



Assured Guaranty Ltd.
Financial Supplement

THIRD QUARTER 2008
SEPTEMBER 30, 2008



Assured Guaranty Ltd. Financial Supplement Third Quarter Ended September 30, 2008

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This supplement should be read in conjunction with documents filed by Assured Guaranty Ltd. ("Assured" or "the Company") with the Securities and Exchange Commission, including our 10-Q's dated March 31, 2007, June 30, 2007, September 30, 2007, March 31, 2008 and June 30, 2008 and our 10-K for the year ended December 31, 2007.

Some amounts in this Financial Supplement may not add due to rounding.

Cautionary Statement Regarding Forward-Looking Statements:

Any forward-looking statements made in this supplement reflect the Company's current views with respect to future events and financial performance and are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such statements involve risks and uncertainties that may cause actual results to differ materially from those set forth in these statements. For example, the Company's forward looking statements, including its calculations of adjusted book value, present value of insurance and credit derivative gross written premiums ("PVP"), net present value of estimated future installment premiums in force, total estimated net future premium earnings, and statements regarding losses, pricing, ratings, capital adequacy and the growth of the direct business could be affected by many events. These events include a significant reduction in the amount of reinsurance ceded by one or more of our principal ceding companies, rating agency action such as a ratings downgrade, difficulties with the execution of the Company's business strategy, contract cancellations, developments or volatility in the world's financial and capital markets, more severe or frequent losses associated with products affecting the adequacy of the Company's loss reserves, changes in regulation or tax laws, governmental actions, natural catastrophes, the Company's dependence on customers, decreased demand or increased competition, loss of key personnel, technological developments, the effects of mergers, acquisitions and divestitures, changes in accounting policies or practices, changes in general economic conditions, other risks and uncertainties that have not been identified at this time, management's response to these factors, and other risk factors identified in the Company's filings with the Securities and Exchange Commission. Readers are cautioned not to place undue reliance on these forward looking statements, which speak only as of the dates on which they are made. The Company undertakes no obligation to publicly update or revise any forward looking statements, whether as a result of new information, future events or otherwise.

Assured Guaranty Ltd.

Selected Financial Highlights

(dollars in millions, except per share amounts)

| | Quarter Ended September 30, | | % Change versus | Nine Months Ended September 30, | | % Change versus |
|---|--------------------------------|-------------------|--------------------|------------------------------------|------------------|--------------------|
| | 2008 | 2007 | 3Q-07 | 2008 | 2007 | YTD 2007 |
| Gross written premiums (GWP) analysis: | | | | | | |
| Present value of insurance and credit derivative GWP (PVP) ^a | \$ 139.4 | \$ 165.5 | (16)% | \$ 694.9 | \$ 397.5 | 75% |
| Less: PVP of credit derivatives | 1.1 | 90.8 | (99)% | 146.9 | 170.4 | (14)% |
| PVP of financial guaranty GWP | 138.3 | 74.7 | 85% | 548.0 | 227.1 | 141% |
| Less: Financial guaranty installment premium PVP | 37.8 | 27.2 | 39% | 85.9 | 97.8 | (12)% |
| Total: Financial guaranty upfront GWP | 100.5 | 47.5 | 112% | 462.1 | 129.3 | 257% |
| Plus: Upfront premium due to commutation | (20.8) | - | NM | (20.8) | - | NM |
| Plus: Financial guaranty installment GWP | 32.9 | 19.4 | 70% | 88.9 | 59.6 | 49% |
| Total financial guaranty GWP | 112.6 | 66.9 | 68% | 530.2 | 188.9 | 181% |
| Plus: Mortgage guaranty segment GWP | 0.2 | 1.4 | (86)% | 0.7 | 2.9 | (76)% |
| Plus: Other segment GWP | - | 0.1 | NM | 3.5 | 3.5 | 0% |
| Total GWP per income statement | \$ 112.8 | \$ 68.5 | 65% | \$ 534.4 | \$ 195.4 | 173% |
| Net (loss) income | \$ (63.3) | \$ (115.0) | (45)% | \$ 312.7 | \$ (43.2) | NM |
| Less: After-tax realized losses on investments | (17.1) | (0.2) | NM | (15.9) | (1.7) | NM |
| Less: After-tax unrealized (losses) gains on credit derivatives ¹ | (79.6) | (164.2) | (52)% | 243.9 | (184.5) | NM |
| Plus: After-tax incurred losses on credit derivatives ² | (7.4) | (1.3) | NM | (13.6) | (2.0) | NM |
| Operating income ^b | \$ 26.0 | \$ 48.2 | (46)% | \$ 71.0 | \$ 141.0 | (50)% |
| Book value | \$ 2,089.9 | \$ 1,604.4 | 30% | | | |
| Plus: Net unearned premium reserve, after tax ³ | 1,037.4 | 604.9 | 71% | | | |
| Plus: Net unearned revenue on credit derivatives, after tax ⁴ | 14.5 | 9.3 | 56% | | | |
| Plus: Net present value of estimated future installment premiums in-force, after tax ^d | 717.5 | 525.8 | 36% | | | |
| Less: Deferred acquisition costs (DAC), after tax | 264.4 | 200.3 | 32% | | | |
| Adjusted book value ^c | \$ 3,595.1 | \$ 2,544.1 | 41% | | | |
| ROE, excluding AOCI | (11.5)% | (28.2)% | | 22.1% | (3.6)% | |
| Operating ROE, excluding AOCI and after-tax unrealized (losses) gains on credit derivatives ^b | 4.4% | 11.4% | | 4.3% | 11.4% | |
| Per diluted share: | | | | | | |
| Net (loss) income | \$ (0.70) | \$ (1.70) | (59)% | \$ 3.55 | \$ (0.64) | NM |
| Less: After-tax realized losses on investments | (0.19) | - | NM | (0.18) | (0.03) | NM |
| Less: After-tax unrealized (losses) gains on credit derivatives ¹ | (0.88) | (2.42) | (64)% | 2.77 | (2.72) | NM |
| Plus: After-tax incurred losses on credit derivatives ² | (0.08) | (0.02) | 300% | (0.15) | (0.03) | 400% |
| Operating income ^b | \$ 0.28 | \$ 0.70 | (60)% | \$ 0.81 | \$ 2.04 | (60)% |
| Book value | \$ 22.98 | \$ 23.69 | (3)% | | | |
| Plus: Net unearned premium reserve, after tax ³ | 11.41 | 8.93 | 28% | | | |
| Plus: Net unearned revenue on credit derivatives, after tax ⁴ | 0.16 | 0.14 | 14% | | | |
| Plus: Net present value of estimated future installment premiums in-force, after tax ^d | 7.89 | 7.76 | 2% | | | |
| Less: DAC, after tax | 2.91 | 2.96 | (2)% | | | |
| Adjusted book value ^c | \$ 39.53 | \$ 37.57 | 5% | | | |
| Book value, excluding net unrealized mark-to-market gains (losses) on credit derivatives ⁵ | \$ 25.06 | \$ 25.89 | (3)% | | | |
| Adjusted book value, excluding net unrealized mark-to-market gains (losses) on credit derivatives ⁵ | \$ 41.61 | \$ 39.77 | 5% | | | |
| Consolidated net debt service outstanding | \$ 355,712 | \$ 226,258 | 57% | | | |
| Consolidated net par outstanding | 227,342 | 153,695 | 48% | | | |
| Consolidated claims-paying resources | 5,082 | 3,705 | 37% | | | |
| Gross par written | 10,776 | 15,320 | (30)% | 48,859 | 38,992 | 25% |

1. The quarter and nine months ended September 30, 2008 included a fair value after-tax gain of \$4.5 million, or \$0.05 per diluted share, and \$15.8 million, or \$0.18 per diluted share, respectively, related to Assured Guaranty Corp.'s committed capital securities.

2. Company's estimate of incurred losses included in the mark to market unrealized loss on credit derivatives.

3. Unearned premium reserve (UPR) less pre-paid reinsurance premiums, after tax.

4. Unearned revenue less pre-paid reinsurance premiums on credit derivatives, after tax.

5. Represents a fair value component of the Company's credit derivative contracts, which are included in credit derivative asset or liability line on the balance sheet, and committed capital securities.

Note: Please refer to endnotes for explanation of non-GAAP financial measures [PVP (a), operating income and operating ROE (b), adjusted book value (c), and net present value of estimated future installment premiums in force (d)].

NM = Not meaningful

Assured Guaranty Ltd.

Consolidated Income Statements

(dollars and shares in millions, except per share amounts)

| | Quarter Ended | | % Change versus 3Q-07 | Nine Months Ended | | % Change versus YTD 2007 |
|--|-----------------------|-------------------|-----------------------------|-----------------------|------------------|--------------------------------|
| | September 30, 2008 | 2007 | | September 30, 2008 | 2007 | |
| Revenues | | | | | | |
| Gross written premiums | \$ 112.8 | \$ 68.5 | 65% | \$ 534.4 | \$ 195.4 | 173% |
| Net written premiums | 111.5 | 60.4 | 85% | 521.8 | 180.3 | 189% |
| Net earned premiums | 85.5 | 38.6 | 122% | 184.0 | 113.6 | 62% |
| Net investment income | 43.4 | 31.8 | 36% | 120.2 | 94.2 | 28% |
| Realized gains and other settlements on credit derivatives | 30.0 | 17.8 | 69% | 89.4 | 52.1 | 72% |
| Incurred losses on credit derivatives | (10.1) | (1.8) | NM | (18.9) | (3.0) | NM |
| Other income | 0.3 | 0.4 | (25)% | 0.4 | 0.4 | 0% |
| Total revenues | 149.1 | 86.8 | 72% | 375.1 | 257.3 | 46% |
| Expenses | | | | | | |
| Loss and loss adjustment expenses (recoveries) | 82.5 | 2.0 | NM | 175.8 | (11.8) | NM |
| Profit commission expense | (1.4) | 1.1 | NM | 0.8 | 3.6 | (78)% |
| Acquisition costs | 19.3 | 10.4 | 86% | 43.0 | 32.1 | 34% |
| Other operating expenses | 21.6 | 19.9 | 9% | 69.9 | 59.4 | 18% |
| Interest and related expenses | 7.3 | 6.5 | 12% | 21.4 | 19.6 | 9% |
| Total expenses | 129.3 | 39.8 | 225% | 310.9 | 102.9 | 202% |
| Operating income before (benefit) provision for income taxes | 19.8 | 46.9 | (58)% | 64.2 | 154.4 | (58)% |
| Total (benefit) provision for income taxes | (6.2) | (1.3) | 377% | (6.8) | 13.4 | NM |
| Operating income^b | 26.0 | 48.2 | (46)% | 71.0 | 141.0 | (50)% |
| Plus: After-tax realized losses on investments | (17.1) | (0.2) | NM | (15.9) | (1.7) | NM |
| Plus: After-tax unrealized (losses) gains on credit derivatives ¹ | (72.2) | (162.9) | (56)% | 257.6 | (182.5) | NM |
| Net (loss) income | \$ (63.3) | \$ (115.0) | (45)% | \$ 312.7 | \$ (43.2) | NM |
| Per diluted share | | | | | | |
| Operating income^b | \$ 0.28 | \$ 0.70 | (60)% | \$ 0.81 | \$ 2.04 | (60)% |
| Plus: After-tax realized losses on investments | (0.19) | - | NM | (0.18) | (0.03) | NM |
| Plus: After-tax unrealized (losses) gains on credit derivatives ¹ | (0.79) | (2.40) | (67)% | 2.92 | (2.69) | NM |
| Net (loss) income | \$ (0.70) | \$ (1.70) | (59)% | \$ 3.55 | \$ (0.64) | NM |
| Effect of refundings | | | | | | |
| Earned premiums from refundings | \$ 31.7 | \$ 4.6 | NM | \$ 36.2 | \$ 15.9 | NM |
| Operating income effect | \$ 20.4 | \$ 2.2 | NM | \$ 22.7 | \$ 7.8 | NM |
| Operating income per diluted share effect | \$ 0.22 | \$ 0.03 | NM | \$ 0.26 | \$ 0.11 | NM |
| Weighted average shares outstanding | | | | | | |
| Basic shares outstanding | 90.9 | 67.8 | 34% | 87.0 | 67.7 | 29% |
| Plus: effect of options | - | - | NM | 0.3 | - | NM |
| Plus: effect of restricted stock awards and units | - | - | NM | 0.8 | - | NM |
| Diluted shares outstanding - GAAP² | 90.9 | 67.8 | 34% | 88.1 | 67.7 | 30% |
| Plus: effect of options | - | 0.6 | NM | - | 0.7 | NM |
| Plus: effect of restricted stock | 0.5 | 0.6 | (17)% | - | 0.6 | NM |
| Diluted shares outstanding - non-GAAP² | 91.5 | 68.9 | 33% | 88.1 | 69.0 | 28% |
| Shares outstanding at the end of period | 90.9 | 67.7 | 34% | | | |

1. The quarter and nine months ended September 30, 2008 included a fair value after-tax gain of \$4.5 million, or \$0.05 per diluted share, and \$15.8 million, or \$0.1 per diluted share, respectively, related to Assured Guaranty Corp.'s committed capital securities.

