies sold during 2017 totaled 833 or $13.5 billion
  - Secondary market policies sold during 2017 totaled 351 or $1.9 billion
- **Total market issuance decreased 7% in 2017 compared with 2016, while insured volume decreased by 9% in that same period**
  - Industry par penetration for all transactions with underlying A ratings was 23.3% in 2017 compared with 22.6% in 2016
  - Industry penetration based on the number of transactions with underlying A ratings also increased to 57.3% in 2017 compared with 55.8% in 2016
- **Industry penetration for smaller deals (transactions under $25 million) based on the number of transactions increased to 18.3% in 2017 compared with 17.5% in 2016**

New Issue U.S. Public Finance Insured Par Sold and Transaction Penetration[1]

($ in millions)



Total U.S. Public Finance New Issuance	1Q-15	2Q-15	3Q-15	4Q-15	1Q-16	2Q-16	3Q-16	4Q-16	1Q-17	2Q-17	3Q-17	4Q-17
Par Issued ($ in billions)	$104.0	$111.0	$86.0	$76.4	$96.5	$119.4	$108.4	$100.2	$86.6	$100.7	$84.4	$137.5
Transactions Issued	3,059	3,783	2,665	2,558	2,787	3,635	3,048	2,775	2,271	3,013	2,307	3,007

1. Source: SDC database. As of December 31, 2017. Transaction penetration shown is Assured Guaranty's transaction count as a percentage of all transactions issued.

Broadening Market Awareness
Advertising Campaigns

New Business Production
Select Municipal Transactions in 2017

Assured Guaranty has maintained its market leadership in 2017, insuring $13.5 billion of par on more than 800 primary market transactions, ranging in size from $1mm to over $700mm in par. Some of our 2017 transactions are highlighted below:

$134,000,000
General Obligation Bonds, Election of 2014, Series 2017
Hayward Unified School District, CA
April 2017

$100,555,000
Kentucky Econ Dev Fin Auth Hospital Revenue Refunding Bonds, Series 2017A and Series 2017B
Owensboro Health, KY
May 2017

$105,965,000
General Obligation Refunding Bonds, Series 2017
The City of Philadelphia, PA
January 2017

$84,715,000
Limited Tax Supported and Special Revenue Refunding and Improvement Bonds, Sr 2017
Rampart Range Metro District No.1, CO
October 2017

$114,920,000
Triangle Expressway System Senior Lien Turnpike Revenue Refunding Bonds, Series 2017
North Carolina Turnpike Authority
March 2017

$148,300,000
Refunding Serial Bonds – 2017 Series A and Series B
County of Suffolk, NY
April 2017

$196,590,000
Senior Tourist Development Tax Refunding Revenue Bonds, Series 2017A
City of Orlando, FL
August 2017

$91,025,000
Senior Lien Special Tax Revenue Refunding Bonds, Series 2017
City of Arlington, TX (Dallas Cowboys)
September 2017

$257,100,000
Docks Facilities Revenue Refunding Bonds, Series 2017A, Series C and Series D
Alabama State Port Authority
February 2017

$378,600,000
Water and Sewer System First Lien Revenue Refunding Bonds, Series A and C of 2017
The Pittsburgh Water & Sewer Authority, PA
November 2017

$197,760,000
Airport Revenue Refunding Bonds, Series 2017A (Non-AMT) and Series 2017B (AMT)
St. Louis Lambert Airport, MO
June 2017

$86,520,000
General Obligation Refunding & Improvement Bonds, Series 2017
City of Dallas, TX
November 2017

$177,490,000
New Jersey Econ Dev Auth Revenue Refunding Bonds, Series 2017
Montclair State Student Housing, NJ
December 2017

$377,765,000
Kentucky Econ Dev Fin Auth Refunding Revenue Bonds, Series 2017A and Taxable Series 2017B
Louisville Arena Authority, KY
December 2017

$131,785,000
Sales Tax Revenue Bonds, Series 2017
School District of Manatee County, FL
February 2017

$111,865,000
Lease Revenue Refunding Bonds Series 2017A and Series 2017B
Fresno Joint Powers Financing Authority, CA
April 2017

$149,790,000
Rev Refunding and Improvement Bonds, Senior Lien Series 2017A and Second Lien Series 2017B
City of Atlanta & Fulton Co. Recreation Auth., GA
November 2017

$138,385,000
Turnpike Subordinate Revenue Bonds, Sub-Series B-2 of 2017
Pennsylvania Turnpike Commission
July 2017

1. Source: SDC database. Sales from January 2017 through December 2017. Amounts are on a sale-date basis and reflect only those series insured by AGM or MAC.

Creating Value

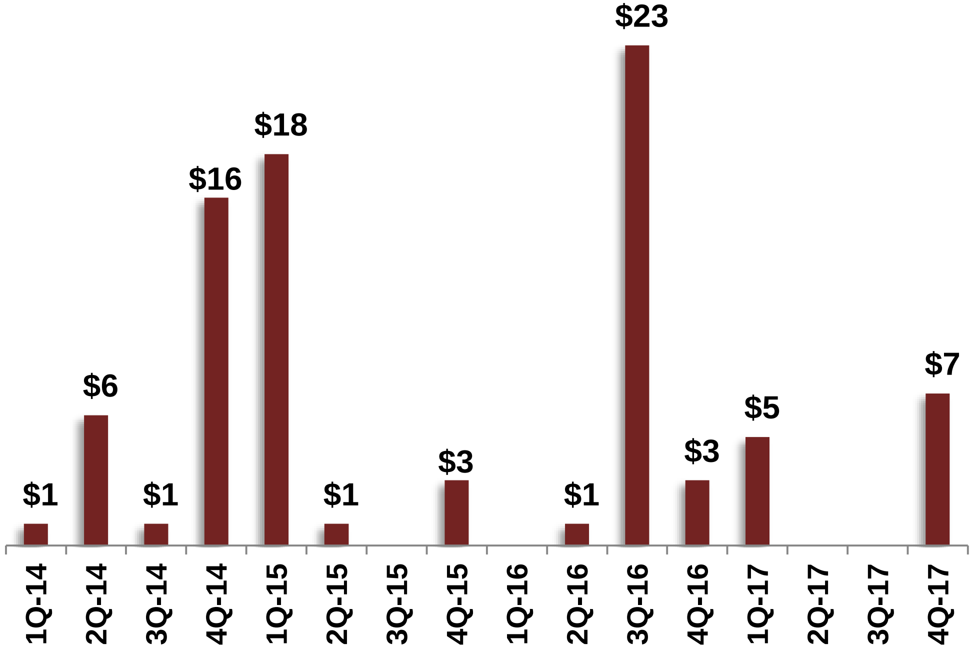
New Business Production

U.S. Structured Finance Business Activity

- **Focus has been on bilateral transactions to improve policy beneficiaries' capital management efficiency**
- **New structured finance business production tends to fluctuate, as large, complex transactions require a long time frame to close**
- **We expect that capital market structured finance opportunities will increase in the future as interest rates rise, more issuers return to the capital markets for financings and institutional investors again utilize financial guaranties**

U.S. Structured PVP[1]

($ in millions)



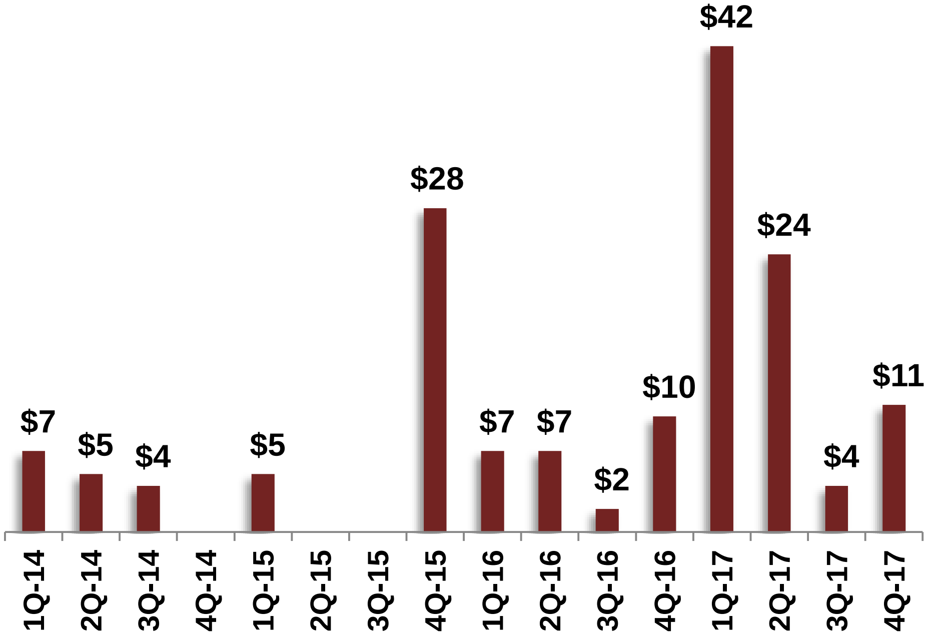
1. For an explanation of new business production, or "PVP", which is a non-GAAP financial measure, please refer to the Appendix.

Creating Value
New Business Production
Non-U.S. Business Activity

- **During 4Q-17, we provided secondary market guarantees on regulated utility transactions and reinsurance on aircraft residual value policies**
- **During 3Q-17, we guaranteed two regulated utility transactions in the secondary market**
- **During 2Q-17, we guaranteed a U.K. university housing transaction, provided a senior liquidity guarantee as part of a European infrastructure refinancing and provided reinsurance on aircraft residual value policies**
- **During 1Q-17, we guaranteed two U.K. university housing transactions, one U.K. hospital transaction, and a transaction in the aviation finance sector, as well as several U.K. regulated utility transactions in the secondary market**
- **We are optimistic about the pipeline of infrastructure transactions. However, international business typically comprises a small number of high-value transactions that have longer development periods and multiple counterparties, so the timing of closing transactions is often uncertain**

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

($ in millions)



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

Creating Value
Alternative Strategies
Acquisitions

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

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

- **MBIA UK Limited ("MBIA UK") acquisition closed on January 10, 2017**
  - Resulted in a benefit to non-GAAP operating income of $57 million or $0.45 per share, at the acquisition date

- **Syncora Guarantee Inc ("SGI") reinsurance transaction announced in February 2018**
  - Assured Guaranty will reinsure or commute approximately $14.5 billion of net par currently insured by SGI, substantially all of SGI's insured portfolio
  - SGI will pay Assured Guaranty $360 million and assign installment premiums estimated to total $55 million on a present value basis

1. For explanations of non-GAAP financial measures, please refer to the Appendix.

Creating Value
Alternative Strategies
Acquisitions

- **In July 2016, the Company announced the formation of an Alternative Investments group**
  - The Alternative Investments group focuses on deploying a portion of Assured Guaranty's excess capital to pursue acquisitions and develop new business opportunities that benefit from the Company's core competencies and credit expertise and are in line with its risk profile, including, among others, both controlling and non-controlling investments in investment managers.
- **In February 2017, the Company came to an agreement on its first major investment**
  - The Company will purchase up to $100 million of limited partnership interests in a fund that invests in the equity of private equity managers
- **In September 2017, the Company acquired a minority interest in Wasmer, Schroeder & Company LLC**
  - Independent investment advisory firm specializing in separately managed accounts (SMAs)
  - Approximately $8 billion under management
  - Capitalizes on core competencies of both companies, such as municipal credit analysis and strong industry relationships.
- **In February 2018, the Company acquired a minority interest in Rubicon Infrastructure Advisors**
  - Rubicon is a full-service investment banking firm active in the global infrastructure sector
  - Rubicon has advised on over 70 merger and acquisition and capital raising assignments worth in excess of $30 billion over the past five years.
  - Rubicon operates on a global basis and has advised on transactions in Europe, the U.K., North America and Latin America providing investors, operating managers and construction companies with independent advice
- **The Company continues to investigate additional opportunities, which could be material in size**

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

Commutations Since 2009
As of December 31, 2017

Year	Reassumed Par ($ in billions)	Reassumed UPR ($ in millions)	Commutation Gain / (Loss) ($ in millions)
2009	$2.9	$65	$(11)
2010	15.5	104	50
2011	0.3	2	24
2012	19.2	109	82
2013	0.2	11	2
2014	1.2	20	23
2015	0.9	23	28
2016	0.0	-	8
2017	5.1	82	328
Total	**$45.3**	**$416**	**$534**

Ceded Par Outstanding by Reinsurer
As of December 31, 2017

($ in millions)	Net Par Outstanding
American Overseas Re	$2,311
Syncora[2]	$1,427
Others	$696
Total	$4,434

1. For an explanation of non-GAAP adjusted book value, which is a non-GAAP financial measure, please refer to the Appendix.
2. The majority of this amount would be commuted under the terms of the SGI reinsurance transaction announced in February 2018. See page 22.

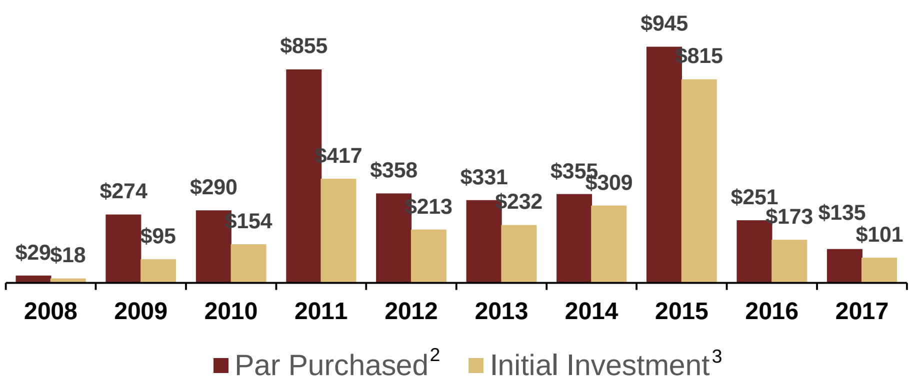
Creating Value
Loss Mitigation
Bond Purchases

- **Since 2008, for loss mitigation purposes, we have strategically purchased bonds we had previously insured. Besides reducing our losses, these purchases can potentially relieve rating agency capital charges, increase future investment income and increase non-GAAP adjusted book value[1]**
  - The amount of reserves released and the ongoing principal and interest from the bonds are expected to be greater than the purchase price
  - We have purchased approximately $3.8 billion of par on insured securities through December 31, 2017 with an initial purchase price of approximately $2.4 billion
- **Targeted purchases are BIG securities on which claims are expected to be paid**
- **Subsequent to purchasing some of our insured bonds for loss mitigation purposes, we removed our insurance and sold the bonds uninsured. This typically creates rating agency capital and an economic benefit**

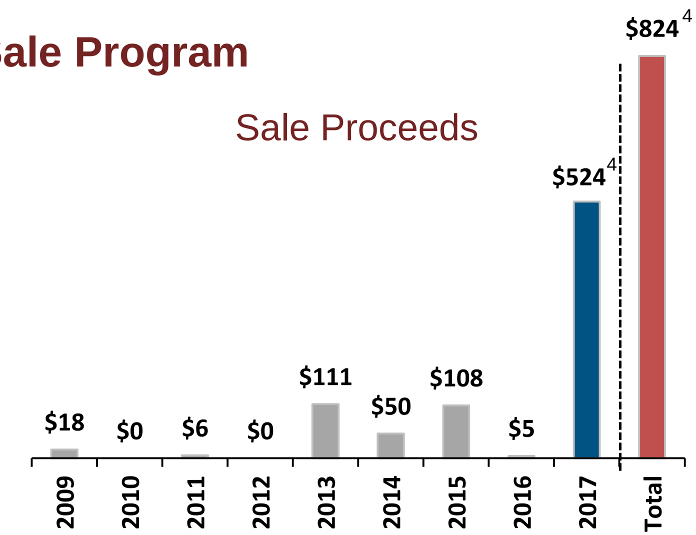
Loss Mitigation Bond Purchase and Sale Program

($ in millions)

Bonds Repurchased



Sale Proceeds



1. For an explanation of non-GAAP adjusted book value, please refer to the Appendix.
2. Par at the time of purchase.
3. Cost of purchase.
4. Includes $334 million of Zohar II notes used as consideration to acquire MBIA UK in Q1 2017.