2. The calculations for weighted average diluted shares outstanding and weighted average basic shares outstanding for GAAP are the same due to the antidilutive effect of options and restricted stock as a result of the net loss for the quarter ended September 30, 2008 and the quarter and nine months ended September 30, 2007. However, operating income, a non-GAAP financial measure, for both periods is positive, therefore the calculation of weighted diluted shares outstanding for operating income includes the dilutive effect of options and restricted stock.

Note: Please refer to endnotes for explanation of non-GAAP financial measures [operating income (b)].

NM = Not meaningful

Assured Guaranty Ltd.

Consolidated Balance Sheets

(dollars in millions)

| | As of : | |
|---|-----------------------|----------------------|
| | September 30, 2008 | December 31, 2007 |
| Assets | | |
| Fixed maturity securities, at fair value | \$ 3,160.6 | \$ 2,587.0 |
| Short-term investments, at cost which approximates fair value | 370.1 | 552.9 |
| Total investments | 3,530.7 | 3,139.9 |
| Cash and cash equivalents | 7.9 | 8.0 |
| Accrued investment income | 36.4 | 26.5 |
| Deferred acquisition costs | 292.2 | 259.3 |
| Prepaid reinsurance premiums | 19.9 | 13.5 |
| Reinsurance recoverable on ceded losses | 6.1 | 8.8 |
| Premiums receivable | 51.9 | 27.8 |
| Goodwill | 85.4 | 85.4 |
| Credit derivative assets | 180.0 | 5.5 |
| Deferred tax asset | 82.3 | 147.6 |
| Current income taxes receivable | 19.3 | - |
| Salvage recoverable | 38.0 | 8.5 |
| Committed capital securities, at fair value | 32.6 | 8.3 |
| Receivables for securities sold | 38.1 | 2.9 |
| Other assets | 22.0 | 20.8 |
| Total assets | \$ 4,442.7 | \$ 3,762.9 |
| Liabilities and shareholders' equity | | |
| Liabilities | | |
| Unearned premium reserves | \$ 1,231.8 | \$ 887.2 |
| Reserves for losses and loss adjustment expenses | 165.9 | 125.6 |
| Profit commissions payable | 9.0 | 22.3 |
| Reinsurance balances payable | 9.9 | 3.3 |
| Current income taxes payable | - | 0.6 |
| Funds held by Company under reinsurance contracts | 29.5 | 25.4 |
| Credit derivative liabilities | 465.9 | 623.1 |
| Senior notes | 197.4 | 197.4 |
| Series A Enhanced Junior Subordinated Debentures | 149.8 | 149.7 |
| Payables for securities purchased | 21.9 | 0.9 |
| Other liabilities | 71.6 | 60.9 |
| Total liabilities | 2,352.7 | 2,096.4 |
| Shareholders' equity | | |
| Common stock | 0.9 | 0.8 |
| Additional paid-in capital | 1,282.0 | 1,023.9 |
| Retained earnings | 886.0 | 585.3 |
| Accumulated other comprehensive (loss) income | (78.9) | 56.6 |
| Total shareholders' equity | 2,089.9 | 1,666.6 |
| Total liabilities and shareholders' equity | \$ 4,442.7 | \$ 3,762.9 |

Assured Guaranty Ltd.

Segment Consolidation (page 1 of 2)

(dollars in millions)

| | Quarter Ended September 30, 2008 | | | | | |
|--|----------------------------------|--------------------------|-----------------|------------------|-------------|------------------|
| | Financial | Financial | Mortgage | Total | | Total |
| | Guaranty | Guaranty | | Financial | Other | |
| | Direct | Reinsurance ¹ | Guaranty | Guaranty | Other | Total |
| PVP^a: | | | | | | |
| U.S. public finance | \$ 67.7 | \$ 39.5 | \$ - | \$ 107.2 | | \$ 107.2 |
| U.S. structured finance | 14.5 | - | - | 14.5 | | 14.5 |
| International | - | 17.7 | - | 17.7 | | 17.7 |
| Total PVP | \$ 82.2 | \$ 57.2 | \$ - | \$ 139.4 | | \$ 139.4 |
| Income statement: | | | | | | |
| Gross written premiums | \$ 71.4 | \$ 41.2 | \$ 0.2 | \$ 112.8 | \$ - | \$ 112.8 |
| Net written premiums | 70.0 | 41.2 | 0.2 | 111.5 | - | 111.5 |
| Net earned premiums | 26.9 | 57.4 | 1.2 | 85.5 | - | 85.5 |
| Realized gains and other settlements on credit derivatives: | | | | | | |
| Net credit derivative premiums earned | 28.4 | 2.1 | - | 30.5 | - | 30.5 |
| Net credit derivative recoveries (losses) | - | - | - | - | - | - |
| Ceding commissions income (expense), net | 0.2 | (0.7) | - | (0.5) | - | (0.5) |
| Total realized gains and other settlements on credit derivatives | 28.6 | 1.4 | - | 30.0 | - | 30.0 |
| Total revenues | 55.5 | 58.8 | 1.2 | 115.5 | - | 115.5 |
| Loss and loss adjustment expenses (recoveries) | 65.9 | 15.5 | 1.0 | 82.5 | - | 82.5 |
| Incurring losses on credit derivatives | 10.1 | - | - | 10.1 | - | 10.1 |
| Total loss and loss adjustment expenses (recoveries) | 76.0 | 15.5 | 1.0 | 92.6 | - | 92.6 |
| Profit commission expense | - | (1.5) | 0.1 | (1.4) | - | (1.4) |
| Acquisition costs | 4.0 | 15.1 | 0.1 | 19.3 | - | 19.3 |
| Operating expenses | 15.4 | 5.6 | 0.5 | 21.6 | - | 21.6 |
| Total underwriting expenses | \$ 95.5 | \$ 34.8 | \$ 1.7 | \$ 132.0 | \$ - | \$ 132.0 |
| Underwriting (loss) gain | \$ (40.0) | \$ 24.0 | \$ (0.5) | \$ (16.5) | \$ - | \$ (16.5) |
| Loss and loss adjustment expense ratio ^o | 137.5% | 26.1% | 81.0% | 79.8% | | 79.8% |
| Expense ratio ^o | 34.8% | 33.5% | 59.3% | 34.4% | | 34.4% |
| Combined ratio ^o | 172.3% | 59.6% | 140.3% | 114.2% | | 114.2% |

| | Quarter Ended September 30, 2007 | | | | | |
|--|----------------------------------|--------------------------|---------------|-----------------|-------------|-----------------|
| | Financial | Financial | Mortgage | Total | | Total |
| | Guaranty | Guaranty | | Financial | Other | |
| | Direct | Reinsurance ¹ | Guaranty | Guaranty | Other | Total |
| PVP: | | | | | | |
| U.S. public finance | \$ 10.3 | \$ 10.0 | \$ - | \$ 20.3 | | \$ 20.3 |
| U.S. structured finance | 77.0 | 3.0 | - | 80.0 | | 80.0 |
| International | 45.4 | 19.8 | - | 65.2 | | 65.2 |
| Total PVP | \$ 132.7 | \$ 32.8 | \$ - | \$ 165.5 | | \$ 165.5 |
| Income statement: | | | | | | |
| Gross written premiums | \$ 43.1 | \$ 23.8 | \$ 1.4 | \$ 68.4 | \$ 0.1 | \$ 68.5 |
| Net written premiums | 35.1 | 23.8 | 1.4 | 60.4 | - | 60.4 |
| Net earned premiums | 14.1 | 21.6 | 2.9 | 38.6 | - | 38.6 |
| Realized gains and other settlements on credit derivatives: | | | | | | |
| Net credit derivative premiums earned | 17.6 | - | - | 17.6 | - | 17.6 |
| Net credit derivative recoveries (losses) | 0.0 | - | - | 0.0 | - | 0.0 |
| Ceding commissions income (expense), net | 0.1 | - | - | 0.1 | - | 0.1 |
| Total realized gains and other settlements on credit derivatives | 17.8 | - | - | 17.8 | - | 17.8 |
| Total revenues | 31.8 | 21.6 | 2.9 | 56.3 | - | 56.3 |
| Loss and loss adjustment expenses (recoveries) | 4.7 | (3.4) | 0.8 | 2.0 | - | 2.0 |
| Incurring losses on credit derivatives | 1.8 | - | - | 1.8 | - | 1.8 |
| Total loss and loss adjustment expenses (recoveries) | 6.4 | (3.4) | 0.8 | 3.8 | - | 3.8 |
| Profit commission expense | - | 0.8 | 0.4 | 1.1 | - | 1.1 |
| Acquisition costs | 2.5 | 7.7 | 0.2 | 10.4 | - | 10.4 |
| Operating expenses | 15.1 | 4.5 | 0.3 | 19.9 | - | 19.9 |
| Total underwriting expenses | \$ 24.0 | \$ 9.6 | \$ 1.6 | \$ 35.0 | \$ - | \$ 35.0 |
| Underwriting gain | \$ 7.8 | \$ 12.1 | \$ 1.3 | \$ 21.2 | \$ - | \$ 21.2 |
| Loss and loss adjustment expense ratio ^o | 20.2% | (15.9)% | 26.5% | 6.7% | | 6.7% |
| Expense ratio ^o | 55.2% | 60.1% | 27.5% | 55.7% | | 55.7% |
| Combined ratio ^o | 75.4% | 44.2% | 54.0% | 62.4% | | 62.4% |

1. Due to the timing of receiving reports prepared by Assured's ceding companies, PVP for installment premiums, par written and par outstanding on treaty business in the Company's Financial Guaranty Reinsurance segment are reported on a one-quarter lag.

Note: Please refer to endnotes for explanation of non-GAAP financial measures [PVP (a) and loss and loss adjustment expense ratio, expense ratio and combined ratio (e)].

Assured Guaranty Ltd.

Segment Consolidation (2 of 2)

(dollars in millions)

| | Nine Months Ended September 30, 2008 | | | | | |
|--|--------------------------------------|---|----------------------|--------------------------------|-----------------|------------------|
| | Financial Guaranty Direct | Financial Guaranty Reinsurance ¹ | Mortgage Guaranty | Total Financial Guaranty | Other | Total |
| | PVP^a: | | | | | |
| U.S. public finance | \$ 374.3 | \$ 86.1 | \$ - | \$ 460.4 | | \$ 460.4 |
| U.S. structured finance | 137.7 | 7.2 | - | 144.9 | | 144.9 |
| International | 66.8 | 22.8 | - | 89.6 | | 89.6 |
| Total PVP | \$ 578.8 | \$ 116.1 | \$ - | \$ 694.9 | | \$ 694.9 |
| Income statement: | | | | | | |
| Gross written premiums | \$ 415.6 | \$ 114.6 | \$ 0.7 | \$ 531.0 | \$ 3.5 | \$ 534.4 |
| Net written premiums | 406.7 | 114.4 | 0.7 | 521.8 | - | 521.8 |
| Net earned premiums | 65.0 | 114.8 | 4.4 | 184.0 | - | 184.0 |
| Realized gains and other settlements on credit derivatives: | | | | | | |
| Net credit derivative premiums earned | 86.4 | 3.4 | - | 89.8 | - | 89.8 |
| Net credit derivative recoveries (losses) | - | - | - | - | 0.4 | 0.4 |
| Ceding commissions income (expense), net | 0.3 | (1.1) | - | (0.8) | - | (0.8) |
| Total realized gains and other settlements on credit derivatives | 86.7 | 2.3 | - | 89.0 | 0.4 | 89.4 |
| Total revenues | 151.7 | 117.1 | 4.4 | 273.1 | 0.4 | 273.4 |
| Loss and loss adjustment expenses (recoveries) | 130.0 | 46.0 | 1.1 | 177.1 | (1.5) | 175.8 |
| Incurring losses on credit derivatives | 18.9 | - | - | 18.9 | - | 18.9 |
| Total loss and loss adjustment expenses (recoveries) | 148.9 | 46.0 | 1.1 | 196.0 | (1.5) | 194.7 |
| Profit commission expense | - | 0.5 | 0.3 | 0.8 | - | 0.8 |
| Acquisition costs | 10.1 | 32.5 | 0.3 | 43.0 | - | 43.0 |
| Operating expenses | 51.9 | 16.0 | 1.9 | 69.9 | - | 69.9 |
| Total underwriting expenses | \$ 210.9 | \$ 95.1 | \$ 3.6 | \$ 309.6 | \$ (1.5) | \$ 308.3 |
| Underwriting (loss) gain | \$ (59.2) | \$ 22.0 | \$ 0.8 | \$ (36.4) | \$ 1.9 | \$ (34.6) |
| Loss and loss adjustment expense ratio ^o | 98.4% | 38.9% | 25.0% | 71.6% | | 70.9% |
| Expense ratio ^o | 40.7% | 42.4% | 57.5% | 41.8% | | 41.8% |
| Combined ratio ^o | 139.1% | 81.3% | 82.5% | 113.4% | | 112.7% |

| | Nine Months Ended September 30, 2007 | | | | | |
|--|--------------------------------------|---|----------------------|--------------------------------|---------------|-----------------|
| | Financial Guaranty Direct | Financial Guaranty Reinsurance ¹ | Mortgage Guaranty | Total Financial Guaranty | Other | Total |
| | PVP: | | | | | |
| U.S. public finance | \$ 34.5 | \$ 28.8 | \$ - | \$ 63.4 | | \$ 63.4 |
| U.S. structured finance | 171.8 | 9.5 | - | 181.2 | | 181.2 |
| International | 114.1 | 38.9 | - | 153.0 | | 153.0 |
| Total PVP | \$ 320.4 | \$ 77.1 | \$ - | \$ 397.5 | | \$ 397.5 |
| Income statement: | | | | | | |
| Gross written premiums | \$ 120.9 | \$ 68.0 | \$ 2.9 | \$ 191.9 | \$ 3.5 | \$ 195.4 |
| Net written premiums | 109.6 | 67.8 | 2.9 | 180.3 | - | 180.3 |
| Net earned premiums | 38.1 | 67.2 | 8.3 | 113.6 | - | 113.6 |
| Realized gains and other settlements on credit derivatives: | | | | | | |
| Net credit derivative premiums earned | 50.7 | - | - | 50.7 | - | 50.7 |
| Net credit derivative recoveries (losses) | 0.1 | - | - | 0.1 | 1.3 | 1.3 |
| Ceding commissions income (expense), net | 0.1 | - | - | 0.1 | - | 0.1 |
| Total realized gains and other settlements on credit derivatives | 50.9 | - | - | 50.9 | 1.3 | 52.1 |
| Total revenues | 89.0 | 67.2 | 8.3 | 164.4 | 1.3 | 165.7 |
| Loss and loss adjustment expenses (recoveries) | 6.4 | (19.2) | 1.0 | (11.8) | - | (11.8) |
| Incurring losses on credit derivatives | 3.0 | - | - | 3.0 | - | 3.0 |
| Total loss and loss adjustment expenses (recoveries) | 9.4 | (19.2) | 1.0 | (8.8) | - | (8.8) |
| Profit commission expense | - | 2.2 | 1.5 | 3.6 | - | 3.6 |
| Acquisition costs | 7.7 | 24.0 | 0.4 | 32.1 | - | 32.1 |
| Operating expenses | 45.5 | 12.8 | 1.0 | 59.4 | - | 59.4 |
| Total underwriting expenses | \$ 62.7 | \$ 19.8 | \$ 3.8 | \$ 86.3 | \$ - | \$ 86.3 |
| Underwriting gain | \$ 26.3 | \$ 47.4 | \$ 4.4 | \$ 78.2 | \$ 1.3 | \$ 79.4 |
| Loss and loss adjustment expense ratio ^o | 10.5% | (28.6)% | 11.7% | (5.4)% | | (6.2)% |
| Expense ratio ^o | 59.9% | 58.1% | 34.5% | 57.8% | | 57.8% |
| Combined ratio ^o | 70.4% | 29.5% | 46.2% | 52.4% | | 51.6% |

1. Due to the timing of receiving reports prepared by Assured's ceding companies, PVP for installment premiums, par written and par outstanding on treaty business in the Company's Financial Guaranty Reinsurance segment are reported on a one-quarter lag.

Note: Please refer to endnotes for explanation of non-GAAP financial measures [PVP (a) and loss and loss adjustment expense ratio, expense ratio and combined ratio (e)].

Assured Guaranty Ltd.

Financial Guaranty Direct Segment (1 of 2)

(dollars in millions)

| | 1Q-07 | 2Q-07 | 3Q-07 | 4Q-07 | 1Q-08 | 2Q-08 | 3Q-08 | Nine Months 2007 | Nine Months 2008 |
|---|----------------|----------------|----------------|-----------------|------------------|-----------------|------------------|---------------------|---------------------|
| PVP ^a : | \$ 83.7 | \$ 104.0 | \$ 132.7 | \$ 156.4 | \$ 255.2 | \$ 241.4 | \$ 82.2 | \$ 320.4 | \$ 578.8 |
| Less: PVP of credit derivatives GWP | 40.3 | 39.2 | 90.8 | 81.8 | 91.5 | 52.3 | - | 170.4 | 143.8 |
| PVP of financial guaranty GWP | 43.4 | 64.8 | 41.9 | 74.6 | 163.7 | 189.1 | 82.2 | 150.0 | 435.0 |
| Less: Present value of insurance installment premiums ^a | 22.7 | 29.5 | 8.9 | 43.9 | 33.8 | 5.9 | 30.3 | 61.1 | 70.0 |
| Upfront financial guaranty gross written premiums (GWP) | 20.7 | 35.3 | 33.0 | 30.6 | 129.9 | 183.2 | 51.9 | 88.9 | 365.0 |
| Plus: Financial guaranty installment GWP | 11.5 | 10.3 | 10.2 | 15.6 | 16.5 | 14.6 | 19.5 | 32.0 | 50.6 |
| Financial guaranty direct GWP | \$ 32.1 | \$ 45.6 | \$ 43.1 | \$ 46.3 | \$ 146.4 | \$ 197.8 | \$ 71.4 | \$ 120.9 | \$ 415.6 |
| Income statement: | | | | | | | | | |
| Gross written premiums | \$ 32.1 | \$ 45.6 | \$ 43.1 | \$ 46.3 | \$ 146.4 | \$ 197.8 | \$ 71.4 | \$ 120.9 | \$ 415.6 |
| Net written premiums | 31.9 | 42.6 | 35.1 | 44.9 | 144.1 | 192.6 | 70.0 | 109.6 | 406.7 |
| Net earned premiums: | | | | | | | | | |
| Scheduled net earned premiums | | | | | | | | | |
| U.S. public finance | 1.3 | 1.5 | 1.7 | 2.0 | 2.8 | 5.9 | 9.9 | 4.5 | 18.7 |
| U.S. structured finance | 6.1 | 7.3 | 8.3 | 9.7 | 11.3 | 13.6 | 12.3 | 21.6 | 37.2 |
| International | 3.0 | 3.3 | 3.0 | 3.0 | 3.1 | 1.3 | 4.7 | 9.2 | 9.1 |
| Total scheduled net earned premiums | 10.4 | 12.0 | 13.0 | 14.7 | 17.3 | 20.8 | 26.9 | 35.3 | 65.0 |
| Net earned premiums from refundings | 1.7 | - | 1.1 | - | - | - | - | 2.8 | - |
| Total net earned premiums | 12.1 | 12.0 | 14.1 | 14.7 | 17.3 | 20.8 | 26.9 | 38.1 | 65.0 |
| Realized gains and other settlements on credit derivatives: | | | | | | | | | |
| Net credit derivative premiums earned | 16.8 | 16.3 | 17.6 | 22.0 | 27.3 | 30.6 | 28.4 | 50.7 | 86.4 |
| Net credit derivative recoveries (losses) | 0.0 | 0.0 | 0.0 | 0.0 | - | - | - | 0.1 | - |
| Ceding commissions income (expense), net | 0.0 | (0.1) | 0.1 | (0.2) | (0.1) | 0.2 | 0.2 | 0.1 | 0.3 |
| Total realized gains and other settlements on credit derivatives | 16.9 | 16.2 | 17.8 | 21.9 | 27.3 | 30.9 | 28.6 | 50.9 | 86.7 |
| Total revenues | 29.0 | 28.2 | 31.8 | 36.5 | 44.5 | 51.7 | 55.5 | 89.0 | 151.7 |
| Loss and loss adjustment expenses (recoveries): | | | | | | | | | |
| Case | 0.0 | 0.0 | 0.0 | 0.3 | 0.2 | 32.0 | 99.9 | 0.1 | 132.1 |
| Portfolio | 0.6 | 1.0 | 4.6 | 22.5 | 35.7 | (3.8) | (34.0) | 6.3 | (2.1) |
| Total loss and loss adjustment expenses (recoveries) - financial guaranty | 0.7 | 1.0 | 4.7 | 22.8 | 35.9 | 28.2 | 65.9 | 6.4 | 130.0 |
| Incurring losses on credit derivatives | 0.6 | 0.7 | 1.8 | 0.5 | 3.2 | 5.6 | 10.1 | 3.0 | 18.9 |
| Total loss and loss adjustment expenses (recoveries) | 1.2 | 1.7 | 6.4 | 23.3 | 39.1 | 33.8 | 76.0 | 9.4 | 148.9 |
| Profit commission expense | - | - | - | - | - | - | - | - | - |
| Acquisition costs | 3.0 | 2.2 | 2.5 | 2.4 | 3.0 | 3.1 | 4.0 | 7.7 | 10.1 |
| Operating expenses | 15.9 | 14.5 | 15.1 | 14.9 | 21.3 | 15.2 | 15.4 | 45.5 | 51.9 |
| Total expenses | \$ 20.2 | \$ 18.5 | \$ 24.0 | \$ 40.7 | \$ 63.4 | \$ 52.1 | \$ 95.5 | \$ 62.7 | \$ 210.9 |
| Underwriting gain (loss) | \$ 8.8 | \$ 9.8 | \$ 7.8 | \$ (4.2) | \$ (18.9) | \$ (0.4) | \$ (40.0) | \$ 26.3 | \$ (59.2) |
| Loss and loss adjustment expense ratio ^e | 4.2% | 6.0% | 20.2% | 63.6% | 87.7% | 65.7% | 137.5% | 10.5% | 98.4% |
| Expense ratio ^e | 65.4% | 59.4% | 55.2% | 47.9% | 54.6% | 35.1% | 34.8% | 59.9% | 40.7% |
| Combined ratio ^e | 69.6% | 65.4% | 75.4% | 111.5% | 142.3% | 100.8% | 172.3% | 70.4% | 139.1% |

Note: Please refer to endnotes for explanation of non-GAAP financial measures [PVP (a) and loss and loss adjustment expense ratio, expense ratio and combined ratio (e)].