Financial Strength Ratings

- **In June 2017, S&P affirmed the AA (stable outlook) financial strength ratings of AGM, MAC and AGC**
  - S&P found the Assured Guaranty group's capital adequacy to be above their AAA requirement; although S&P did not disclose the size of the group's capital adequacy cushion (the amount of capital remaining after S&P's simulated AAA depression test), we estimate it to be more than **$2.8 billion** at year-end 2016, $1.3 billion higher than S&P reported for year-end 2013
  - Importantly, S&P re-ran an analysis assuming each of Assured Guaranty's insured Puerto Rico obligations would default, and that Assured Guaranty would pay claims totaling 100% of that debt service over the next four years. S&P also looked at scenarios in which Assured Guaranty would pay claims totaling up to 45% of its total insured Puerto Rico debt service over the life of the transactions. S&P found that under any of these scenarios, the losses would not change Assured Guaranty's S&P capital adequacy score

Financial Strength Ratings

As of December 31, 2017

	S&P	Moody's	KBRA
AGM	AA stable outlook	A2 stable outlook	AA+ stable outlook
MAC	AA stable outlook	Not Rated	AA+ stable outlook
AGC	AA stable outlook	(1)	AA stable outlook

(1) Assured Guaranty requested in January 2017 that Moody's drop its rating of AGC and AGUK; Moody's declined, and continues to rate AGC and AGUK

- **KBRA has affirmed all of its Assured Guaranty ratings in the past year: AGM at AA+ (stable outlook) in January 2018; AGC at AA (stable outlook) in December 2017; and MAC at AA+ (stable outlook) in July 2017**
  - KBRA noted each Company's ability to withstand their conservative stress case loss assumptions, a mature and high-functioning operating platform and a strong management team

- **In August 2016, Moody's affirmed the A2 (stable outlook) insurance financial strength ratings on AGM**

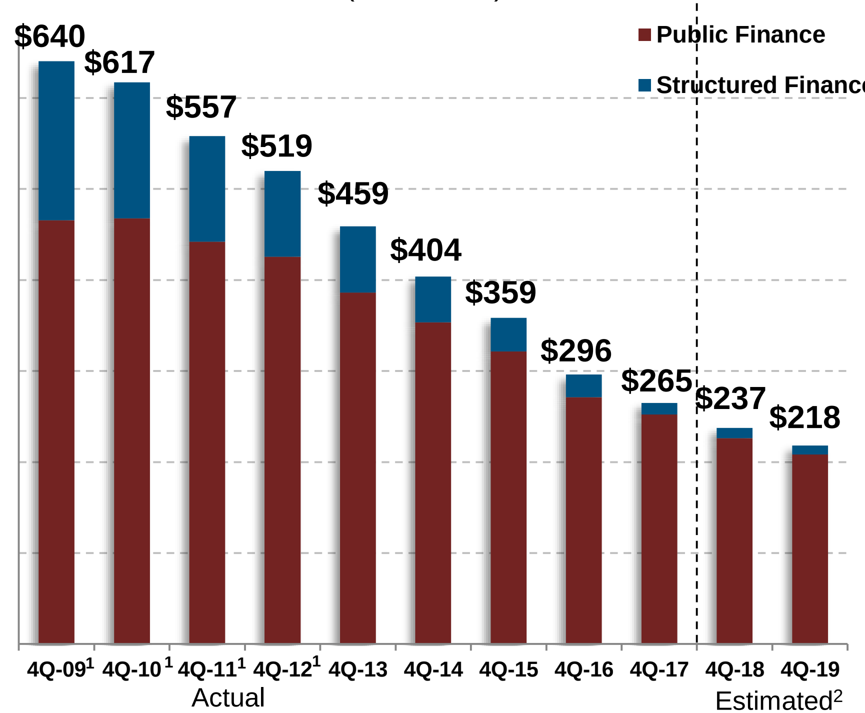
Net Par Outstanding Amortization

- **Amortization of the existing portfolio reduces rating agency capital charges, but also embedded future earned premiums**
- **New direct or assumed business originations, reassumptions and acquisitions will increase future premiums**
- **Public finance existing exposure amortizes at a steady rate**
  - $252 billion outstanding
  - 10% by the end of 2018; 17% by the end of 2019
- **Structured finance existing exposure is expected to amortize more quickly than public finance**
  - $13 billion outstanding
  - 11% by the end of 2018; 22% by the end of 2019

Consolidated Net Par Outstanding Amortization

As of December 31, 2017

($ in billions)



1. Gross of wrapped bond purchases made primarily for loss mitigation.
2. Represents the future expected amortization of existing net par outstanding as of December 31, 2017 assuming no new originations, legacy portfolio acquisitions or reassumptions of ceded business. Actual amortization of the existing portfolio will differ from the expected shown here because, for example, (1) some obligors may call, prepay or defease guaranteed obligations (e.g., in the context of U.S. public finance refundings), and (2) the expected amortization of structured finance transactions is based in part on management's assumptions regarding the performance of the underlying assets while the actual performance of those assets may differ from management's assumptions. Actual amortization of the U.S. public and global infrastructure finance portfolio and the structured finance portfolio may be faster or slower than expected by management, both portfolios may differ in the same direction and one portfolio may amortize more quickly while the other may amortize more slowly.

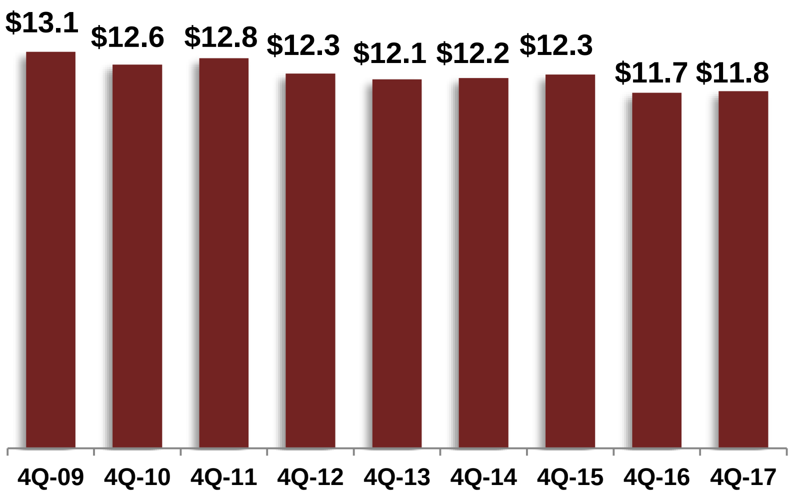
Assured Guaranty Today

Insured Portfolio and Capital Changes Since the Global Financial Crisis

ASSURED GUARANTY®

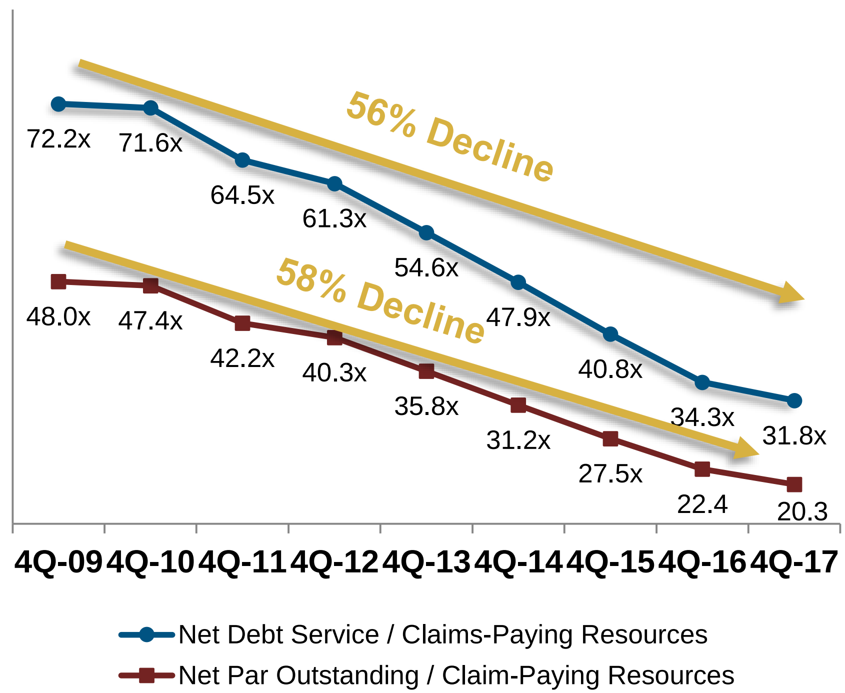
Claims-Paying Resources

$ 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 since the Great Recession**
- **Since our acquisition of AGM in July 2009, group claims-paying resources declined modestly relative to the $9.2 billion paid out in gross policyholder claims.**
- **Of those claims, $7.5 billion were for RMBS, $1.4 billion were for public finance and $0.3 billion in other asset classes.**

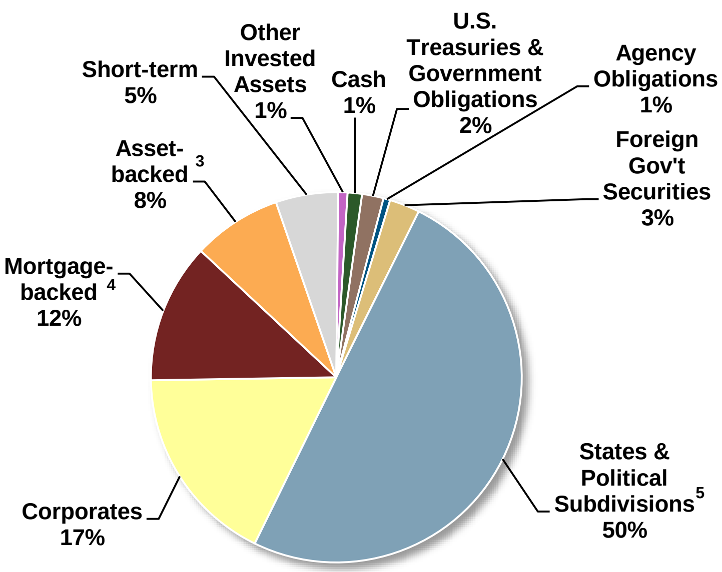
Insured Leverage



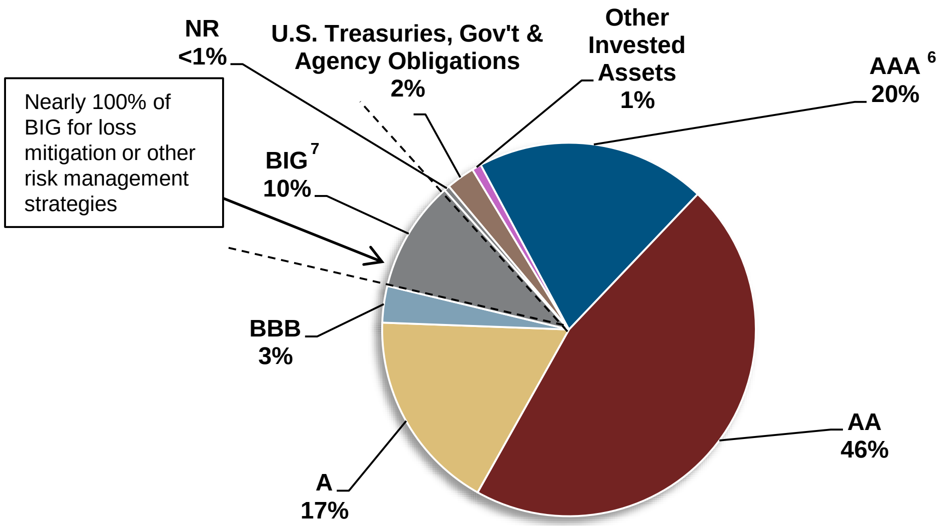
- **Since our acquisition of AGM in July 2009, group insured leverage as a multiple of claims-paying resources has declined by more than 50%**

AGL Consolidated
Investment Portfolio
Fair Value as of December 31, 2017

Total Invested Assets and Cash[1] By Category



Total Invested Assets and Cash[1,2] By Rating



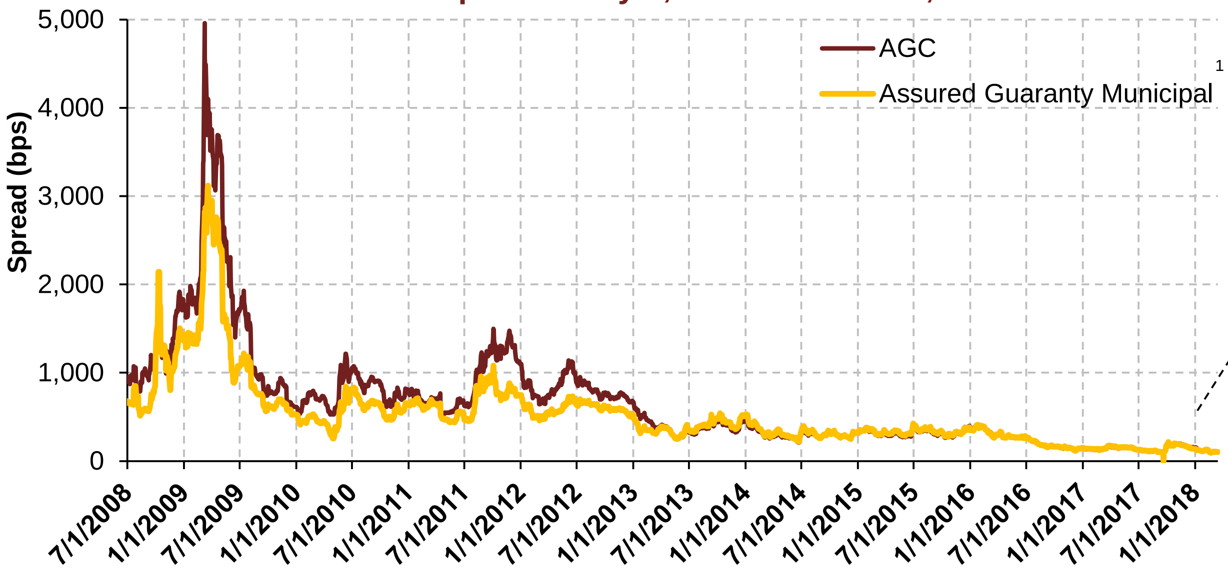
Total = $11.5 billion

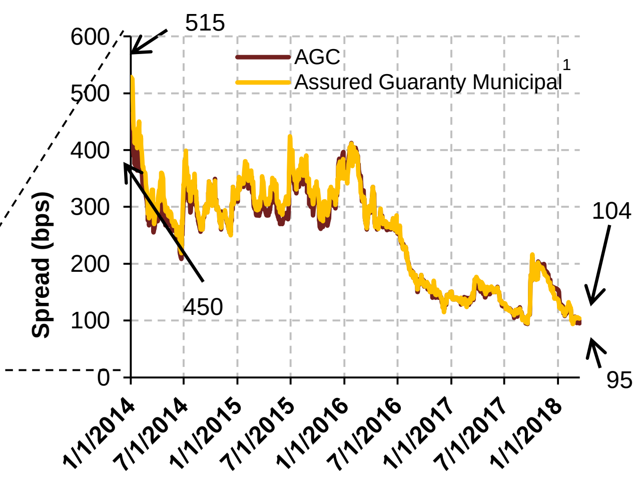
1. Includes fixed maturity securities, short-term investments, cash and Other Invested Assets.
2. Ratings are represented by the lower of the Moody's and S&P classifications except for securities purchased or obtained as part of loss mitigation or other risk management strategies, which use internal ratings classifications.
3. Included in the asset-backed category are securities purchased or obtained as part of loss mitigation or other risk management strategies with a fair value of $730 million. The remaining securities have a fair value of $166 million and an average rating of AAA.
4. Included in the mortgage-backed category are securities purchased or obtained as part of loss mitigation or other risk management strategies with a fair value of $333 million and agency-backed securities with a fair value of $556 million. The remaining securities have a fair value of $521 million and an average rating of AAA.
5. Included in the states & political subdivisions category are securities purchased or obtained as part of loss mitigation or other risk management strategies with a fair value of $77 million.
6. Included in the AAA category are short-term securities and cash.
7. Included in the BIG category are securities purchased or obtained as part of loss mitigation or other risk management strategies with a fair value of $1,093 million.