Assured Guaranty Ltd.

Financial Guaranty Direct Segment (2 of 2)

(dollars in millions)

| | <u>1Q-07</u> | <u>2Q-07</u> | <u>3Q-07</u> | <u>4Q-07</u> | <u>1Q-08</u> | <u>2Q-08</u> | <u>3Q-08</u> | <u>Nine Months 2007</u> | <u>Nine Months 2008</u> |
|--|------------------|------------------|------------------|-------------------|-------------------|-------------------|-------------------|-----------------------------|-----------------------------|
| PVP^a: | | | | | | | | | |
| U.S. public finance | \$ 8.8 | \$ 15.4 | \$ 10.3 | \$ 25.6 | \$ 123.3 | \$ 183.2 | \$ 67.7 | \$ 34.5 | \$ 374.3 |
| U.S. structured finance | 44.9 | 49.9 | 77.0 | 92.3 | 71.3 | 51.9 | 14.5 | 171.8 | 137.7 |
| International | 29.9 | 38.8 | 45.4 | 38.5 | 60.5 | 6.3 | - | 114.1 | 66.8 |
| Total | <u>\$ 83.7</u> | <u>\$ 104.0</u> | <u>\$ 132.7</u> | <u>\$ 156.4</u> | <u>\$ 255.2</u> | <u>\$ 241.4</u> | <u>\$ 82.2</u> | <u>\$ 320.4</u> | <u>\$ 578.8</u> |
| Gross par written: | | | | | | | | | |
| U.S. public finance | \$ 609 | \$ 705 | \$ 695 | \$ 2,271 | \$ 7,213 | \$ 13,170 | \$ 5,574 | \$ 2,009 | \$ 25,958 |
| U.S. structured finance | 5,776 | 7,723 | 9,203 | 8,644 | 5,623 | 2,516 | 1,920 | 22,703 | 10,059 |
| International | 2,190 | 2,393 | 2,995 | 4,589 | 3,918 | 495 | - | 7,578 | 4,413 |
| Total | <u>\$ 8,575</u> | <u>\$ 10,822</u> | <u>\$ 12,893</u> | <u>\$ 15,505</u> | <u>\$ 16,755</u> | <u>\$ 16,181</u> | <u>\$ 7,494</u> | <u>\$ 32,290</u> | <u>\$ 40,430</u> |
| Net par outstanding: | | | | | | | | | |
| U.S. public finance | \$ 3,989 | \$ 4,686 | \$ 5,313 | \$ 7,504 | \$ 14,607 | \$ 27,602 | \$ 32,889 | \$ 5,313 | \$ 32,889 |
| U.S. structured finance | 48,430 | 50,562 | 57,497 | 64,950 | 66,324 | 67,816 | 66,567 | 57,497 | 66,567 |
| International | 21,319 | 22,979 | 25,896 | 30,566 | 35,039 | 35,158 | 32,629 | 25,896 | 32,629 |
| Total | <u>\$ 73,738</u> | <u>\$ 78,227</u> | <u>\$ 88,705</u> | <u>\$ 103,021</u> | <u>\$ 115,970</u> | <u>\$ 130,576</u> | <u>\$ 132,084</u> | <u>\$ 88,705</u> | <u>\$ 132,084</u> |
| Net present value of installment premiums in force ^{d, 1} | \$ 425.3 | \$ 459.1 | \$ 533.8 | \$ 639.2 | \$ 715.8 | \$ 763.5 | \$ 649.3 | \$ 533.8 | \$ 649.3 |
| Unearned premium reserve, net of ceded reinsurance | 146.1 | 177.0 | 197.7 | 227.8 | 354.4 | 526.2 | 569.4 | 197.7 | 569.4 |
| Unearned credit derivative revenues, net of ceded reinsurance | 10.7 | 10.9 | 13.2 | 16.1 | 16.7 | 18.4 | 14.2 | 13.2 | 14.2 |

1. March 31, 2008, June 30, 2008 and September 20, 2008 amounts include \$481.7 million, \$531.6 million and \$408.0 million, respectively, related to credit derivatives.

Note: Please refer to endnotes for explanation of non-GAAP financial measures [PVP (a) and net present value of estimated future installment premiums in force (d)].

Assured Guaranty Ltd.

Financial Guaranty Reinsurance Segment ¹ (1 of 2)
(dollars in millions)

| | 1Q-07 | 2Q-07 | 3Q-07 | 4Q-07 | 1Q-08 | 2Q-08 | 3Q-08 | Nine Months 2007 | Nine Months 2008 |
|---|----------------|----------------|----------------|----------------|-----------------|----------------|----------------|---------------------|---------------------|
| PVP^a: | \$ 23.1 | \$ 21.3 | \$ 32.8 | \$ 320.7 | \$ 21.4 | \$ 37.5 | \$ 57.2 | \$ 77.1 | \$ 116.1 |
| Less: PVP of credit derivatives GWP | - | - | - | - | 1.9 | - | 1.1 | - | 3.0 |
| PVP of financial guaranty GWP | 23.1 | 21.3 | 32.8 | 320.7 | 19.5 | 37.5 | 56.1 | 77.1 | 113.0 |
| Less: Present value of financial guaranty installment premiums ^a | 14.2 | 4.2 | 18.3 | 151.1 | 2.4 | 6.1 | 7.5 | 36.7 | 15.9 |
| Upfront financial guaranty gross written premiums (GWP) | 8.9 | 17.1 | 14.5 | 169.5 | 17.1 | 31.4 | 48.6 | 40.5 | 97.1 |
| Plus: Upfront premium due to commutation ² | - | - | - | - | - | - | (20.8) | - | (20.8) |
| Plus: Financial guaranty installment GWP | 9.8 | 8.4 | 9.3 | 13.5 | 8.3 | 16.6 | 13.4 | 27.5 | 38.3 |
| Financial guaranty reinsurance GWP | \$ 18.7 | \$ 25.5 | \$ 23.8 | \$ 183.0 | \$ 25.4 | \$ 48.0 | \$ 41.2 | \$ 68.0 | \$ 114.6 |
| Income statement: | | | | | | | | | |
| Gross written premiums: | | | | | | | | | |
| Treaty | \$ 14.2 | \$ 16.9 | \$ 15.8 | \$ 19.1 | \$ 11.8 | \$ 17.9 | \$ 0.4 | \$ 46.9 | \$ 30.1 |
| Facultative | 4.5 | 8.6 | 8.0 | 163.9 | 13.6 | 30.1 | 40.8 | 21.1 | 84.5 |
| Total gross written premiums | \$ 18.7 | \$ 25.5 | \$ 23.8 | \$ 183.0 | \$ 25.4 | \$ 48.0 | \$ 41.2 | \$ 68.0 | \$ 114.6 |
| Net written premiums | 18.5 | 25.5 | 23.8 | 183.0 | 25.1 | 48.0 | 41.2 | 67.8 | 114.4 |
| Net earned premiums: | | | | | | | | | |
| Scheduled net earned premiums | 18.7 | 17.3 | 18.1 | 20.0 | 25.4 | 27.5 | 25.7 | 54.1 | 78.6 |
| Net earned premiums from refundings | 3.2 | 6.4 | 3.5 | 1.7 | 2.4 | 2.1 | 31.7 | 13.1 | 36.2 |
| Total net earned premiums | 21.9 | 23.7 | 21.6 | 21.7 | 27.8 | 29.6 | 57.4 | 67.2 | 114.8 |
| Realized gains and other settlements on credit derivatives: | | | | | | | | | |
| Net credit derivative premiums earned | - | - | - | - | 0.5 | 0.8 | 2.1 | - | 3.4 |
| Net credit derivative recoveries (losses) | - | - | - | - | - | - | - | - | - |
| Ceding commissions income (expense), net | - | - | - | - | (0.2) | (0.3) | (0.7) | - | (1.1) |
| Total realized gains and other settlements on credit derivatives | - | - | - | - | 0.3 | 0.6 | 1.4 | - | 2.3 |
| Total revenues | 21.9 | 23.7 | 21.6 | 21.7 | 28.1 | 30.2 | 58.8 | 67.2 | 117.1 |
| Loss and loss adjustment expenses (recoveries): | | | | | | | | | |
| Case | (7.3) | (2.4) | 2.8 | (3.6) | 11.7 | 17.2 | 18.0 | (6.9) | 47.0 |
| Portfolio | 2.5 | (8.6) | (6.2) | (1.3) | 7.4 | (5.9) | (2.5) | (12.3) | (1.0) |
| Total loss and loss adjustment expenses (recoveries) - financial guaranty | (4.8) | (11.0) | (3.4) | (4.8) | 19.2 | 11.3 | 15.5 | (19.2) | 46.0 |
| Incurred losses on credit derivatives | - | - | - | - | - | - | - | - | - |
| Total loss and loss adjustment expenses (recoveries) | (4.8) | (11.0) | (3.4) | (4.8) | 19.2 | 11.3 | 15.5 | (19.2) | 46.0 |
| Profit commission expense | 0.9 | 0.5 | 0.8 | 0.5 | 1.1 | 0.9 | (1.5) | 2.2 | 0.5 |
| Acquisition costs | 7.7 | 8.6 | 7.7 | 7.3 | 8.8 | 8.6 | 15.1 | 24.0 | 32.5 |
| Operating expenses | 4.4 | 3.9 | 4.5 | 4.5 | 6.4 | 4.0 | 5.6 | 12.8 | 16.0 |
| Total expenses | \$ 8.3 | \$ 2.0 | \$ 9.6 | \$ 7.5 | \$ 35.5 | \$ 24.8 | \$ 34.8 | \$ 19.8 | \$ 95.1 |
| Underwriting gain (loss) | \$ 13.6 | \$ 21.7 | \$ 12.1 | \$ 14.2 | \$ (7.3) | \$ 5.4 | \$ 24.0 | \$ 47.4 | \$ 22.0 |
| Loss and loss adjustment expense ratio ^e | (21.9)% | (46.4)% | (15.9)% | (22.3)% | 67.8% | 37.1% | 26.1% | (28.6)% | 38.9% |
| Expense ratio ^e | 59.6% | 54.9% | 60.1% | 56.7% | 58.1% | 45.2% | 33.5% | 58.1% | 42.4% |
| Combined ratio ^e | 37.7% | 8.5% | 44.2% | 34.4% | 125.9% | 82.3% | 59.6% | 29.5% | 81.3% |

1. Due to the timing of receiving reports prepared by Assured's ceding companies, PVP for installment premiums, par written and par outstanding on treaty business in the Company's Financial Guaranty Reinsurance segment are reported on a one-quarter lag.

2. Relates to commutation of XLFA of approximately \$2.1 billion par value of business.

Note: Please refer to endnotes for explanation of non-GAAP financial measures [PVP (a) and loss and loss adjustment expense ratio, expense ratio and combined ratio (e)].

Assured Guaranty Ltd.

Financial Guaranty Reinsurance Segment ¹ (2 of 2)

(dollars in millions)

| | 1Q-07 | 2Q-07 | 3Q-07 | 4Q-07 | 1Q-08 | 2Q-08 | 3Q-08 | Nine Months 2007 | Nine Months 2008 |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|---------------------|---------------------|
| PVP^a: | | | | | | | | | |
| U.S. public finance | \$ 4.7 | \$ 14.1 | \$ 10.0 | \$ 272.7 | \$ 17.6 | \$ 29.0 | \$ 39.5 | \$ 28.8 | \$ 86.1 |
| U.S. structured finance | 3.9 | 2.5 | 3.0 | 22.9 | 2.9 | 4.2 | - | 9.5 | 7.2 |
| International | 14.4 | 4.7 | 19.8 | 25.0 | 0.9 | 4.2 | 17.7 | 38.9 | 22.8 |
| Total | <u>\$ 23.1</u> | <u>\$ 21.3</u> | <u>\$ 32.8</u> | <u>\$ 320.7</u> | <u>\$ 21.4</u> | <u>\$ 37.5</u> | <u>\$ 57.2</u> | <u>\$ 77.1</u> | <u>\$ 116.1</u> |
| Gross par written: | | | | | | | | | |
| U.S. public finance | \$ 754 | \$ 1,845 | \$ 1,344 | \$ 26,598 | \$ 2,503 | \$ 1,492 | \$ 2,154 | \$ 3,943 | \$ 6,150 |
| U.S. structured finance | 496 | 491 | 472 | 3,195 | 367 | 283 | 6 | 1,459 | 656 |
| International | 537 | 152 | 550 | 3,888 | 370 | 131 | 1,122 | 1,239 | 1,623 |
| Total | <u>\$ 1,787</u> | <u>\$ 2,488</u> | <u>\$ 2,366</u> | <u>\$ 33,681</u> | <u>\$ 3,240</u> | <u>\$ 1,906</u> | <u>\$ 3,282</u> | <u>\$ 6,641</u> | <u>\$ 8,429</u> |
| Net par outstanding: | | | | | | | | | |
| U.S. public finance | \$ 48,929 | \$ 48,801 | \$ 48,832 | \$ 74,409 | \$ 75,382 | \$ 76,003 | \$ 72,695 | \$ 48,832 | \$ 72,695 |
| U.S. structured finance | 6,945 | 6,809 | 6,155 | 8,869 | 9,567 | 10,139 | 9,216 | 6,155 | 9,216 |
| International | 9,240 | 9,318 | 10,002 | 13,980 | 13,957 | 13,684 | 13,347 | 10,002 | 13,347 |
| Total | <u>\$ 65,115</u> | <u>\$ 64,928</u> | <u>\$ 64,989</u> | <u>\$ 97,258</u> | <u>\$ 98,906</u> | <u>\$ 99,826</u> | <u>\$ 95,258</u> | <u>\$ 64,989</u> | <u>\$ 95,258</u> |
| Net present value of installment premiums in force ^{d, 2} | \$ 160.2 | \$ 155.1 | \$ 151.4 | \$ 277.0 | \$ 276.7 | \$ 270.0 | \$ 264.6 | \$ 151.4 | \$ 264.6 |
| Unearned premium reserve, net of ceded reinsurance | 460.9 | 462.9 | 465.0 | 626.3 | 623.7 | 642.1 | 625.9 | 465.0 | 625.9 |
| Unearned credit derivative revenues, net of ceded reinsurance | - | - | - | - | 4.6 | 4.8 | 4.4 | - | 4.4 |

1. Due to the timing of receiving reports prepared by Assured's ceding companies, present value of financial guaranty gross written premiums (PVP) for installment premiums, par written and par outstanding on treaty business in the Company's Financial Guaranty Reinsurance segment are reported on a one-quarter lag.

2. March 31, 2008, June 30, 2008 and September 30, 2008 amounts include \$15.5 million, \$11.8 million and \$11.2 million, respectively, related to credit derivatives.

Note: Please refer to endnotes for explanation of non-GAAP financial measures [PVP (a) and net present value of estimated future installment premiums in force (d)].

Assured Guaranty Ltd.

Mortgage Guaranty Segment

(dollars in millions)

| | 1Q-07 | 2Q-07 | 3Q-07 | 4Q-07 | 1Q-08 | 2Q-08 | 3Q-08 | Nine Months 2007 | Nine Months 2008 |
|--|---------------|---------------|---------------|---------------|---------------|---------------|-----------------|---------------------|---------------------|
| PVP^a: | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Less: Present value of installment premiums ^a | - | - | - | - | - | - | - | - | - |
| Upfront gross written premiums (GWP) | - | - | - | - | - | - | - | - | - |
| Plus: Installment GWP | 1.0 | 0.5 | 1.4 | (0.2) | 0.5 | - | 0.2 | 2.9 | 0.7 |
| Mortgage guaranty GWP | \$ 1.0 | \$ 0.5 | \$ 1.4 | \$ (0.2) | \$ 0.5 | \$ - | \$ 0.2 | \$ 2.9 | \$ 0.7 |
| Income statement: | | | | | | | | | |
| Gross written premiums | \$ 1.0 | \$ 0.5 | \$ 1.4 | \$ (0.2) | \$ 0.5 | \$ - | \$ 0.2 | \$ 2.9 | \$ 0.7 |
| Net written premiums | 1.0 | 0.5 | 1.4 | (0.2) | 0.5 | - | 0.2 | 2.9 | 0.7 |
| Net earned premiums | 3.1 | 2.3 | 2.9 | 9.2 | 1.9 | 1.3 | 1.2 | 8.3 | 4.4 |
| Loss and loss adjustment expenses (recoveries): | | | | | | | | | |
| Case | - | - | - | - | - | 0.1 | 1.0 | - | 1.1 |
| Portfolio and IBNR | 0.1 | 0.1 | 0.8 | (0.4) | - | - | - | 1.0 | - |
| Total loss and loss adjustment expenses (recoveries) | 0.1 | 0.1 | 0.8 | (0.4) | - | 0.1 | 1.0 | 1.0 | 1.1 |
| Profit commission expense | 0.7 | 0.4 | 0.4 | 2.4 | 0.1 | 0.1 | 0.1 | 1.5 | 0.3 |
| Acquisition costs | 0.2 | - | 0.2 | 1.2 | 0.1 | 0.1 | 0.1 | 0.4 | 0.3 |
| Operating expenses | 0.3 | 0.5 | 0.3 | 1.0 | 0.9 | 0.5 | 0.5 | 1.0 | 1.9 |
| Total expenses | \$ 1.3 | \$ 1.0 | \$ 1.6 | \$ 4.2 | \$ 1.1 | \$ 0.8 | \$ 1.7 | \$ 3.8 | \$ 3.6 |
| Underwriting gain (loss) | \$ 1.8 | \$ 1.3 | \$ 1.3 | \$ 5.0 | \$ 0.8 | \$ 0.5 | \$ (0.5) | \$ 4.4 | \$ 0.8 |
| Loss and loss adjustment expense ratio ^e | 3.3% | 4.3% | 26.5% | (4.3)% | 0.0% | 7.9% | 81.0% | 11.7% | 25.0% |
| Expense ratio ^e | 37.8% | 39.1% | 27.5% | 50.3% | 57.9% | 55.1% | 59.3% | 34.5% | 57.5% |
| Combined ratio^e | 41.1% | 43.4% | 54.0% | 46.0% | 57.9% | 63.0% | 140.3% | 46.2% | 82.5% |
| Risk in force | \$ 1,374 | \$ 1,398 | \$ 1,374 | \$ 1,116 | \$ 857 | \$ 844 | \$ 702 | \$ 1,374 | \$ 702 |
| Risk written | - | - | - | - | - | - | - | - | - |
| Unearned premium reserve net of ceded reinsurance | 33.5 | 31.6 | 30.1 | 20.8 | 19.4 | 18.1 | 17.1 | 30.1 | 17.1 |

Note: Please refer to endnotes for explanation of non-GAAP financial measures [PVP (a) and loss and loss adjustment expense ratio, expense ratio and combined ratio (e)].

Assured Guaranty Ltd.

Other Segment

(dollars in millions)

| | 1Q-07 | 2Q-07 | 3Q-07 | 4Q-07 | 1Q-08 | 2Q-08 | 3Q-08 | Nine Months 2007 | Nine Months 2008 |
|--|---------------|-------------|-------------|-------------|-------------|-----------------|-------------|---------------------|---------------------|
| Income statement: | | | | | | | | | |
| Gross written premiums | \$ 3.3 | \$ 0.1 | \$ 0.1 | \$ - | \$ 3.5 | \$ - | \$ - | \$ 3.5 | \$ 3.5 |
| Net written premiums | - | - | - | - | - | - | - | - | - |
| Net earned premiums | - | - | - | - | - | - | - | - | - |
| Realized gains and other settlements on credit derivatives: | | | | | | | | | |
| Net credit derivative premiums earned | - | - | - | - | - | - | - | - | - |
| Net credit derivative recoveries (losses) | 1.3 | - | - | - | - | 0.4 | - | 1.3 | 0.4 |
| Total realized gains and other settlements on credit derivatives | 1.3 | - | - | - | - | 0.4 | - | 1.3 | 0.4 |
| Total revenues | 1.3 | - | - | - | - | 0.4 | - | 1.3 | 0.4 |
| Loss and loss adjustment expenses (recoveries) | - | - | - | - | - | (1.5) | - | - | (1.5) |
| Incurring losses on credit derivatives | - | - | - | - | - | - | - | - | - |
| Total loss and loss adjustment expenses (recoveries) | - | - | - | - | - | (1.5) | - | - | (1.5) |
| Profit commission expense | - | - | - | - | - | - | - | - | - |
| Acquisition costs | - | - | - | - | - | - | - | - | - |
| Operating expenses | - | - | - | - | - | - | - | - | - |
| Total expenses | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (1.5) | \$ - | \$ - | \$ (1.5) |
| Underwriting gain | \$ 1.3 | \$ - | \$ - | \$ - | \$ - | \$ 1.9 | \$ - | \$ 1.3 | \$ 1.9 |

Assured Guaranty Ltd.

Loss and Loss Adjustment Expense ("LAE") Reserves by Segment/Type

(dollars in millions)

| | As of September 30, 2008 | | | | | |
|--|---------------------------------|--------------------------------------|----------------------|--------------------------------|---------------|-----------------|
| | Financial Guaranty Direct | Financial Guaranty Reinsurance | Mortgage Guaranty | Total Financial Guaranty | Other | Total |
| Financial guaranty insurance reserves by segment and type: | | | | | | |
| Case | \$ 30.1 | \$ 51.9 | \$ 0.6 | \$ 82.6 | \$ 2.4 | \$ 85.0 |
| Incurred but not reported ("IBNR") | - | - | - | - | 3.0 | 3.0 |
| Portfolio reserves associated with fundamentally sound credits | 14.9 | 35.5 | 2.8 | 53.2 | - | 53.2 |
| Portfolio reserves on closely monitored credits ("CMC") list | 16.5 | 8.2 | - | 24.7 | - | 24.7 |
| Total financial guaranty insurance loss and LAE reserves | \$ 61.5 | \$ 95.6 | \$ 3.4 | \$ 160.5 | \$ 5.4 | \$ 165.9 |
| Credit derivative reserves by segment and type: | | | | | | |
| Case | \$ 7.2 | \$ 0.2 | \$ - | \$ 7.4 | \$ - | \$ 7.4 |
| Plus: Credit derivative portfolio reserves associated with fundamentally sound credits | 14.0 | - | - | 14.0 | - | 14.0 |
| Plus: Credit derivative portfolio reserves on CMC list | 5.6 | - | - | 5.6 | - | 5.6 |
| Total credit derivative reserves | \$ 26.8 | \$ 0.2 | \$ - | \$ 27.0 | \$ - | \$ 27.0 |
| Total loss and LAE reserves | \$ 88.3 | \$ 95.8 | \$ 3.4 | \$ 187.5 | \$ 5.4 | \$ 192.9 |

Assured Guaranty Ltd.