Credit Default Swap Spreads

- Movements in credit default swap (CDS) levels for Assured Guaranty Municipal[1] and AGC continue to be significantly affected by technical factors such as supply/demand imbalance and light trading volume
- The deterioration in the asset-backed securities market's pricing through first quarter 2009 expanded demand for CDS protection on Assured Guaranty Municipal[1] and AGC by fixed income holders of Assured Guaranty Municipal[1] and AGC insured paper as they sought to hedge exposure, thereby exacerbating the supply/demand imbalance
- Assured Guaranty Municipal[1] and AGC's 5-year CDS bid prices peaked in mid-March 2009 at 3,120 bps and 4,961 bps, respectively
- 5-year CDS levels for Assured Guaranty Municipal[1] and AGC have rallied considerably since March 2009 as a result of the improvement in general market fundamentals, the market's positive reaction to the July 2009 AGMH acquisition, our successes in loss mitigation, the deleveraging of our insured portfolio, and our record of positive operating results
- On March 15, 2018, the 5-year CDS levels for Assured Guaranty Municipal[1] and AGC were at 3 and 2 percent, respectively, of their mid-March 2009 levels
- Between January 1, 2014 and March 15, 2018, CDS levels for Assured Guaranty Municipal[1] and AGC came in by 80 and 79 percent, respectively, from their highs during this period. As of March 15, Assured Guaranty Municipal's[1] and AGC's CDS were at approximately 104 and 95, respectively.

CDS Spreads July 1, 2008 – March 15, 2018





Source: CMA – Represents end-of-day bid price for 5-year protection, modified restructuring credit event spreads at New York close.

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

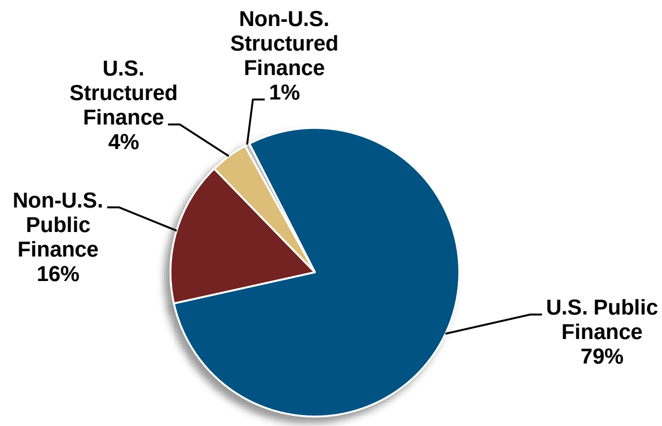
Assured Guaranty Ltd. Consolidated Insured Portfolio Overview

AGL Consolidated

Insured Portfolio

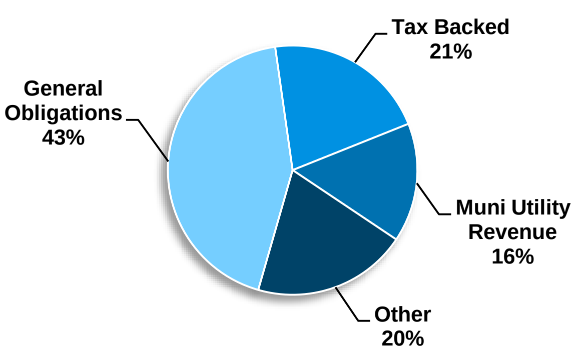
Net Par Outstanding as of December 31, 2017

Portfolio Diversification by Sector



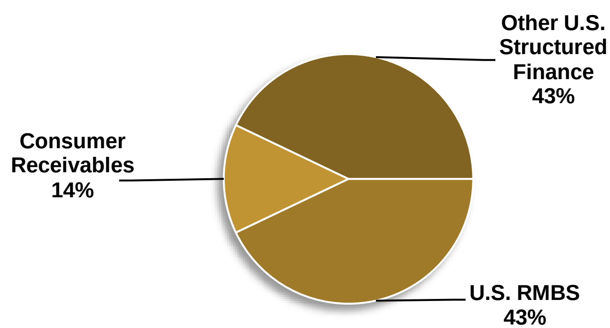
$265.0 billion[1,2]

U.S. Public Finance Portfolio



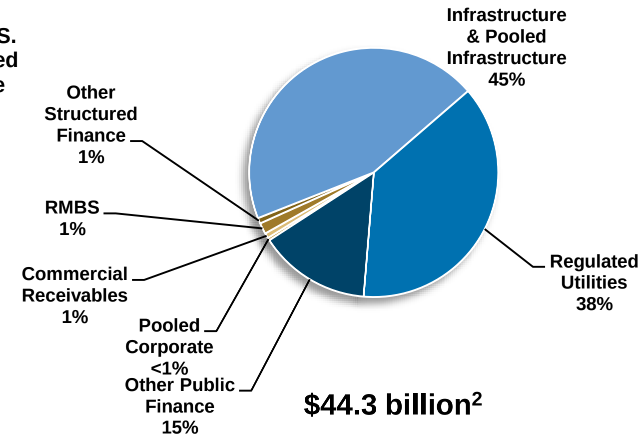
$209.4 billion[2]

U.S. Structured Finance Portfolio



$11.2 billion[1,2]

Non-U.S. Portfolios Public & Structured Finance

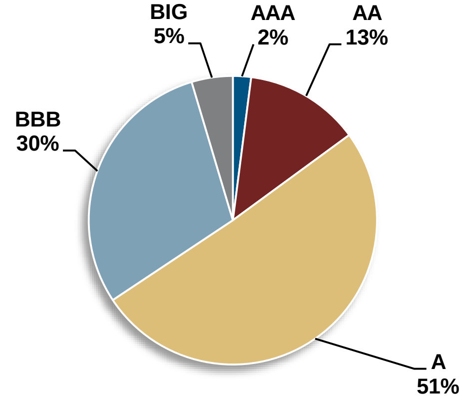


$44.3 billion[2]

1. Includes GICs. Please see the footnote on page 38.
2. Consolidated amounts include those of AG Re.

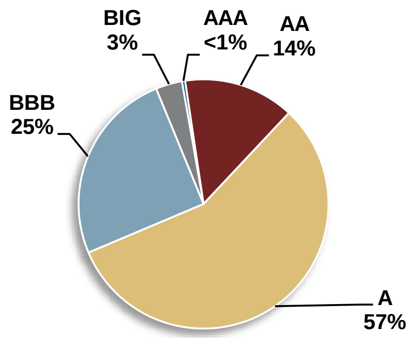
AGL Consolidated
Insured Portfolio Ratings
Net Par Outstanding as of December 31, 2017

Portfolio Diversification by Rating



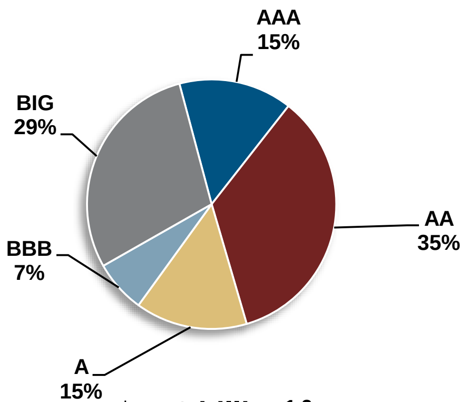
$265.0 billion[1,2]

U.S. Public Finance Portfolio



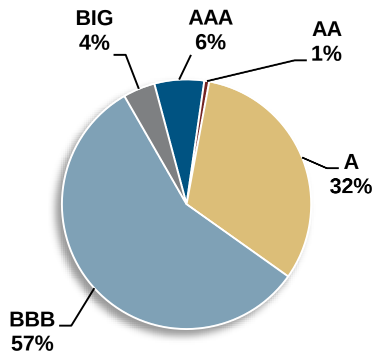
$209.4 billion[2]

U.S. Structured Finance Portfolio



$11.2 billion[1,2]

Non-U.S. Portfolios Public & Structured Finance



$44.3 billion[2]

1. Includes GICs. Please see the footnote on page 38.
2. Consolidated amounts include those of AG Re.

Public Finance
Puerto Rico Exposure

ASSURED GUARANTY

Par Exposure to the Commonwealth and its Agencies[1]

As of December 31, 2017

Category	($ in millions)	Net Par Outstanding [2]	Gross Par Outstanding
Commonwealth Constitutionally Guaranteed	Commonwealth of Puerto Rico - General Obligation Bonds [3]	$1,419	$1,469
	Puerto Rico Public Buildings Authority (PBA)	141	146
	Subtotal	**$1,560**	**$1,615**
Public Corporations – Certain Revenues Potentially Subject to Clawback	Puerto Rico Highways and Transportation Authority (PRHTA) (Transportation Revenue Bonds) [3]	$882	$913
	Puerto Rico Highways and Transportation Authority (PRHTA) (Highways Revenue Bonds) [3]	495	556
	Puerto Rico Convention Center District Authority (PRCCDA)	152	152
	Puerto Rico Infrastructure Financing Agency (PRIFA)	18	18
	Subtotal	**$1,547**	**$1,639**
Other Public Corporations	Puerto Rico Electric Power Authority (PREPA) [3]	853	870
	Puerto Rico Aqueduct and Sewer Authority (PRASA) [4]	373	373
	Puerto Rico Municipal Finance Agency (MFA) [4]	360	416
	Puerto Rico Sales Tax Finance Corp. (COFINA) [3]	272	272
	University of Puerto Rico (U of PR)[4]	1	1
	Subtotal	**$1,859**	**$1,932**
	Total	**$4,966**	**$5,186**

1. The general obligation bonds of Puerto Rico and various obligations of its related authorities and public corporations are rated BIG. The December 31, 2017 amounts include $389 million (which is comprised of $36 million General Obligation Bonds, $134 million of PREPA; $144 million PRHTA (Highways revenue), and $75 million of MFA) related to the commutations, during 2017, of previously ceded business.
2. Includes exposure to Capital Appreciation Bonds with a current aggregate net par outstanding of $26 million and a fully accreted net par at maturity of $56 million. Of these amounts, current net par of $20 million and fully accreted net par at maturity of $50 million relate to COFINA, current net par of $4 million and fully accreted net par at maturity of $4 million relate to the PRHTA, and current net par of $2 million and fully accreted net par at maturity of $2 million relate to the Commonwealth General Obligation Bonds.
3. As of the date of the Company's 2017 10-K filing, the seven-member federal 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 credits.
4. As of the date of the Company's 2017 10-K filing, the Company has **not** paid claims on these credits.

Scheduled Net Par Amortization of Exposure to the Commonwealth and its Agencies[1]

As of December 31, 2017

($ in millions)	1Q 2018	2Q 2018	3Q 2018	4Q 2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028-2032	2033-2037	2038-2042	2043-2047	Total
Commonwealth – GO	$0	$0	$78	$0	$87	$141	$15	$37	$14	$73	$68	$34	$90	$215	$567	$-	$-	**$1,419**
PBA	-	-	-	-	3	5	13	0	6	0	7	11	40	16	40	-	-	**141**
Subtotal	**$0**	**$0**	**$78**	**$0**	**$90**	**$146**	**$28**	**$37**	**$20**	**$73**	**$75**	**$45**	**$130**	**$231**	**$607**	**$-**	**$-**	**$1,560**
PRHTA (Transportation Revenue)	$0	$0	$38	$-	$32	$25	$18	$28	$34	$4	$29	$24	$29	$157	$279	$185	$-	**882**
PRHTA (Highways Revenue)	-	-	20	-	21	22	35	6	32	33	34	1	-	112	179	-	-	**495**
PRCCDA	-	-	-	-	-	-	-	-	-	-	-	-	19	24	109	-	-	**152**
PRIFA	-	-	2	-	-	-	-	-	2	-	-	-	-	-	-	14	-	**18**
Subtotal	**$0**	**$0**	**$60**	**$-**	**$53**	**$47**	**$53**	**$34**	**$68**	**$37**	**$63**	**$25**	**$48**	**$293**	**$567**	**$199**	**$-**	**$1,547**
PREPA	$-	$-	$5	$-	$26	$48	$28	$28	$95	$93	$68	$106	$105	$238	$13	$-	$-	**$853**
PRASA	-	-	-	-	-	-	-	-	-	2	25	26	28	29	-	2	261	**373**
MFA	-	-	57	-	55	45	40	40	22	17	17	34	12	21	-	-	-	**360**
COFINA	0	0	0	0	(1)	(1)	(2)	(2)	1	0	(2)	(2)	(2)	(1)	30	252	2	**272**
U of PR	-	-	0	-	0	0	0	0	0	0	0	0	0	1	0	-	-	**1**
Subtotal	**$0**	**$0**	**$62**	**$0**	**$80**	**$92**	**$66**	**$66**	**$118**	**$112**	**$108**	**$164**	**$143**	**$288**	**$43**	**$254**	**$263**	**$1,859**
Total	**$0**	**$0**	**$200**	**$0**	**$223**	**$285**	**$147**	**$137**	**$206**	**$222**	**$246**	**$234**	**$321**	**$812**	**$1,217**	**$453**	**$263**	**$4,966**

1. Includes exposure to Capital Appreciation Bonds with a current aggregate net par outstanding of $26 million and a fully accreted net par at maturity of $56 million. Of these amounts, current net par of $20 million and fully accreted net par at maturity of $50 million relate to COFINA, current net par of $4 million and fully accreted net par at maturity of $4 million relate to the PRHTA, and current net par of $2 million and fully accreted net par at maturity of $2 million relate to the Commonwealth General Obligation Bonds.