Investment Portfolio
As of September 30, 2008
(dollars in millions)

| | Amortized Cost | Pre-Tax Book Yield | After-Tax Book Yield | Fair Value | Annualized Investment Income |
|--|-------------------|--------------------------|----------------------------|-------------------|------------------------------------|
| Fixed maturity securities available for sale: | | | | | |
| U.S. Treasury securities and obligations | | | | | |
| of U.S. government agencies | \$ 158.2 | 4.4% | 3.9% | \$ 167.1 | \$ 7.0 |
| Agency obligations | 275.0 | 4.9% | 4.6% | 281.0 | 13.4 |
| Foreign government securities | 50.5 | 5.0% | 3.2% | 52.0 | 2.5 |
| Obligations of states and political subdivisions | 586.5 | 4.7% | 4.4% | 564.0 | 27.3 |
| Insured obligations of state and political subdivisions ¹ | 657.1 | 4.7% | 4.4% | 636.3 | 30.6 |
| Corporate securities | 280.6 | 5.9% | 5.0% | 250.5 | 16.6 |
| Mortgage-backed securities ² : | | | | | |
| Pass-throughs | 1,104.1 | 6.0% | 5.5% | 1,053.6 | 65.7 |
| PACs | 59.1 | 4.9% | 4.6% | 56.7 | 2.9 |
| Asset-backed securities ³ | 89.5 | 4.9% | 4.3% | 87.2 | 4.4 |
| Preferred stock | 12.6 | 8.0% | 6.8% | 12.2 | 1.0 |
| Total fixed maturity securities available for sale | 3,273.2 | 5.2% | 4.8% | 3,160.6 | 171.4 |
| Short-term investments | 370.1 | 1.4% | 1.2% | 370.1 | 5.2 |
| Total investments | \$ 3,643.3 | 4.8% | 4.4% | \$ 3,530.7 | \$ 176.6 |

| Ratings ⁴ : | Fair | |
|--|-------------------|---------------|
| | Value | % |
| Treasury and U.S. government obligations | \$ 167.1 | 5.3% |
| Agency obligations | 281.0 | 8.9% |
| AAA/Aaa | 1,598.1 | 50.6% |
| AA/Aa | 748.8 | 23.7% |
| A/A | 362.8 | 11.5% |
| BBB | 1.5 | - |
| Below Investment Grade | 1.3 | - |
| Total | \$ 3,160.6 | 100.0% |

Duration of investment portfolio (in years): 4.7

1. Reflects obligations of state and local political subdivisions that have been insured by other financial guarantors. The underlying ratings of these bonds average A+.
2. \$3.2 million is U.S. subprime RMBS, which has an average rating of AAA.
3. Contains no CDOs of ABS.
4. Ratings are represented by the lower of the Moody's Investor Services and Standard & Poor's classifications.

Assured Guaranty Ltd.

Estimated Net Exposure Amortization ¹

(dollars in millions)

| | Estimated Net Debt Service Amortization | Estimated Ending Net Debt Service Outstanding |
|--|--|--|
| Financial Guaranty Direct: | | |
| 2008 (as of September 30) | | \$ 190,667 |
| 2008 (4th quarter) | \$ 2,684 | 187,983 |
| 2009 | 12,378 | 175,605 |
| 2010 | 12,848 | 162,758 |
| 2011 | 14,526 | 148,232 |
| 2012 | 18,765 | 129,467 |
| 2008-2012 | 61,200 | 129,467 |
| 2013-2017 | 63,097 | 66,369 |
| 2018-2022 | 23,513 | 42,856 |
| 2023-2027 | 13,865 | 28,991 |
| After 2027 | 28,991 | - |
| Total | \$ 190,667 | |
| Financial Guaranty Reinsurance: | | |
| 2008 (as of September 30) | | \$ 165,045 |
| 2008 (4th quarter) | \$ 1,893 | 163,153 |
| 2009 | 8,094 | 155,059 |
| 2010 | 7,405 | 147,654 |
| 2011 | 8,062 | 139,592 |
| 2012 | 7,491 | 132,101 |
| 2008-2012 | 32,944 | 132,101 |
| 2013-2017 | 35,454 | 96,647 |
| 2018-2022 | 30,672 | 65,974 |
| 2023-2027 | 24,474 | 41,500 |
| After 2027 | 41,500 | - |
| Total | \$ 165,045 | |
| Total Financial Guaranty: | | |
| 2008 (as of September 30) | | \$ 355,712 |
| 2008 (4th quarter) | \$ 4,576 | 351,136 |
| 2009 | 20,471 | 330,664 |
| 2010 | 20,253 | 310,412 |
| 2011 | 22,588 | 287,824 |
| 2012 | 26,256 | 261,568 |
| 2008-2012 | 94,144 | 261,568 |
| 2013-2017 | 98,552 | 163,016 |
| 2018-2022 | 54,185 | 108,831 |
| 2023-2027 | 38,339 | 70,492 |
| After 2027 | 70,492 | - |
| Total | \$ 355,712 | |

1. Represents amortization of existing guaranteed portfolio (principal and interest), assuming no advance refundings, as of September 30, 2008. Expected maturities will differ from contractual maturities because borrowers may have the right to call or prepay guaranteed obligations.

Assured Guaranty Ltd.

Estimated Net Unearned Premium Amortization and Estimated Net Future Installment Premiums

(dollars in millions)

| | <u>Net Unearned Premiums^{1,2}</u> | <u>Estimated Net Unearned Premium Amortization²</u> | <u>Estimated Net Future Installments²</u> | <u>Total Estimated Net Future Premium Earnings²</u> |
|--|--|--|--|--|
| Financial Guaranty Direct: | | | | |
| 2008 (as of September 30) | \$ 583.6 | | | |
| 2008 (4th quarter) | 553.8 | \$ 29.8 | \$ 19.0 | \$ 48.8 |
| 2009 | 516.8 | 37.0 | 149.1 | 186.1 |
| 2010 | 483.1 | 33.7 | 132.0 | 165.7 |
| 2011 | 451.3 | 31.8 | 118.9 | 150.8 |
| 2012 | 421.1 | 30.2 | 101.2 | 131.4 |
| 2008-2012 | 421.1 | 162.5 | 520.2 | 682.8 |
| 2013-2017 | 293.7 | 127.4 | 203.1 | 330.5 |
| 2018-2022 | 198.6 | 95.1 | 51.4 | 146.5 |
| 2023-2027 | 128.9 | 69.7 | 20.0 | 89.7 |
| After 2027 | - | 128.9 | 24.0 | 152.9 |
| Total | | \$ 583.6 | \$ 818.8 | \$ 1,402.4 |
| Financial Guaranty Reinsurance: | | | | |
| 2008 (as of September 30) | \$ 630.4 | | | |
| 2008 (4th quarter) | 608.5 | \$ 21.9 | \$ 9.7 | \$ 31.6 |
| 2009 | 556.8 | 51.7 | 51.1 | 102.8 |
| 2010 | 511.0 | 45.7 | 46.8 | 92.5 |
| 2011 | 468.6 | 42.4 | 41.2 | 83.6 |
| 2012 | 429.3 | 39.4 | 33.5 | 72.9 |
| 2008-2012 | 429.3 | 201.1 | 182.4 | 383.5 |
| 2013-2017 | 268.4 | 160.8 | 123.1 | 283.9 |
| 2018-2022 | 158.7 | 109.7 | 89.9 | 199.6 |
| 2023-2027 | 85.1 | 73.7 | 64.0 | 137.6 |
| After 2027 | - | 85.1 | 90.7 | 175.8 |
| Total | | \$ 630.4 | \$ 550.0 | \$ 1,180.4 |
| Total Financial Guaranty: | | | | |
| 2008 (as of September 30) | \$ 1,214.0 | | | |
| 2008 (4th quarter) | 1,162.2 | \$ 51.8 | \$ 28.7 | \$ 80.5 |
| 2009 | 1,073.5 | 88.7 | 200.2 | 288.9 |
| 2010 | 994.1 | 79.4 | 178.8 | 258.2 |
| 2011 | 919.9 | 74.2 | 160.1 | 234.3 |
| 2012 | 850.3 | 69.6 | 134.7 | 204.3 |
| 2008-2012 | 850.3 | 363.7 | 702.6 | 1,066.3 |
| 2013-2017 | 562.1 | 288.2 | 326.2 | 614.4 |
| 2018-2022 | 357.3 | 204.8 | 141.3 | 346.1 |
| 2023-2027 | 214.0 | 143.4 | 84.0 | 227.3 |
| After 2027 | - | 214.0 | 114.7 | 328.7 |
| Total | | \$ 1,214.0 | \$ 1,368.8 | \$ 2,582.8 |

1. Unearned premium amounts are U.S. GAAP based and net of prepaid reinsurance premiums and include unearned credit derivative revenues net of ceded amounts.

2. Includes credit derivatives.

Assured Guaranty Ltd.

Financial Guaranty Profile (1 of 6)

As of September 30, 2008

(dollars in millions)

Net Par Outstanding and Average Rating by Asset Type

| Sector: | Financial Guaranty Direct | | Financial Guaranty Reinsurance | | Consolidated | |
|--|---------------------------|---------------------|--------------------------------|---------------------|-------------------|---------------------|
| | Net Par | Avg. | Net Par | Avg. | Net Par | Avg. |
| | Outstanding | Rating ¹ | Outstanding | Rating ¹ | Outstanding | Rating ¹ |
| U.S. public finance | | | | | | |
| General obligation | \$ 6,970 | A | \$ 18,937 | A+ | \$ 25,906 | A+ |
| Tax backed | 8,914 | A | 16,077 | A+ | 24,992 | A+ |
| Municipal utilities | 4,793 | A | 11,118 | A | 15,911 | A |
| Transportation | 3,285 | A | 8,918 | A | 12,203 | A |
| Healthcare | 4,877 | A | 7,233 | A+ | 12,109 | A |
| Higher education | 2,100 | A- | 3,043 | A+ | 5,143 | A+ |
| Investor-owned utilities | 119 | A | 2,152 | BBB+ | 2,271 | BBB+ |
| Housing | - | -- | 1,997 | A+ | 1,997 | A+ |
| Other public finance | 1,833 | A | 3,219 | A+ | 5,052 | A |
| Total U.S. public finance | <u>\$ 32,889</u> | <u>A</u> | <u>\$ 72,695</u> | <u>A+</u> | <u>\$ 105,584</u> | <u>A+</u> |
| U.S. structured finance | | | | | | |
| Pooled corporate obligations | \$ 33,738 | AAA | \$ 1,393 | AA+ | \$ 35,130 | AAA |
| Prime mortgage-backed and home equity | 11,233 | A | 929 | BB | 12,162 | A- |
| Subprime mortgage-backed and home equity | 6,504 | AA- | 214 | BBB+ | 6,717 | AA- |
| Commercial mortgage-backed securities | 5,680 | AAA | 214 | A- | 5,895 | AAA |
| Consumer receivables | 3,328 | AA+ | 2,435 | A | 5,763 | AA |
| Commercial receivables | 2,371 | AA- | 2,814 | A- | 5,185 | A+ |
| Structured credit | 2,419 | A+ | 406 | BBB | 2,825 | A |
| Insurance securitizations | 1,245 | AA- | 348 | AA | 1,593 | AA- |
| Other structured finance | 49 | AA | 464 | A- | 513 | A |
| Total U.S. structured finance | <u>\$ 66,567</u> | <u>AA</u> | <u>\$ 9,216</u> | <u>A</u> | <u>\$ 75,782</u> | <u>AA</u> |
| International | | | | | | |
| Infrastructure and pooled infrastructure | \$ 6,428 | AA+ | \$ 4,241 | BBB+ | \$ 10,669 | AA- |
| Mortgage-backed and home equity | 9,183 | AAA | 135 | AA | 9,318 | AAA |
| Pooled corporate obligations | 8,165 | AAA | 984 | AAA | 9,149 | AAA |
| Regulated utilities | 4,081 | A | 4,678 | BBB+ | 8,759 | A- |
| Public finance | 765 | AA | 1,113 | A- | 1,878 | A |
| Commercial receivables | 936 | A- | 853 | A- | 1,790 | A- |
| Future flow | 922 | BBB | 345 | BBB | 1,267 | BBB |
| Insurance securitizations | 923 | B+ | 37 | A | 960 | B+ |
| Commercial mortgage-backed securities | 543 | AAA | 361 | A- | 905 | AA |
| Structured credit | - | -- | 496 | A- | 496 | A- |
| Consumer receivables | - | -- | 93 | AAA | 93 | AAA |
| Other international structured finance | 683 | AAA | 9 | A | 692 | AAA |
| Total international | <u>\$ 32,629</u> | <u>AA</u> | <u>\$ 13,347</u> | <u>A-</u> | <u>\$ 45,976</u> | <u>AA-</u> |
| Total net par outstanding | <u>\$ 132,084</u> | <u>AA-</u> | <u>\$ 95,258</u> | <u>A+</u> | <u>\$ 227,342</u> | <u>AA-</u> |