Public Finance
Puerto Rico Exposure

Scheduled Net Debt Service Amortization of Exposure to the Commonwealth and its Agencies[1]

As of December 31, 2017

($ in millions)	1Q 2018	2Q 2018	3Q 2018	4Q 2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028-2032	2033-2037	2038-2042	2043-2047	Total
[redacted]																		
Commonwealth – GO	$37	$0	$114	$0	$156	$206	$74	$94	$71	$128	$119	$82	$136	$396	$649	$-	$-	**$2,262**
PBA	4	-	4	-	10	12	20	6	13	6	12	17	45	30	45	-	-	**224**
Subtotal	**$41**	**$0**	**$118**	**$0**	**$166**	**$218**	**$94**	**$100**	**$84**	**$134**	**$131**	**$99**	**$181**	**$426**	**$694**	**$-**	**$-**	**$2,486**
[redacted]																		
PRHTA (Transportation Revenue)	$23	$0	$61	$-	$76	$67	$59	$68	$72	$41	$66	$59	$63	$300	$372	$210	$-	**$1,537**
PRHTA (Highways Revenue)	13	-	33	-	47	46	58	27	52	51	51	17	15	182	203	-	-	**795**
PRCCDA	3	-	3	-	7	7	7	7	7	7	7	7	26	55	121	-	-	**264**
PRIFA	0	-	2	-	1	1	1	1	2	1	1	1	1	4	3	16	-	**35**
Subtotal	**$39**	**$0**	**$99**	**$-**	**$131**	**$121**	**$125**	**$103**	**$133**	**$100**	**$125**	**$84**	**$105**	**$541**	**$699**	**$226**	**$-**	**$2,631**
[redacted]																		
PREPA	$18	$3	$22	$3	$65	$87	$63	$62	$128	$121	$91	$126	$122	$273	$15	$-	$-	**$1,199**
PRASA	10	-	10	-	19	19	19	19	19	21	44	44	44	99	68	69	314	**818**
MFA	9	-	67	-	70	58	50	48	28	23	21	37	14	22	-	-	-	**447**
COFINA	6	0	6	0	13	13	13	13	16	15	13	13	13	74	96	307	2	**613**
U of PR	0	-	0	-	0	0	0	0	0	0	0	0	0	1	0	-	-	**1**
Subtotal	**$43**	**$3**	**$105**	**$3**	**$167**	**$177**	**$145**	**$142**	**$191**	**$180**	**$169**	**$220**	**$193**	**$469**	**$179**	**$376**	**$316**	**$3,078**
Total	**$123**	**$3**	**$322**	**$3**	**$464**	**$516**	**$364**	**$345**	**$408**	**$414**	**$425**	**$403**	**$479**	**$1,436**	**$1,572**	**$602**	**$316**	**$8,195**

1. Includes exposure to Capital Appreciation Bonds with a current aggregate net par outstanding of $26 million and a fully accreted net par at maturity of $56 million. Of these amounts, current net par of $20 million and fully accreted net par at maturity of $50 million relate to COFINA, current net par of $4 million and fully accreted net par at maturity of $4 million relate to the PRHTA, and current net par of $2 million and fully accreted net par at maturity of $2 million relate to the Commonwealth General Obligation Bonds.

AGL Consolidated
Detroit & Stockton Exposure

Details of Assured Guaranty’s Exposure to Detroit

- **Municipal utilities exposure is $432 million of water revenue bonds and $1.0 billion of sewer revenue bonds. Both the water and sewer systems provide services to areas that extend significantly beyond the City of Detroit boundaries.**

- **General obligation unlimited tax exposure has been resolved**
  - In 3Q-14, the settlement between the Company and City of Detroit regarding unlimited tax general obligation bonds was finalized. In December 2014, the City’s plan of adjustment, which includes the terms of such settlement, became effective. At that time, investors exchanged 84.5% of the original general obligation bonds for newly issued bonds that are basically identical to the original bonds except that they have the benefit of additional pledged security and are issued by the Michigan Finance Authority. The remaining 15.5% of the general obligation bonds will be repaid solely by Assured Guaranty. After giving effect to post-petition payments made by Assured Guaranty on the general obligation bonds, the settlement results in an ultimate recovery to Assured Guaranty of approximately 74%.

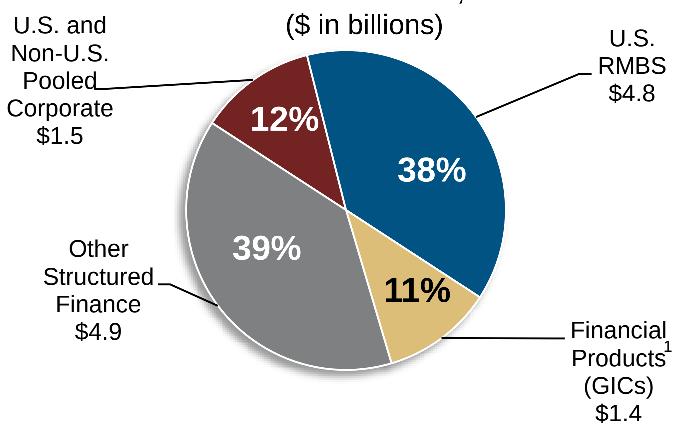
Details of Assured Guaranty’s Exposure to Stockton

- **Net par exposure to Stockton is $113 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.**

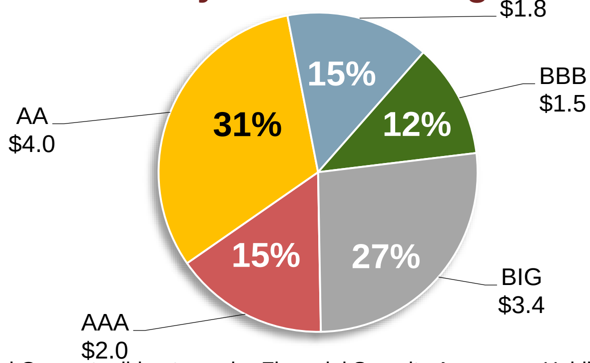
Structured Finance Exposures
Net Par Outstanding

By Type
As of December 31, 2017
($ in billions)



$12.6 billion, A- average rating

By Internal Rating



- **Assured Guaranty's total structured finance exposure of $240.9 billion at December 31, 2007 has declined by $228.3 billion to $12.6 billion through December 31, 2017, a 95% reduction**
- **We expect Assured Guaranty's current global structured finance insured portfolio to amortize more rapidly than our public finance portfolio**
  - 11% expected to amortize by the end of 2018 and 23% by the end of 2019
  - Since YE 2016, nearly 50% of our structured finance portfolio has amortized, including 87% of global pooled corporate obligations

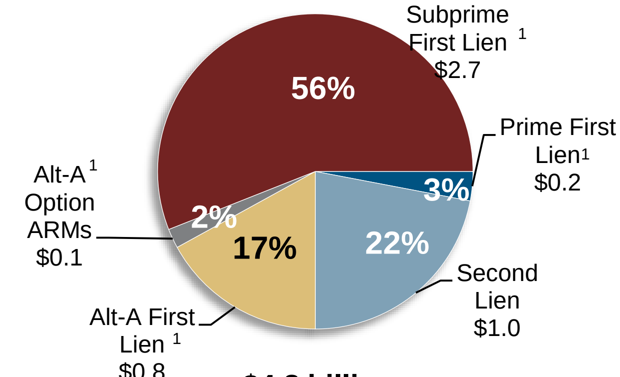
1. Assured Guaranty did not acquire Financial Security Assurance Holdings Ltd.'s financial products segment. Assured Guaranty and its subsidiaries are indemnified against exposure to such segment by Dexia. As of December 31, 2017, the aggregate fair market value of the assets supporting the GIC business (disregarding the agreed upon reductions) plus cash and positive derivative value exceeded by nearly $0.7 billion the aggregate principal amount of all outstanding GICs and certain other business and hedging costs of the GIC business. Even after applying the agreed upon reductions to the fair market value of the assets, the aggregate value of the assets supporting the GIC business plus cash and positive derivative value exceeded the aggregate principal amount of all outstanding GICs and certain other business and hedging costs of the GIC business.

Consolidated U.S. RMBS

- **Our $4.8 billion U.S. RMBS portfolio is amortizing both on a dollar basis and as a percentage of the portfolio**
  - Total U.S. RMBS has declined from $29.2 billion at December 31, 2009 to $4.8 billion at December 31, 2017, a $24.4 billion or 84% reduction
  - U.S. RMBS expected to be reduced by 17% by year-end 2018 and by 66% by year-end 2022
  - As of December 31, 2017, U.S. RMBS exposure excludes $1.1 billion of net par related to loss mitigation strategies, including loss mitigation securities held in the investment portfolio
- **Our loss reserving methodology is driven by our assumptions on several factors:**
  - Liquidation rates
  - Conditional default rates
  - Conditional prepayment rates
  - Loss severity
- **We have significantly mitigated ultimate losses**
  - R&W putbacks, litigation and agreements
  - Wrapped bond purchases
  - Termination of insurance on BIG credits

U.S. RMBS by Exposure Type

As of December 31, 2017
($ in billions)

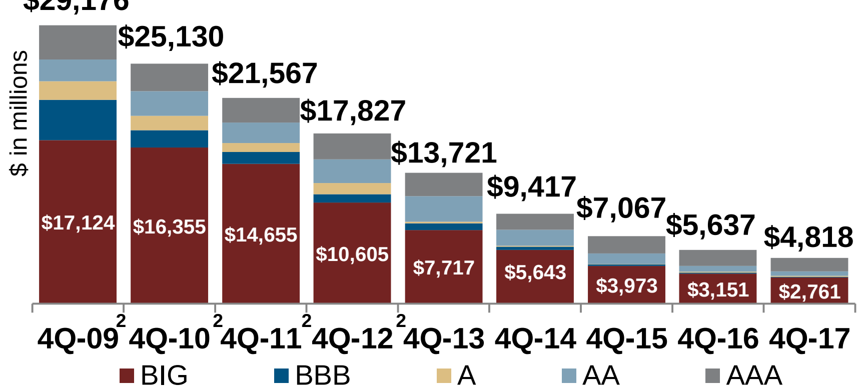


$4.8 billion

(1.8% of total net par outstanding)

U.S. RMBS by Rating

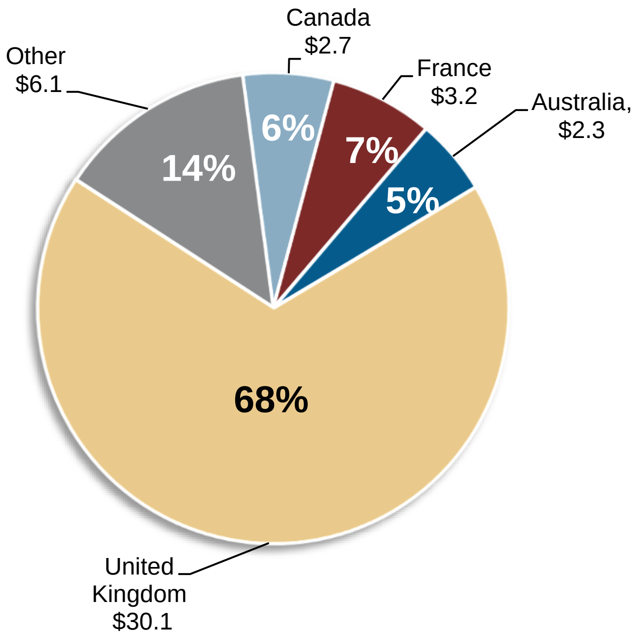
Net Par Outstanding from December 31, 2009 to December 31, 2017



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

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

Non-U.S. Exposure
As of December 31, 2017
($ in billions)



$44.3 billion, BBB+ average rating

- **97% of non-U.S. exposure is Public Finance**
  - Direct sovereign debt is limited to Poland ($274 million outstanding)
- **3% of non-U.S. exposure is Structured Finance**

ASSURED GUARANTY®

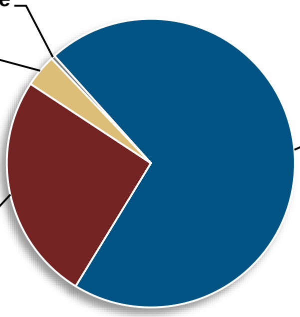
AGM Portfolio Review

Eiffage CEVM / Foster + Partners / Jean-Pierre Lescourret

AGM[1]

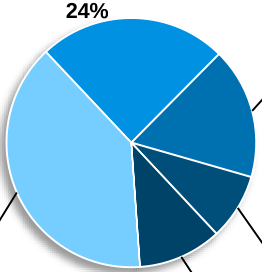
Insured Portfolio
Net Par Outstanding as of December 31, 2017

Portfolio Diversification by Sector



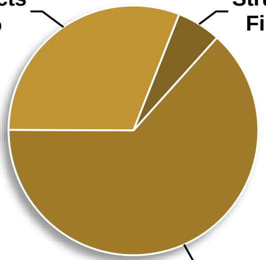
$126.1 billion[2]

U.S. Public Finance Portfolio



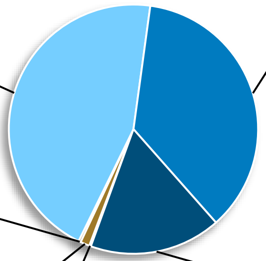
$88.8 billion

U.S. Structured Finance Portfolio



$4.6 billion

Non-U.S. Portfolios Public & Structured Finance



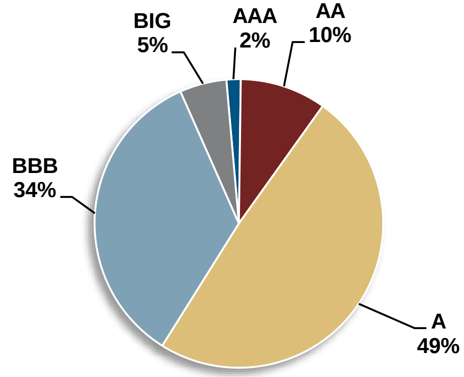
$32.7 billion

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

AGM[1]

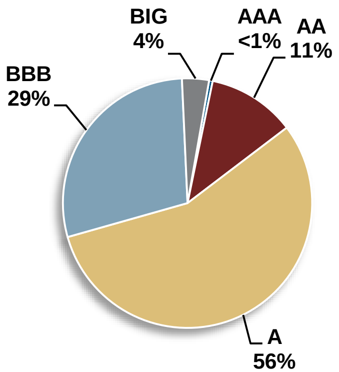
Insured Portfolio Ratings
Net Par Outstanding as of December 31, 2017

Portfolio Diversification by Rating



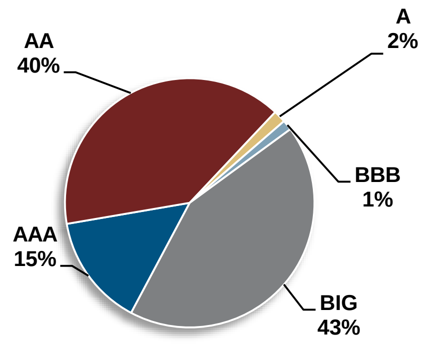
$126.1 billion[2]

U.S. Public Finance Portfolio



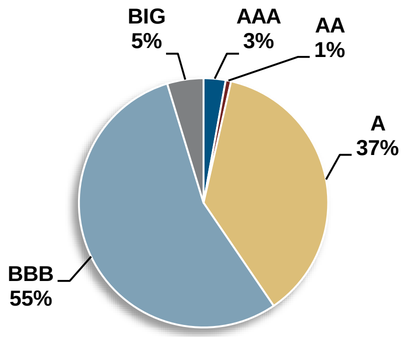
$88.8 billion

U.S. Structured Finance Portfolio



$4.6 billion[2]

Non-U.S. Portfolios
Public & Structured Finance



$32.7 billion

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

AGM[1]
Insured Portfolio
Net Par Outstanding as of December 31, 2017

Net Par Outstanding By Asset Type
($ in millions)

	Net Par Outstanding	Avg. Internal Rating
U.S. public finance:		
General obligation	$ 34,718	A-
Tax backed	21,653	A-
Municipal utilities	15,139	A-
Transportation	7,622	A-
Healthcare	4,391	A
Higher education	2,918	A
Infrastructure finance	1,092	BBB
Housing revenue	798	BBB+
Other public finance[2]	425	A
Total U.S. public finance	88,756	A-
Non-U.S. public finance:		
Infrastructure finance	14,687	BBB
Regulated utilities	11,881	BBB+
Other public finance	5,584	A
Total non-U.S. public finance	32,152	BBB+
Total public finance	**$ 120,908**	**A-**

	Net Par Outstanding	Avg. Internal Rating
U.S. structured finance:		
RMBS	$ 2,908	BB
Financial products[4]	1,418	AA-
Consumer receivables	95	B+
Pooled corporate obligations	24	AAA
Commercial receivables	23	BBB-
Other structured finance[3]	119	A+
Total U.S. structured finance	4,587	BBB
Non-U.S. structured finance:		
RMBS	390	BBB
Pooled corporate obligations	72	BBB+
Other structured finance	95	AAA
Total non-U.S. structured finance	557	A-
Total structured finance	**$ 5,144**	**BBB**
Total net par outstanding	**$ 126,052**	**A-**

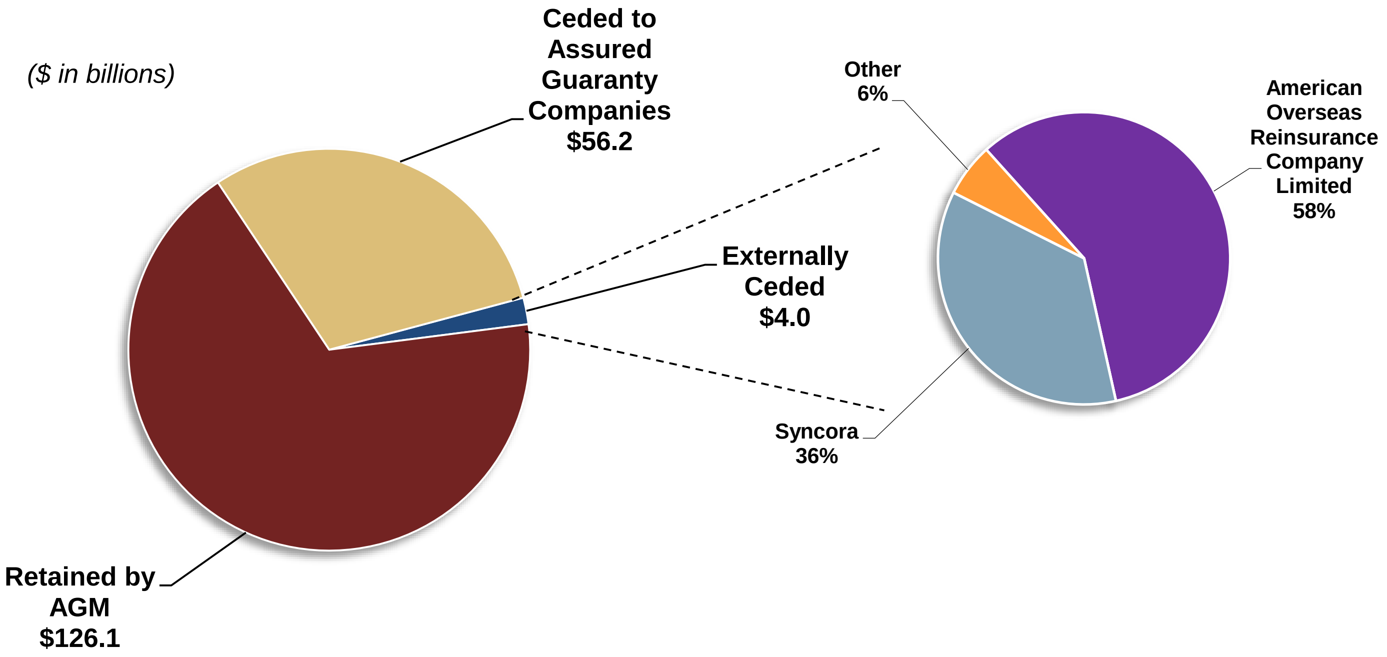
1. Please see page 3 for a definition of this convention.
2. Includes investor-owned utilities.
3. Includes insurance securitization.
4. Includes GICs. Please see the footnote on page 38.

Reinsurance

AGM[1] Has Ceded 2% of Its Gross Insured Portfolio to Several Non-Affiliated Reinsurers and Other Monolines

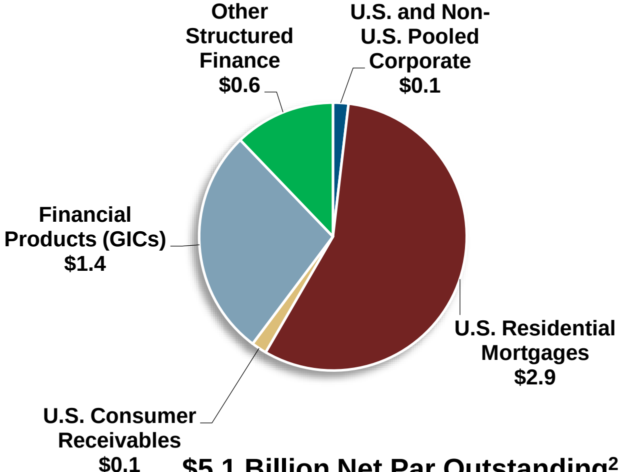
AGM's[1] Total Gross Par Outstanding: $186.2 billion
As of December 31, 2017

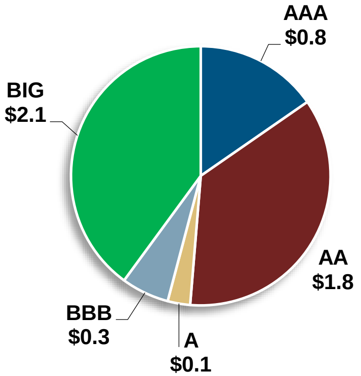
Externally Ceded Par Outstanding: $4.0 billion (2%)
As of December 31, 2017



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

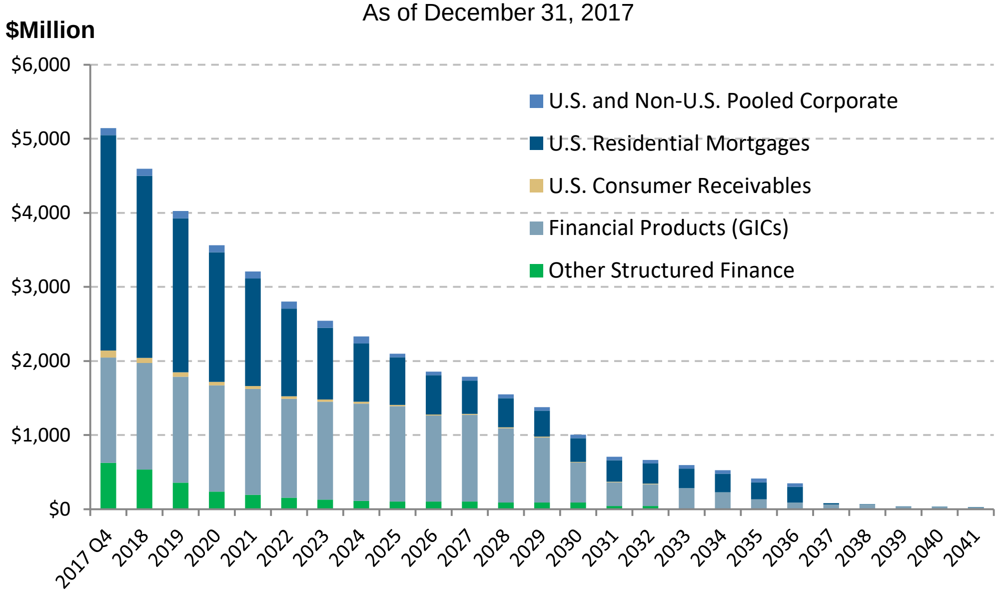
AGM[1] Amortization of Global Insured Structured Finance Portfolio





$5.1 Billion Net Par Outstanding[2]

As of December 31, 2017



- We expect AGM's legacy global structured finance insured portfolio ($5.1 billion as of December 31, 2017 versus $127.3 billion as of September 30, 2008) to run off rapidly – 11% by year-end 2018 and 31% by year-end 2020.[1]
  - $3.0 billion in U.S. RMBS expected to be reduced by 16% by year-end 2018 and by 40% by year-end 2020
  - $95 million in U.S. consumer receivable obligations expected to be reduced by 24% by year-end 2018 and by 49% by year-end 2020
  - $0.6 billion in other structured finance (excluding FP) expected to be reduced by 14% by year-end 2018 and by 62% by year-end 2020
- Former FP business not part of Assured Guaranty's purchase; we are indemnified against exposure to the FP business by Dexia.

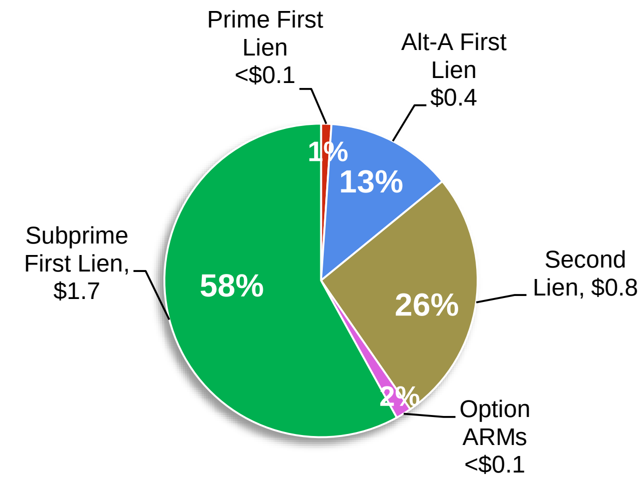
1. Please see page 3 for a definition of this convention.
2. Please see footnote 3 on page 12.
3. Please see the footnote on page 38.

AGM[1] U.S. RMBS Exposure

- **AGM's[1] U.S. RMBS portfolio is amortizing on an absolute basis and has declined as a percentage of the portfolio**
  - $2.9 billion net par outstanding versus $17.1 billion at year-end 2008, a decrease of 83%
  - 2.3% 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

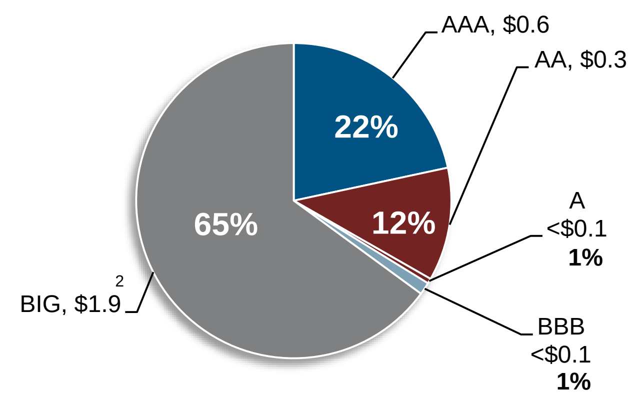
By Type

As of December 31, 2017
($ in billions)



$2.9 billion, 2.3% of net par outstanding

By Rating



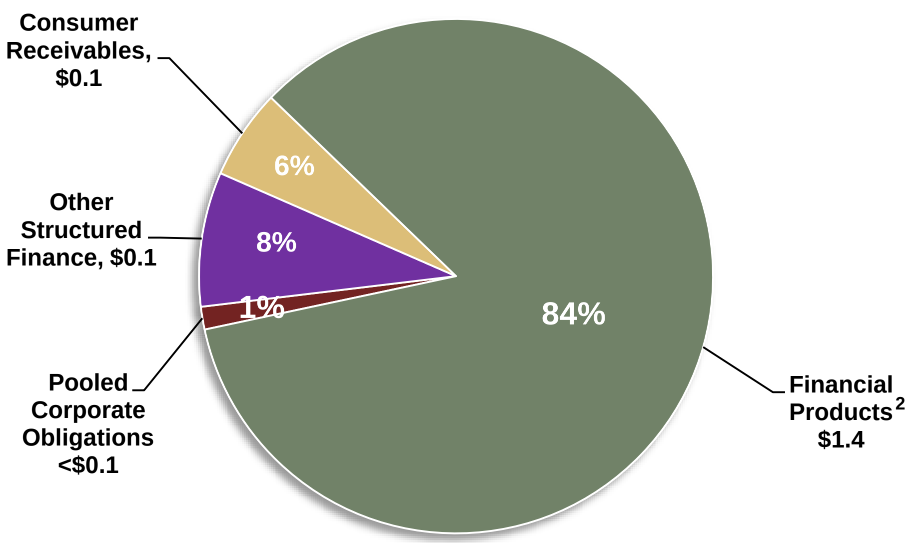
1. Please see page 3 for a definition of this convention.
2. Please see footnote 1 on page 39.