1. Assured's internal rating. Assured's scale is comparable to that of the nationally recognized rating agencies. The super senior category, which is not generally used by rating agencies, is used by the Company in instances where Assured's AAA-rated exposure has additional credit enhancement due to either (1) the existence of another security rated AAA that is subordinated to Assured's exposure or (2) Assured's exposure benefits from a different form of credit enhancement that would pay any claims first in the event that any of the exposures incurs a loss, and such credit enhancement, in management's opinion, causes Assured's attachment point to be materially above the AAA attachment point.

Please refer to Glossary for description of selected types of U.S. public finance, U.S. structured finance and International obligations that the Company insures and reinsures.

Assured Guaranty Ltd.

Financial Guaranty Profile (2 of 6)

(dollars in millions)

Historical Net Par Outstanding and Average Rating by Asset Type

| Sector: | As of September 30, | | As of December 31, | | | |
|--|---------------------|--------------------------|---------------------|--------------------------|---------------------|--------------------------|
| | 2008 | | 2007 | | 2006 | |
| | Net Par Outstanding | Avg. Rating ¹ | Net Par Outstanding | Avg. Rating ¹ | Net Par Outstanding | Avg. Rating ¹ |
| U.S. public finance | | | | | | |
| General obligation | \$ 25,906 | A+ | \$ 20,291 | A+ | \$ 12,700 | A+ |
| Tax backed | 24,992 | A+ | 17,799 | A+ | 11,812 | A+ |
| Municipal utilities | 15,911 | A | 11,672 | A+ | 9,673 | A+ |
| Transportation | 12,203 | A | 9,984 | A | 6,302 | A |
| Healthcare | 12,109 | A | 10,372 | A | 6,580 | A |
| Higher education | 5,143 | A+ | 3,651 | A+ | 1,282 | A |
| Investor-owned utilities | 2,271 | BBB+ | 2,314 | BBB+ | 1,580 | BBB+ |
| Housing | 1,997 | A+ | 2,041 | A+ | 1,083 | AA- |
| Other public finance | 5,052 | A | 3,790 | A+ | 1,323 | AA- |
| Total U.S. public finance | <u>\$ 105,584</u> | <u>A+</u> | <u>\$ 81,914</u> | <u>A+</u> | <u>\$ 52,335</u> | <u>A+</u> |
| U.S. structured finance | | | | | | |
| Pooled corporate obligations | \$ 35,130 | AAA | \$ 33,813 | AAA | \$ 25,604 | AAA |
| Prime mortgage-backed and home equity | 12,162 | A- | 11,238 | AA- | 4,849 | A |
| Subprime mortgage-backed and home equity | 6,717 | AA- | 7,010 | AA+ | 6,390 | AA+ |
| Commercial mortgage-backed securities | 5,895 | AAA | 6,002 | AA+ | 5,430 | AAA |
| Consumer receivables | 5,763 | AA | 6,589 | AA | 2,663 | AA- |
| Commercial receivables | 5,185 | A+ | 5,246 | A+ | 2,450 | A- |
| Structured credit | 2,825 | A | 1,572 | A- | 1,553 | AA+ |
| Insurance securitizations | 1,593 | AA- | 1,158 | AA- | 794 | AA- |
| Other structured finance | 513 | A | 1,191 | AA | 1,852 | AA |
| Total U.S. structured finance | <u>\$ 75,782</u> | <u>AA</u> | <u>\$ 73,820</u> | <u>AA+</u> | <u>\$ 51,583</u> | <u>AA+</u> |
| International | | | | | | |
| Infrastructure and pooled infrastructure | \$ 10,669 | AA- | \$ 11,561 | AA- | \$ 8,256 | AA- |
| Mortgage-backed and home equity | 9,318 | AAA | 7,329 | AAA | 4,982 | AAA |
| Pooled corporate obligations | 9,149 | AAA | 8,459 | AAA | 3,563 | AAA |
| Regulated utilities | 8,759 | A- | 8,337 | A- | 4,780 | A- |
| Public finance | 1,878 | A | 1,996 | A+ | 1,202 | A+ |
| Commercial receivables | 1,790 | A- | 1,913 | A- | 1,081 | A- |
| Future flow | 1,267 | BBB | 1,113 | BBB+ | 1,008 | BBB |
| Insurance securitizations | 960 | B+ | 857 | BBB- | 923 | A- |
| Commercial mortgage-backed securities | 905 | AA | 1,240 | AA+ | 1,087 | AAA |
| Structured credit | 496 | A- | 592 | A- | 593 | A |
| Consumer receivables | 93 | AAA | 357 | AA+ | 114 | BBB+ |
| Other international structured finance | 692 | AAA | 794 | AA+ | 788 | AA+ |
| Total international | <u>\$ 45,976</u> | <u>AA-</u> | <u>\$ 44,546</u> | <u>AA-</u> | <u>\$ 28,378</u> | <u>AA-</u> |
| Total exposures | <u>\$ 227,342</u> | <u>AA-</u> | <u>\$ 200,279</u> | <u>AA-</u> | <u>\$ 132,296</u> | <u>AA-</u> |
| Mortgage guaranty risk in force | \$ 702 | N/A | \$ 1,116 | N/A | \$ 1,822 | N/A |

1. Assured's internal rating. Assured's scale is comparable to that of the nationally recognized rating agencies. The super senior category, which is not generally used by rating agencies, is used by the Company in instances where Assured's AAA-rated exposure has additional credit enhancement due to either (1) the existence of another security rated AAA that is subordinated to Assured's exposure or (2) Assured's exposure benefits from a different form of credit enhancement that would pay any claims first in the event that any of the exposures incurs a loss, and such credit enhancement, in management's opinion, causes Assured's attachment point to be materially above the AAA attachment point.

Please refer to Glossary for description of selected types of U.S. public finance, U.S. structured finance and International obligations that the Company insures and reinsures.

Assured Guaranty Ltd.

Financial Guaranty Profile (3 of 6)

(dollars in millions)

Gross Par Written by Asset Type

| Sector: | Financial Guaranty Direct | | Financial Guaranty Reinsurance | | Consolidated | |
|--|---------------------------|--------------------------|--------------------------------|--------------------------|------------------|--------------------------|
| | 3Q-08 | Avg. Rating ¹ | 3Q-08 | Avg. Rating ¹ | 3Q-08 | Avg. Rating ¹ |
| U.S. public finance | | | | | | |
| Tax backed | \$ 1,557 | A+ | \$ 284 | A+ | \$ 1,841 | A+ |
| General obligation | 1,069 | A | 700 | A+ | 1,769 | A+ |
| Municipal utilities | 837 | A | 288 | A | 1,126 | A |
| Transportation | 435 | A+ | 382 | A+ | 818 | A+ |
| Healthcare | 62 | A+ | 485 | A+ | 547 | A+ |
| Higher education | 317 | A | 22 | A+ | 339 | A |
| Housing | - | -- | - | -- | - | -- |
| Investor-owned utilities | - | -- | (8) | A- | (8) | A- |
| Other public finance | 1,297 | A- | 1 | AA- | 1,297 | A- |
| Total U.S. public finance | <u>\$ 5,574</u> | <u>A</u> | <u>\$ 2,154</u> | <u>A+</u> | <u>\$ 7,729</u> | <u>A</u> |
| U.S. structured finance | | | | | | |
| Structured credit | \$ 1,250 | AAA | \$ - | -- | \$ 1,250 | AAA |
| Consumer receivables | 350 | A | 3 | A+ | 353 | A |
| Commercial receivables | 320 | BBB | - | -- | 320 | BBB |
| Pooled corporate obligations | - | -- | 3 | AAA | 3 | AAA |
| Prime mortgage-backed and home equity | - | -- | - | -- | - | -- |
| Subprime mortgage-backed and home equity | - | -- | - | -- | - | -- |
| Commercial mortgage-backed securities | - | -- | - | -- | - | -- |
| Insurance securitization | - | -- | - | -- | - | -- |
| Other structured finance | - | -- | - | -- | - | -- |
| Total U.S. structured finance | <u>\$ 1,920</u> | <u>AA</u> | <u>\$ 6</u> | <u>AA</u> | <u>\$ 1,926</u> | <u>AA</u> |
| International | | | | | | |
| Regulated utilities | \$ - | -- | \$ 761 | A- | \$ 761 | A- |
| Infrastructure and pooled infrastructure | - | -- | 313 | BBB+ | 313 | BBB+ |
| Public finance | - | -- | 71 | A- | 71 | A- |
| Structured credit | - | -- | (24) | A | (24) | A |
| Commercial mortgage-backed securities | - | -- | - | -- | - | -- |
| Commercial receivables | - | -- | - | -- | - | -- |
| Consumer receivables | - | -- | - | -- | - | -- |
| Future flow | - | -- | - | -- | - | -- |
| Insurance securitizations | - | -- | - | -- | - | -- |
| Mortgage-backed and home equity | - | -- | - | -- | - | -- |
| Pooled corporate obligations | - | -- | - | -- | - | -- |
| Other international structured finance | - | -- | - | -- | - | -- |
| Total international | <u>\$ -</u> | <u>--</u> | <u>\$ 1,122</u> | <u>BBB+</u> | <u>\$ 1,122</u> | <u>BBB+</u> |
| Total gross par written | <u>\$ 7,494</u> | <u>A+</u> | <u>\$ 3,282</u> | <u>A</u> | <u>\$ 10,776</u> | <u>A+</u> |

1. Assured's internal rating. Assured's scale is comparable to that of the nationally recognized rating agencies. The super senior category, which is not generally used by rating agencies, is used by the Company in instances where Assured's AAA-rated exposure has additional credit enhancement due to either (1) the existence of another security rated AAA that is subordinated to Assured's exposure or (2) Assured's exposure benefits from a different form of credit enhancement that would pay any claims first in the event that any of the exposures incurs a loss, and such credit enhancement, in management's opinion, causes Assured's attachment point to be materially above the AAA attachment point.

Please refer to Glossary for description of selected types of U.S. public finance, U.S. structured finance and International obligations that the Company insures and reinsures.

Assured Guaranty Ltd.