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

- **Non-RMBS U.S. structured finance credit experience has been generally strong given the economic stress caused by the financial crisis**
- **AGM's non-RMBS U.S. structured finance portfolio has declined from $59.8 billion in 2009 to $1.7 billion at the end of 2017**
  - Excluding financial products, AGM's non-RMBS U.S. structured finance portfolio has declined from $49.5 in 2009 to $0.3 billion at the end of 2017

U.S. Non-RMBS Structured Finance

As of December 31, 2017
($ in billions)



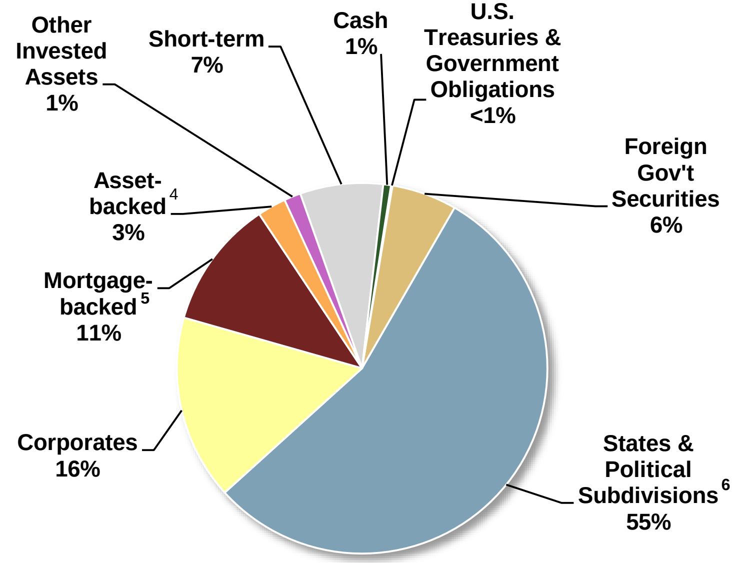
$1.7 billion net par outstanding

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

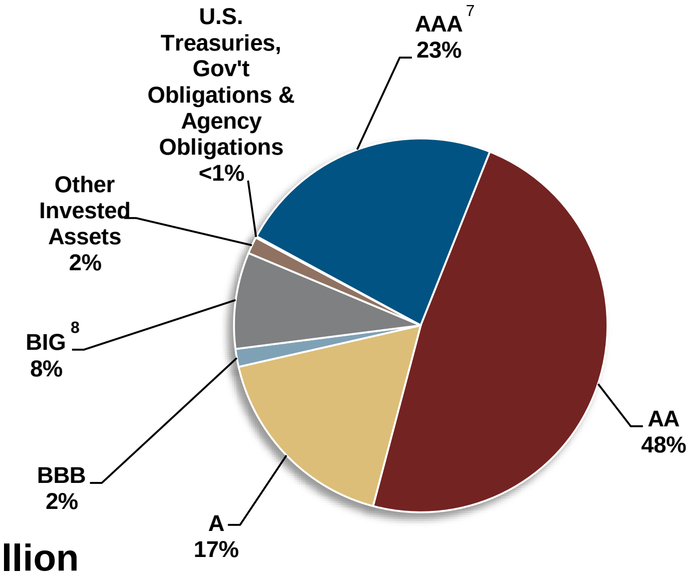
AGM[1]

Investment Portfolio
Fair Value as of December 31, 2017

Total Invested Assets and Cash[2] By Category



Total Invested Assets and Cash[2,3] By Rating



Total = $5.3 billion

1. Please see page 3 for a definition of this convention and the appendix for a reconciliation to the corresponding GAAP value.
2. Includes fixed maturity securities, short-term investments, cash and Other Invested Assets.
3. Ratings are represented by the lower of the Moody's and S&P classifications except for securities purchased or obtained as part of loss mitigation or other risk management strategies, which use internal ratings classifications.
4. Included in the asset-backed category are securities purchased or obtained as part of loss mitigation or other risk management strategies with a fair value of $59 million.
5. Included in the mortgage-backed category are securities purchased or obtained as part of loss mitigation or other risk management strategies with a fair value of $300 million and agency-backed securities with a fair value of $73 million. The remaining securities have a fair value of approximately $229 million and an average rating of AAA.
6. Included in the states & political subdivisions category are securities purchased or obtained as part of loss mitigation or other risk management strategies with a fair value of $21 million.
7. Included in the AAA category are short-term securities and cash.
8. Included in the BIG category are securities purchased or obtained as part of loss mitigation or other risk management strategies with a fair value of $447 million.

AGM Expected Loss and LAE to Be Paid
As of December 31, 2017

ASSURED GUARANTY

($ in millions)

Rollforward of Net Expected Loss and LAE to be Paid[1] for the Three Months Ended December 31, 2017

	Net Expected Loss to be Paid (Recovered) as of September 30, 2017	Economic Loss Development During 4Q-17	(Paid) Recovered Losses During 4Q-17	Net Expected Loss to be Paid (Recovered) as of December 31, 2017
Public Finance:				
U.S. public finance	$431	$56	$(5)	$482
Non-U.S. public finance	37	(1)	0	36
Public Finance:	468	55	(5)	518
Structured Finance				
U.S. RMBS[2]	147	11	5	163
Other structure finance	16	(1)	0	15
Structured Finance:	163	10	5	178
Total	**$631**	**$65**	**$0**	**$696**

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 2017 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).
2. Includes future net R&W recoverable (payable) of $(35) million as of September 30, 2017 and $(25) million as of December 31, 2017.

AGM Expected Loss and LAE to Be Paid
As of December 31, 2017

($ in millions)

Rollforward of Net Expected Loss and LAE to be Paid[1] for the Year Ended December 31, 2017[3,4]

	Net Expected Loss to be Paid (Recovered) as of Dec 31, 2016	Net Expected Loss to be Paid on AGLN as of Jan 10, 2017	Economic Loss Development During 2017	(Paid) Recovered Losses During 2017	Net Expected Loss to be Paid (Recovered) as of Dec 31, 2017
Public Finance:					
U.S. public finance	$323	—	$244	$(85)	$482
Non-U.S. public finance	22	13	(4)	5	36
Public Finance:	345	13	240	(80)	518
Structured Finance					
U.S. RMBS[2]	147	—	(24)	40	163
Other structure finance	29	8	(19)	(3)	15
Structured Finance:	176	8	(43)	37	178
Total	**$521**	**$21**	**$197**	**$(43)**	**$696**

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 2017 AGL Form 10-K for a complete discussion of the accounting policy for financial guaranty insurance and credit derivative contracts.

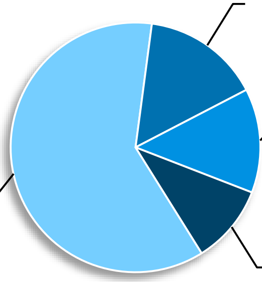
1. Includes expected loss to be paid, economic loss development and paid (recovered) losses for all contracts (i.e. those accounted for as insurance, credit derivatives and FG VIEs).
2. Includes future net R&W recoverable (payable) of $(41) million as of December 30, 2016 and $(25) million as of December 31, 2017.
3. Includes effect of retrospective combination adjustments.
4. On June 26, 2017, AGM purchased AGUK plc, AGLN plc and CIFG Europe (together "European subsidiaries") from its affiliate AGC. As a result of this common control acquisition, the disclosures for all periods prior to Jun 26, 2017 were retrospectively adjusted, as applicable, to reflect the combination of AGM and the European subsidiaries as if the combinations had been in effect from the date common control began for each of the European subsidiaries.

Municipal Assurance Corp.
Portfolio Review

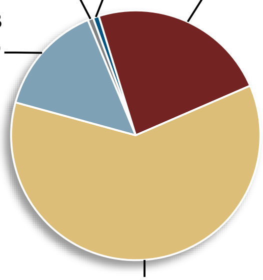
MAC
Insured Portfolio (100% U.S. Public Finance)
Net Par Outstanding as of December 31, 2017

ASSURED GUARANTY®

Portfolio Diversification by Sector



Portfolio Diversification by Rating



$41.5 billion

Net Par Outstanding By Asset Type
($ in millions)

	Net Par Outstanding		Avg. Internal Rating
U.S. public finance:			
General obligation	$	25,306	A
Municipal utilities		6,341	A
Tax backed		5,602	A+
Transportation		1,906	A-
Higher Education		1,760	A
Housing revenue		118	A+
Other public finance		460	A
Total U.S. public finance	**$**	**41,493**	**A**

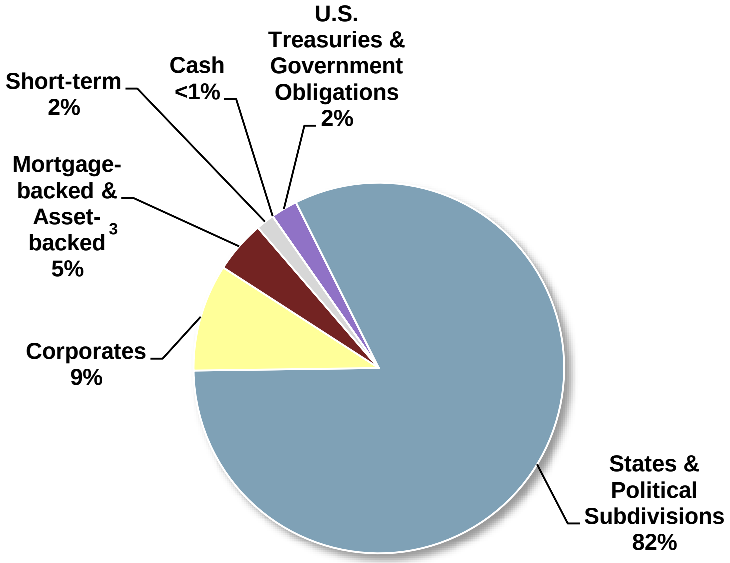
1. A total of $297 million net par outstanding; consists of 18 revenue sources rated in the BB and B categories.

Net Par Outstanding By State
($ in millions)

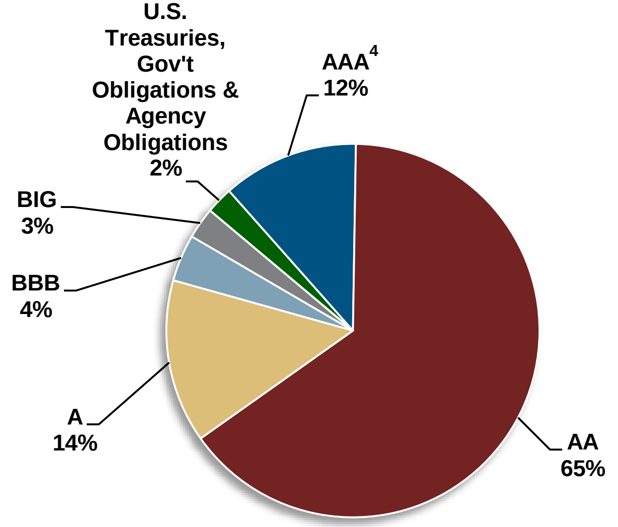
	Net Par Outstanding		% of Total
California	$	7,652	18.4%
Texas		4,874	11.7
Pennsylvania		3,248	7.8
Illinois		3,126	7.5
New York		2,689	6.5
New Jersey		1,783	4.3
Florida		1,608	3.9
Michigan		1,391	3.4
Ohio		1,191	2.9
Alabama		1,047	2.5
Other		12,884	31.1
Total U.S. public finance	**$**	**41,493**	**100.0%**

MAC
Investment Portfolio
Fair Value as of December 31, 2017

Total Invested Assets and Cash[1] By Category



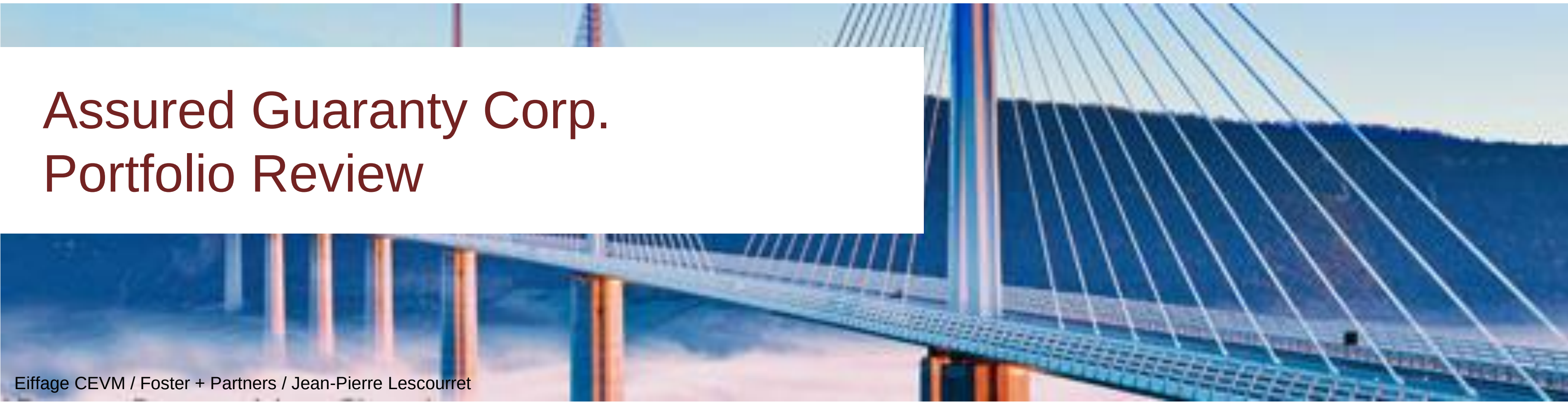
Total Invested Assets and Cash[1,2] By Rating



Total = $0.8 billion

1. Includes fixed maturity securities, short-term investments and cash.
2. Ratings are represented by the lower of the Moody's and S&P classifications.
3. Included in the mortgage-backed category are agency-backed securities with a fair value of $9 million. The remaining securities have a fair value of $28 million and an average rating of AAA.
4. Included in the AAA category are short-term securities and cash.

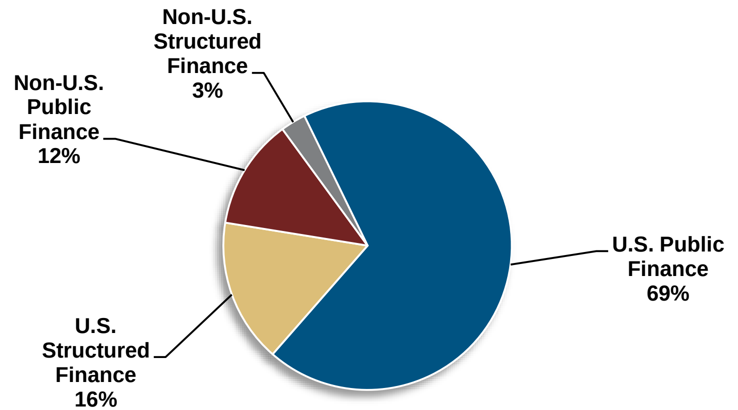
Assured Guaranty Corp.
Portfolio Review



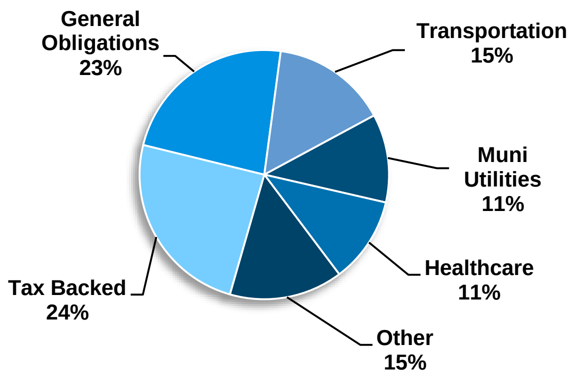
Eiffage CEVM / Foster + Partners / Jean-Pierre Lescourret

AGC
Insured Portfolio
Net Par Outstanding as of December 31, 2017

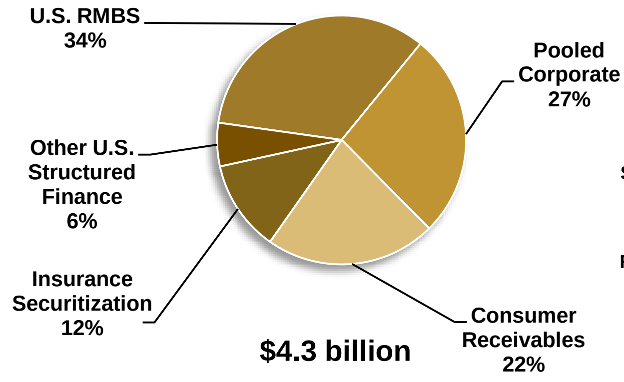
Portfolio Diversification by Sector



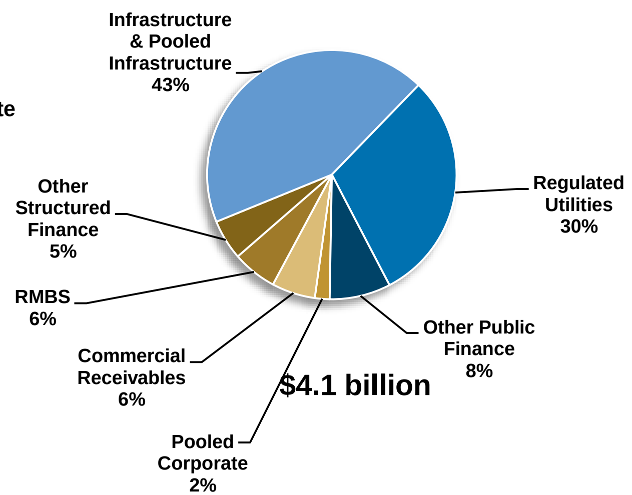
U.S. Public Finance Portfolio



U.S. Structured Finance Portfolio

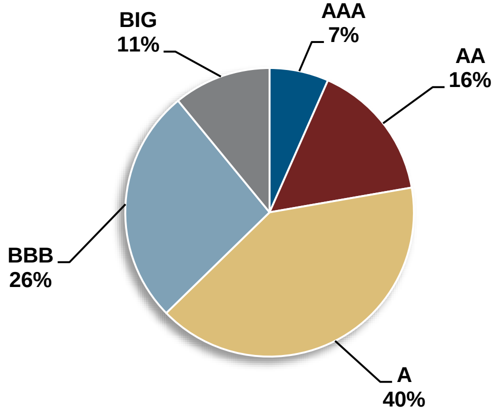


Non-U.S. Portfolios
Public & Structured Finance



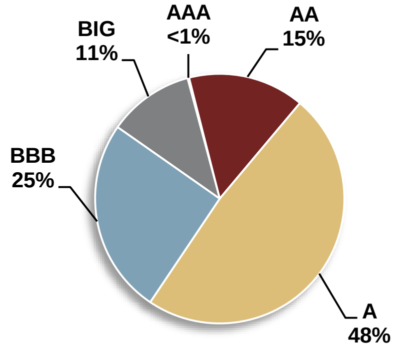
AGC
Insured Portfolio Ratings
Net Par Outstanding as of December 31, 2017

Portfolio Diversification by Rating



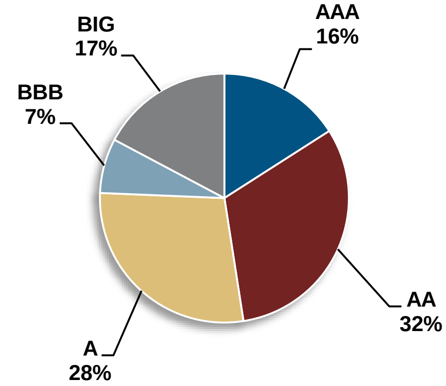
$26.8 billion

U.S. Public Finance Portfolio



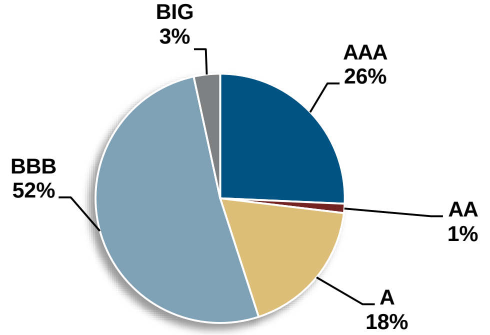
$18.4 billion

U.S. Structured Finance Portfolio



$4.3 billion

Non-U.S. Portfolios Public & Structured Finance



$4.1 billion

Net Par Outstanding By Asset Type

($ in millions)

	Net Par Outstanding	Avg. Internal Rating
U.S. public finance:		
Tax backed	$ 4,480	BBB-
General obligation	4,276	BBB+
Transportation	2,759	A-
Municipal utilities	2,107	BBB+
Healthcare	2,048	A
Infrastructure finance	1,072	A-
Higher education	785	A-
Investor-owned utilities	246	A-
Housing revenue	96	BBB
Other public finance	502	A-
Total U.S. public finance	18,371	BBB+
Non-U.S. public finance:		
Regulated utilities	1,227	BBB+
Infrastructure finance	989	BBB
Pooled infrastructure	780	AAA
Other public finance	323	A-
Total non-U.S. public finance	3,319	A
Total public finance	**$ 21,690**	**BBB+**

	Net Par Outstanding	Avg. Internal Rating
U.S. structured finance:		
RMBS	$ 1,452	A-
Pooled corporate obligations	1,149	A
Consumer receivables	955	A
Insurance securitization	510	AA
Commercial receivables	65	BBB+
Other structured finance[1]	178	BBB+
Total U.S. structured finance	4,309	A
Non-U.S. structured finance:		
Commercial receivables	235	A
RMBS	230	AA-
Pooled corporate obligations	78	AA+
Other structured finance	213	BBB+
Total non-U.S. structured finance	756	A
Total structured finance	**$ 5,065**	**A**
Total net par outstanding	**$ 26,755**	**A-**

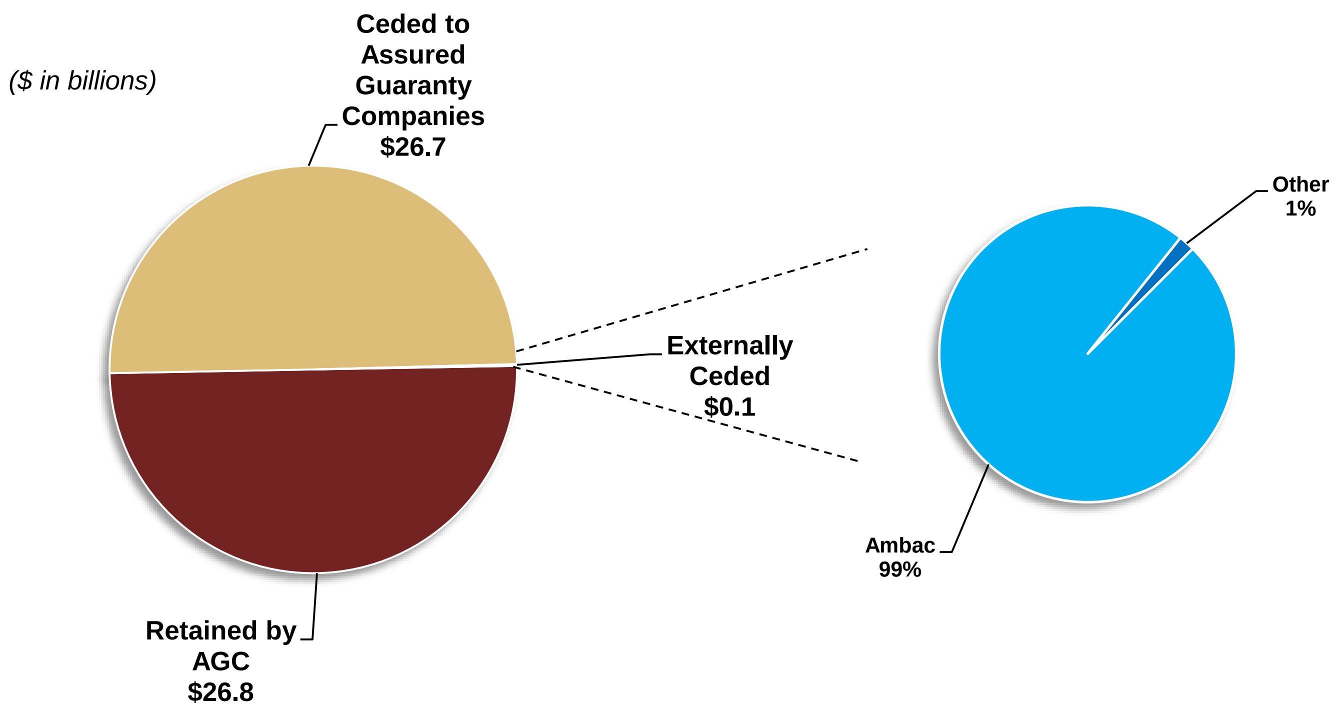
1. Includes Structured Credit

Reinsurance

AGC Has Ceded 0.1% of Its Gross Insured Portfolio to Several Non-Affiliated Reinsurers and Other Monolines

AGC's Total Gross Par Outstanding: $53.6 billion
As of December 31, 2017

Externally Ceded Par Outstanding: $0.1 billion (0.1%)
As of December 31, 2017

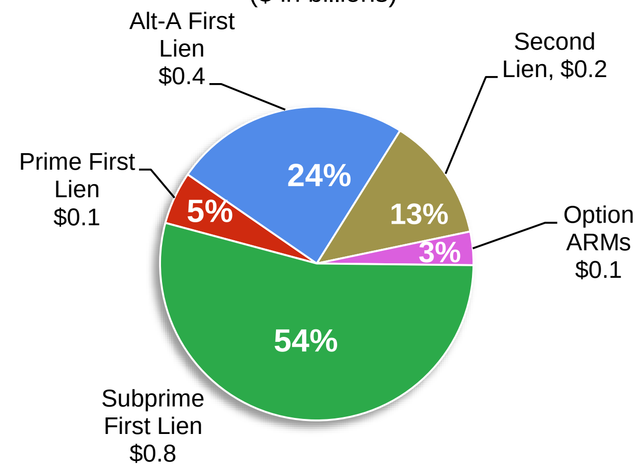


AGC U.S. RMBS Exposure

- **AGC's U.S. RMBS portfolio is amortizing on an absolute basis and has declined as a percentage of the portfolio**
  - $1.5 billion versus $13.4 billion at year-end 2007, a decrease of 89%
  - 5.4% 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

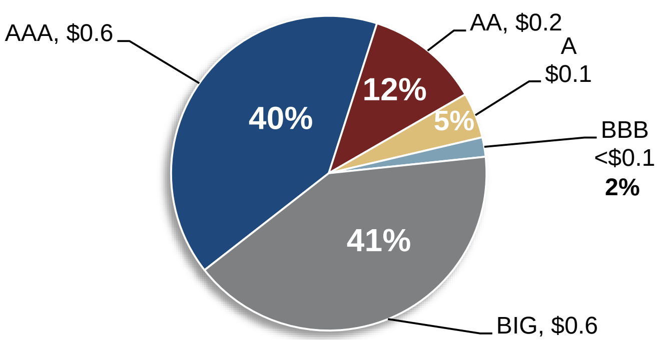
By Type

As of December 31, 2017
($ in billions)



$1.5 billion, 5.4% of net par outstanding

By Rating



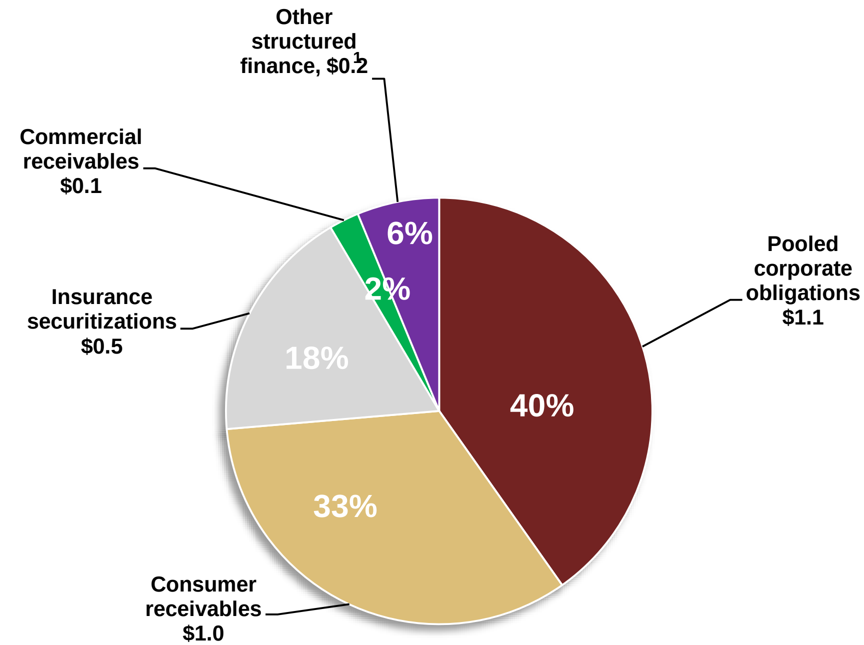
AGC Non-RMBS Exposure
U.S. Structured Finance

- **AGC's non-RMBS U.S. structured finance exposures consist principally of:**
  - Pooled corporate obligations
  - Consumer receivables
  - Insurance securitizations
- **Non-RMBS U.S. structured finance credit experience has been generally strong despite the economic stress caused by the financial crisis**
  - 3% rated AAA
  - 5% rated BIG

U.S. Non-RMBS Structured Finance

As of December 31, 2017

($ in billions)



$2.9 billion net par outstanding

1. Includes Structured Credit

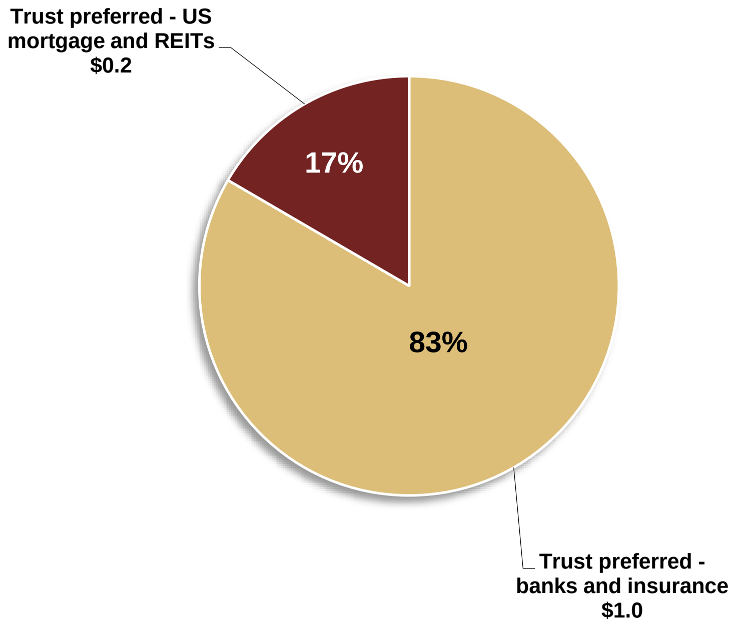
AGC Global Direct Pooled Corporate Obligations

ASSURED GUARANTY®

- **Currently, all of AGC's pooled corporate exposure is in the form of Trust Perferred Securities (TruPS)**
- **Our pooled corporate exposure is highly rated and protected by overcollateralization. In AGC's direct portfolio:**
  - Average current credit enhancement of 52%
  - Average rating A
- **AGC's $1.1 billion TruPS CDO portfolio is diversified by region (U.S. and European) as well as by collateral type (bank, thrift, insurance company, real estate investment trust (REIT) and CMBS)**
  - Includes more than 900 underlying issuers
  - All our exposure at the CDO level is to the most senior debt tranche
  - All U.S. bank and insurance TruPS CDOs, European TruPS CDOs and U.S. mortgage and REIT TruPS CDOs were originated at AAA attachment points
- **The $0.2 billion of TruPS CDOs backed by U.S. mortgage and REITs is the lowest average rated pooled corporate subsectors**
  - BBB+ average rating

1. AGC also assumed $82 million of pooled corporate exposure.

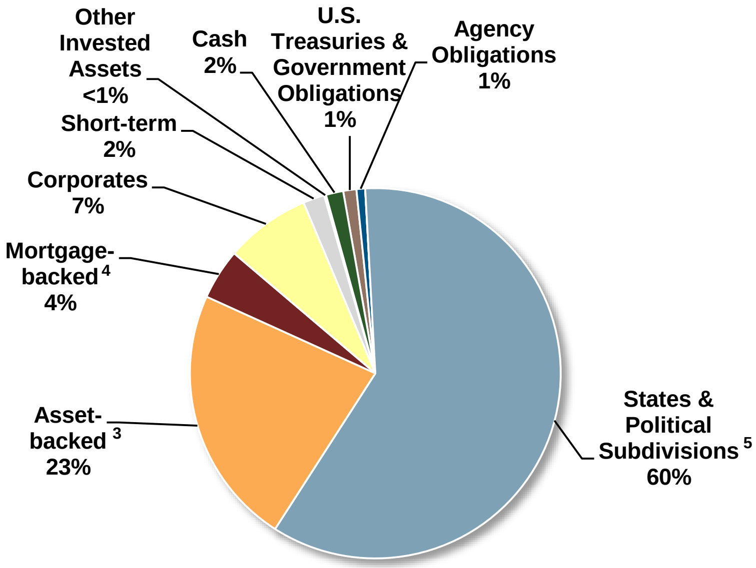
Direct Pooled Corporate Obligations[1]
By Asset Class
As of December 31, 2017
($ in billions)



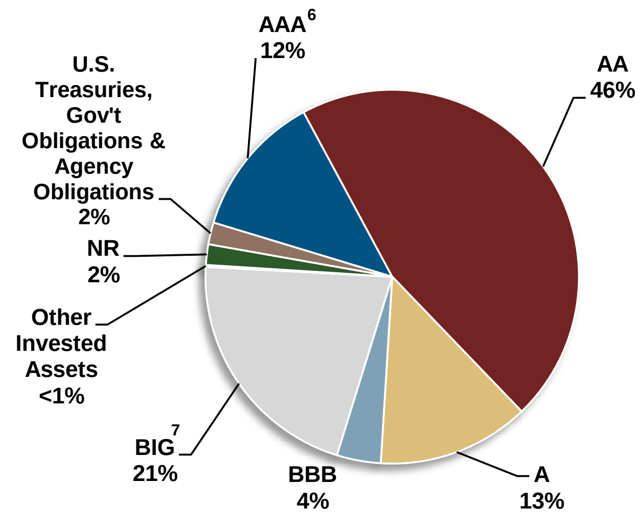
$1.1 billion net par outstanding

AGC
Investment Portfolio
Fair Value as of December 31, 2017

Total Invested Assets and Cash[1] By Category



Total Invested Assets and Cash[1,2] By Rating



Total = $3.0 billion

1. Includes fixed maturity securities, short-term investments, cash and Other Invested Assets.
2. Ratings are represented by the lower of the Moody's and S&P classifications except for securities purchased or obtained as part of loss mitigation or other risk management strategies, which use internal ratings classifications.
3. Included in the asset-backed category are securities purchased or obtained as part of loss mitigation or other risk management strategies with a fair value of $671 million.
4. Included in the mortgage-backed category are securities purchased or obtained as part of loss mitigation or other risk management strategies with a fair value of $27 million and agency-backed securities with a fair value of $46 million. The remaining securities have a fair value of $62 million and an average rating of AAA.
5. Included in the states & political subdivisions category are securities purchased or obtained as part of loss mitigation or other risk management strategies with a fair value of $56 million.
6. Included in the AAA category are short-term securities and cash.
7. Included in the BIG category are securities purchased or obtained as part of loss mitigation or other risk management strategies with a fair value of $640 million.

AGC Expected Loss and LAE to Be Paid
As of December 31, 2017

($ in millions)

Rollforward of Net Expected Loss and LAE to be Paid[1] for the Three Months Ended December 31, 2017

	Net Expected Loss to be Paid (Recovered) as of September 30, 2017	Economic Loss Development During 4Q-17	(Paid) Recovered Losses During 4Q-17	Net Expected Loss to be Paid (Recovered) as of December 31, 2017
Public Finance:				
U.S. public finance	$407	$39	$(2)	$444
Non-U.S. public finance	5	0	—	5
Public Finance:	412	39	(2)	449
Structured Finance				
U.S. RMBS[2]	8	(121)	2	(111)
Other structure finance	(114)	(1)	1	(114)
Structured Finance:	(106)	(122)	3	(225)
Total	**$306**	**$(83)**	**$1**	**$224**

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 2017 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).
2. Includes future net R&W recoverable (payable) of $31 million as of September 30, 2017 and $140 million as of December 31, 2017.

AGC Expected Loss and LAE to Be Paid
As of December 31, 2017

($ in millions)

Rollforward of Net Expected Loss and LAE to be Paid[1] for the Year Ended December 31, 2017

	Net Expected Loss to be Paid (Recovered) as of Dec 31, 2016	Net Expected Loss to be Paid (Recovered) on MBIA UK as of Jan 10, 2017	Economic Loss Development During 2017	(Paid) Recovered Losses During 2017	Net Effect of Sale of European Subsidiaries[3]	Net Expected Loss to be Paid (Recovered) as of Dec 31, 2017
Public Finance:						
U.S. public finance	$374	$—	$189	$(119)	$—	$444
Non-U.S. public finance	6	13	(2)	—	(12)	5
Public Finance:	380	13	187	(119)	(12)	449
U.S. RMBS						
U.S. RMBS[2]	29	—	(146)	6	—	(111)
Other structure finance	(72)	8	17	(4)	(63)	(114)
Structured Finance:	(43)	8	(129)	2	(63)	(225)
Total	**$337**	**$21**	**$58**	**$(117)**	**$(75)**	**$224**

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 2017 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).
2. Includes future net R&W recoverable (payable) of $32 million as of December 31, 2016 and $140 million as of December 31, 2017.
3. Net effect from the sale of its three affiliated European insurance companies on June 26, 2017. AGC sold all of the shares of its direct, wholly owned subsidiaries, Assured Guaranty (UK) plc, Assured Guaranty (London) plc, and CIFG Europe S.A., (the European Subsidiaries), to AGM, its affiliate, on June 26, 2017.

Appendix

Appendix
Explanation of Non-GAAP Financial Measures

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

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

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

GAAP requires the Company to consolidate certain VIEs that have issued debt obligations insured by the Company. However, the Company does not own such VIEs and its exposure is limited to its obligation under its financial guaranty insurance contract.
Management and the Board of Directors use non-GAAP financial measures adjusted to remove FG VIE consolidation (which the Company refers to as its core financial measures), as well as GAAP financial measures and other factors, to evaluate the Company's results of operations, financial condition and progress towards long-term goals. The Company uses these core financial measures in its decision making process and in its calculation of certain components of management compensation. Wherever possible, the Company has separately disclosed the effect of FG VIE consolidation

Many investors, analysts and financial news reporters use non-GAAP operating shareholders' equity, adjusted to remove the effect of FG VIE consolidation, as the principal financial measure for valuing AGL's current share price or projected share price and also as the basis of their decision to recommend, buy or sell AGL's common shares. Many of the Company's fixed income investors also use this measure to evaluate the Company's capital adequacy.

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

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

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

Appendix
Explanation of Non-GAAP Financial Measures

Non-GAAP Operating Income: Management believes that non-GAAP operating income is a useful measure because it clarifies the understanding of the underwriting results and financial condition of the Company and presents the results of operations of the Company excluding the fair value adjustments on credit derivatives and CCS that are not expected to result in economic gain or loss, as well as other adjustments described below. Management adjusts non-GAAP operating income further by removing FG VIE consolidation to arrive at its core operating income measure. Non-GAAP 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, 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. 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. 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.

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

Appendix
Explanation of Non-GAAP Financial Measures

Management uses non-GAAP adjusted book value, adjusted for FG VIE consolidation, to measure the intrinsic value of the Company, excluding franchise value. Growth in non-GAAP adjusted book value per share adjusted for FG 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 non-GAAP 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. Non-GAAP adjusted book value is non-GAAP 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 on non financial guaranty contracts. See below.

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

4) Elimination of the tax asset or liability 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 non-GAAP adjusted book value will be earned in future periods, but actual earnings may differ materially from the estimated amounts used in determining current non-GAAP adjusted book value due to changes in foreign exchange rates, prepayment speeds, terminations, credit defaults and other factors.

Non-GAAP Operating Return on Equity (Non-GAAP Operating ROE): Non-GAAP operating ROE represents non-GAAP operating income for a specified period divided by the average of non-GAAP operating shareholders' equity at the beginning and the end of that period. Management believes that non-GAAP 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 non-GAAP operating ROE, adjusted for FG 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 non-GAAP operating ROE are calculated on an annualized basis. Non-GAAP operating ROE, adjusted for FG VIE consolidation, is one of the key management financial measures used in determining the amount of certain long-term compensation to management and employees and used by rating agencies and investors.

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

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

Appendix
Reconciliation of Gross Written Premiums (GWP) to PVP[1]

Reconciliation of GWP to PVP	Three Months Ended				Year Ended December 31,				
(dollars in millions)	Dec 31, 2017	Sep 30, 2017	Jun 30, 2017	Mar 31, 2017	2017	2016	2015	2014	2013
Total GWP	$72	$45	$79	$111	$307	$154	$181	$104	$123
Less: Intallment GWP and other GAAP adjustments	9	10	25	55	99	(10)	55	(22)	8
Upfront GWP	63	35	54	56	208	164	126	126	115
Plus: Installment premium PVP	14	8	16	43	81	50	53	42	26
Total PVP	$77	$43	$70	$99	$289	$214	$179	$168	$141

PVP:	Dec 31, 2017	Sep 30, 2017	Jun 30, 2017	Mar 31, 2017	2017	2016	2015	2014	2013
Public Finance - U.S.	$59	$39	$46	$52	$196	$161	$124	$128	$116
Public Finance - non-U.S.	8	4	14	40	66	25	27	7	18
Structured Finance - U.S.	7	0	0	5	12	27	22	24	7
Structured Finance - non-U.S.	3	-	10	2	15	1	6	9	-
Total PVP	$77	$43	$70	$99	$289	$214	$179	$168	$141

Appendix

Reconciliation of Net Income (Loss) to Non-GAAP Operating Income[1]

Non-GAAP Operating Income Reconciliation (dollars in millions, except per share amounts)	Three Months Ended December 31,				Year-Ended December 31,			
	2017		2016		2017		2016	
	Total	Per Diluted Share	Total	Per Diluted Share	Total	Per Diluted Share	Total	Per Diluted Share
Net income (loss)	**$52**	**$0.44**	**$197**	**$1.49**	**$730**	**$5.96**	**$881**	**$6.56**
Less pre-tax adjustments:								
Realized gains (losses) on investments	(14)	(0.12)	(24)	(0.18)	40	0.33	(30)	(0.23)
Non-credit impairment unrealized fair value gains (losses) on credit derivatives	(17)	(0.14)	68	0.52	43	0.35	36	0.27
Fair value gains (losses) on CCS	2	0.01	50	0.38	(2)	(0.02)	0	0.00
Foreign exchange gains (losses) on remeasurement of premiums receivable and loss and LAE reserves	8	0.07	(12)	(0.09)	57	0.46	(33)	(0.25)
Total pre-tax adjustments	(21)	(0.18)	82	0.63	138	1.12	(27)	(0.21)
Less tax effect on pre-tax adjustments	(18)	(0.15)	(24)	(0.19)	(69)	(0.57)	13	0.09
Non-GAAP Operating income	$91	$0.77	$139	$1.05	$661	$5.41	$895	$6.68
Gain (loss) related to FG VIE consolidation included in non-GAAP operating income	$2	$0.02	$16	$0.12	$11	$0.10	$12	$0.10

1. For an explanation of operating income, a non-GAAP financial measure, please refer to the preceding pages of the Appendix. The prior-year non-GAAP financial measures have been updated to reflect the revised calculation as discussed in "Explanation of Non-GAAP Financial Measures."

Appendix

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

Non-GAAP Adjusted book value reconciliation	As of									
(dollars in millions, except per share amounts)	December 31, 2017		September 30, 2017		December 31, 2016		September 30, 2016		December 31, 2015	
	Total	Per Share	Total	Per Share	Total	Per Share	Total	Per Share	Total	Per Share
Reconciliation of shareholders' equity to non-GAAP adjusted book value:										
Shareholders' equity	**$6,839**	**$58.95**	**$6,878**	**$56.40**	**$6,504**	**$50.82**	**$6,640**	**$50.70**	**$6,063**	**$43.96**
Less pre-tax adjustments:										
Non-credit impairment unrealized fair value gains (losses) on credit derivatives	(146)	(1.26)	(129)	(1.55)	(189)	(1.48)	(284)	(2.17)	(241)	(1.75)
Fair value gains (losses) on CCS	60	0.52	58	0.52	62	0.48	12	0.09	62	0.45
Unrealized gain (loss) on investment portfolio excluding foreign exchange effect	487	4.20	506	4.20	316	2.47	571	4.36	373	2.71
Less Taxes	(83)	(0.71)	(147)	(1.11)	(71)	(0.54)	(91)	(0.69)	(56)	(0.41)
Non-GAAP operating shareholders' equity	6,521	56.20	6,590	54.34	6,386	49.89	6,432	49.11	5,925	42.96
Pre-tax adjustments:										
Less: Deferred acquisition costs	101	0.87	106	0.89	106	0.83	108	0.82	114	0.83
Plus: Net present value of estimated net future revenue	146	1.26	144	1.23	136	1.07	155	1.19	169	1.23
Plus: Net unearned premium reserve on financial guaranty contracts in excess of expected loss to be expensed	2,966	25.56	3,091	26.51	2,922	22.83	3,038	23.19	3,384	24.53
Plus Taxes	(512)	(4.41)	(899)	(7.71)	(832)	(6.50)	(868)	(6.63)	(968)	(7.02)
Non-GAAP Adjusted book value	$9,020	$77.74	$8,820	$73.48	$8,506	$66.46	$8,649	$66.04	$8,396	$60.87
Gain (loss) related to FG VIE consolidation included in non-GAAP operating shareholders' equity	$5	$0.03	$3	$0.01	($7)	($0.06)	($24)	($0.18)	($21)	($0.15)
Gain (loss) related to FG VIE consolidation included in non-GAAP adjusted book value	($14)	($0.12)	($13)	($0.11)	($24)	($0.18)	($40)	($0.30)	($43)	($0.31)

1. For an explanation of adjusted book value, a non-GAAP financial measure, please refer to the preceding pages of the Appendix. The prior-year non-GAAP financial measures have been updated to reflect the revised calculation as discussed in "Explanation of Non-GAAP Financial Measures."

Appendix
Reconciliation of GAAP ROE to Non-GAAP Operating ROE

ROE Reconciliation
(dollars in millions)

	Three Months Ended December 31,		Year-Ended December 31,	
	2017	**2016**	**2017**	**2016**
Net income (loss)	**$52**	**$197**	**$730**	**$881**
Non-GAAP Operating income	91	139	661	895
Gain (loss) related to FG VIE consolidation included in non-GAAP operating income	2	16	11	12
Average shareholders' equity	**$6,859**	**$6,572**	**$6,672**	**$6,284**
Average non-GAAP operating shareholders' equity	6,556	6,409	6,454	6,156
Gain (loss) related to FG VIE consolidation included in average non-GAAP operating shareholders' equity	4	(16)	(1)	(14)
GAAP ROE[1]	**3.0%**	**12.0%**	**10.9%**	**14.0%**
Non-GAAP Operating ROE[1]	5.6%	8.7%	10.2%	14.5%
Effect of FG VIE consolidation included in non-GAAP operating ROE	0.2%	1.1%	0.1%	0.2%

1. Quarterly ROE calculations represent annualized returns.

Assured Guaranty Contacts:

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

Michael Walker
Managing Director
Fixed Income Investor Relations
Direct: 212.261.5575
mwalker@agltd.com

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

Fixed Income Investor Presentation

December 31, 2017