Financial Guaranty Profile (4 of 6)

(dollars in millions)

Gross Par Written by Asset Type

| Sector: | Financial Guaranty Direct | | Financial Guaranty Reinsurance | | Consolidated | |
|--|---------------------------|--------------------------|--------------------------------|--------------------------|------------------|--------------------------|
| | Nine Months 2008 | Avg. Rating ¹ | Nine Months 2008 | Avg. Rating ¹ | Nine Months 2008 | Avg. Rating ¹ |
| U.S. public finance | | | | | | |
| Tax backed | \$ 7,055 | A+ | \$ 1,126 | AA- | \$ 8,181 | A+ |
| General obligation | 4,956 | A+ | 2,455 | A+ | 7,410 | A+ |
| Municipal utilities | 4,599 | A | 688 | A | 5,287 | A |
| Healthcare | 2,986 | A | 845 | A+ | 3,832 | A |
| Transportation | 2,887 | A+ | 894 | A+ | 3,781 | A+ |
| Higher education | 1,539 | A | 72 | AA- | 1,610 | A |
| Investor-owned utilities | 80 | BBB+ | 15 | A- | 95 | BBB+ |
| Housing | - | -- | 54 | AA | 54 | AA |
| Other public finance | 1,856 | A | 1 | AA- | 1,856 | A |
| Total U.S. public finance | \$ 25,958 | A | \$ 6,150 | A+ | \$ 32,108 | A+ |
| U.S. structured finance | | | | | | |
| Prime mortgage-backed and home equity | \$ 3,034 | AAA | \$ 102 | A | \$ 3,135 | AAA |
| Pooled corporate obligations | 2,659 | AAA | 133 | AA+ | 2,791 | AAA |
| Consumer receivables | 1,825 | AA+ | 317 | A- | 2,142 | AA |
| Structured credit | 1,850 | AA | - | -- | 1,850 | AA |
| Commercial receivables | 693 | BBB+ | 17 | BBB | 709 | BBB+ |
| Subprime mortgage-backed and home equity | - | -- | 54 | A+ | 54 | A+ |
| Commercial mortgage-backed Securities | - | -- | - | -- | - | -- |
| Insurance securitization | - | -- | - | -- | - | -- |
| Other structured finance | - | -- | 34 | AA | 34 | AA |
| Total U.S. structured finance | \$ 10,059 | AA+ | \$ 656 | A+ | \$ 10,716 | AA+ |
| International | | | | | | |
| Mortgage-backed and home equity | \$ 3,096 | AAA | \$ 14 | AAA | \$ 3,110 | AAA |
| Regulated utilities | 450 | A+ | 847 | A- | 1,297 | A |
| Pooled corporate obligations | 618 | AAA | 38 | AAA | 656 | AAA |
| Infrastructure and pooled infrastructure | - | -- | 495 | A- | 495 | A- |
| Future flow | 250 | BBB+ | - | -- | 250 | BBB+ |
| Consumer receivables | - | -- | 152 | AAA | 152 | AAA |
| Public finance | - | -- | 71 | A- | 71 | A- |
| Commercial receivables | - | -- | 6 | AA | 6 | AA |
| Commercial mortgage-backed Securities | - | -- | - | -- | - | -- |
| Insurance securitizations | - | -- | - | -- | - | -- |
| Structured credit | - | -- | - | -- | - | -- |
| Other international structured finance | - | -- | - | -- | - | -- |
| Total international | \$ 4,413 | AA+ | \$ 1,623 | A | \$ 6,036 | AA |
| Total gross par written | \$ 40,430 | AA- | \$ 8,429 | A+ | \$ 48,859 | AA- |

1. Assured's internal rating. Assured's scale is comparable to that of the nationally recognized rating agencies. The super senior category, which is not generally used by rating agencies, is used by the Company in instances where Assured's AAA-rated exposure has additional credit enhancement due to either (1) the existence of another security rated AAA that is subordinated to Assured's exposure or (2) Assured's exposure benefits from a different form of credit enhancement that would pay any claims first in the event that any of the exposures incurs a loss, and such credit enhancement, in management's opinion, causes Assured's attachment point to be materially above the AAA attachment point.

Please refer to Glossary for description of selected types of U.S. public finance, U.S. structured finance and International obligations that the Company insures and reinsures.

Assured Guaranty Ltd.

Financial Guaranty Profile (5 of 6)

(dollars in millions)

Distribution by Ratings of Financial Guaranty Portfolio

As of September 30, 2008

| Ratings ¹ : | Financial Guaranty Direct | | Financial Guaranty Reinsurance | | Consolidated | |
|------------------------|---------------------------|--------|--------------------------------|--------|--------------|--------|
| | Net Par | | Net Par | | Net Par | |
| | Outstanding | % | Outstanding | % | Outstanding | % |
| Super senior | \$ 35,109 | 26.6% | \$ 2 | 0.0% | \$ 35,112 | 15.4% |
| AAA | 36,552 | 27.7% | 5,105 | 5.4% | 41,657 | 18.3% |
| AA | 15,825 | 12.0% | 33,578 | 35.3% | 49,404 | 21.7% |
| A | 27,155 | 20.6% | 36,703 | 38.5% | 63,858 | 28.1% |
| BBB | 14,390 | 10.9% | 18,308 | 19.2% | 32,698 | 14.4% |
| Below investment grade | 3,053 | 2.3% | 1,561 | 1.6% | 4,614 | 2.0% |
| Total exposures | \$ 132,084 | 100.0% | \$ 95,258 | 100.0% | \$ 227,342 | 100.0% |

As of December 31, 2007

| Ratings ¹ : | Financial Guaranty Direct | | Financial Guaranty Reinsurance | | Consolidated | |
|------------------------|---------------------------|--------|--------------------------------|--------|--------------|--------|
| | Net Par | | Net Par | | Net Par | |
| | Outstanding | % | Outstanding | % | Outstanding | % |
| Super senior | \$ 36,359 | 35.3% | \$ - | - | \$ 36,359 | 18.2% |
| AAA | 41,716 | 40.5% | 5,617 | 5.8% | 47,333 | 23.6% |
| AA | 5,576 | 5.4% | 32,858 | 33.8% | 38,434 | 19.2% |
| A | 9,873 | 9.6% | 39,304 | 40.4% | 49,177 | 24.6% |
| BBB | 7,970 | 7.7% | 18,892 | 19.4% | 26,862 | 13.4% |
| Below investment grade | 1,526 | 1.5% | 588 | 0.6% | 2,114 | 1.1% |
| Total exposures | \$ 103,021 | 100.0% | \$ 97,258 | 100.0% | \$ 200,279 | 100.0% |

As of September 30, 2008

| Ratings ¹ : | U.S. Public Finance | | U.S. Structured Finance | | International | | Consolidated | |
|------------------------|---------------------|--------|-------------------------|--------|---------------|--------|--------------|--------|
| | Net Par | | Net Par | | Net Par | | Net Par | |
| | Outstanding | % | Outstanding | % | Outstanding | % | Outstanding | % |
| Super senior | \$ - | - | \$ 22,542 | 29.7% | \$ 12,570 | 27.3% | \$ 35,112 | 15.4% |
| AAA | 1,593 | 1.5% | 27,341 | 36.1% | 12,723 | 27.7% | 41,657 | 18.3% |
| AA | 38,882 | 36.8% | 7,638 | 10.1% | 2,883 | 6.3% | 49,404 | 21.7% |
| A | 50,798 | 48.1% | 7,145 | 9.4% | 5,916 | 12.9% | 63,858 | 28.1% |
| BBB | 13,353 | 12.6% | 8,463 | 11.2% | 10,881 | 23.7% | 32,698 | 14.4% |
| Below investment grade | 958 | 0.9% | 2,654 | 3.5% | 1,002 | 2.2% | 4,614 | 2.0% |
| Total exposures | \$ 105,584 | 100.0% | \$ 75,782 | 100.0% | \$ 45,976 | 100.0% | \$ 227,342 | 100.0% |

As of December 31, 2007

| Ratings ¹ : | U.S. Public Finance | | U.S. Structured Finance | | International | | Consolidated | |
|------------------------|---------------------|--------|-------------------------|--------|---------------|--------|--------------|--------|
| | Net Par | | Net Par | | Net Par | | Net Par | |
| | Outstanding | % | Outstanding | % | Outstanding | % | Outstanding | % |
| Super senior | \$ - | - | \$ 22,098 | 29.9% | \$ 14,261 | 32.0% | \$ 36,359 | 18.2% |
| AAA | 1,777 | 2.2% | 34,370 | 46.6% | 11,185 | 25.1% | 47,333 | 23.6% |
| AA | 31,750 | 38.8% | 4,676 | 6.3% | 2,008 | 4.5% | 38,434 | 19.2% |
| A | 37,604 | 45.9% | 5,302 | 7.2% | 6,271 | 14.1% | 49,177 | 24.6% |
| BBB | 10,608 | 13.0% | 5,479 | 7.4% | 10,776 | 24.2% | 26,862 | 13.4% |
| Below investment grade | 174 | 0.2% | 1,894 | 2.6% | 45 | 0.1% | 2,114 | 1.1% |
| Total exposures | \$ 81,914 | 100.0% | \$ 73,820 | 100.0% | \$ 44,546 | 100.0% | \$ 200,279 | 100.0% |

1. Assured's internal rating. Assured's scale is comparable to that of the nationally recognized rating agencies. The super senior category, which is not generally used by rating agencies, is used by the Company in instances where Assured's AAA-rated exposure has additional credit enhancement due to either (1) the existence of another security rated AAA that is subordinated to Assured's exposure or (2) Assured's exposure benefits from a different form of credit enhancement that would pay any claims first in the event that any of the exposures incurs a loss and such credit enhancement, in management's opinion, causes Assured's attachment point to be materially above the AAA attachment point.

Assured Guaranty Ltd.

Financial Guaranty Profile (6 of 6)

(dollars in millions)

Geographic Distribution of Financial Guaranty Portfolio as of September 30, 2008

| | Net Par | |
|--------------------------------------|-------------------|---------------|
| | Outstanding | % |
| U.S.: | | |
| California | \$ 16,422 | 7.2% |
| New York | 9,694 | 4.3% |
| Florida | 8,516 | 3.7% |
| Texas | 6,822 | 3.0% |
| Illinois | 5,695 | 2.5% |
| Massachusetts | 4,379 | 1.9% |
| Pennsylvania | 4,199 | 1.8% |
| New Jersey | 4,020 | 1.8% |
| Michigan | 3,092 | 1.4% |
| Washington | 2,904 | 1.3% |
| Other states | 39,841 | 17.5% |
| Structured finance (multiple states) | 75,782 | 33.3% |
| Total U.S. | \$ 181,366 | 79.8% |
| International: | | |
| United Kingdom | \$ 26,951 | 11.9% |
| Germany | 3,673 | 1.6% |
| Australia | 3,071 | 1.4% |
| Ireland | 925 | 0.4% |
| Turkey | 810 | 0.4% |
| Other | 10,546 | 4.6% |
| Total International | \$ 45,976 | 20.2% |
| Total exposures | \$ 227,342 | 100.0% |

Assured Guaranty Ltd.

Pooled Corporate Obligations Profile

(dollars in millions)

Distribution of Financial Guaranty Direct Pooled Corporate Obligations by Ratings as of September 30, 2008

| Ratings ¹ : | Net Par | | Avg. Initial Credit Enhancement ² | | Avg. Current Enhancement ² |
|------------------------|------------------|---------------|--|--|---------------------------------------|
| | Outstanding | % | | | |
| AAA | \$ 37,201 | 88.8% | 37.7% | | 35.9% |
| AA | 3,825 | 9.1% | 34.5% | | 33.3% |
| A | 628 | 1.5% | 46.6% | | 39.2% |
| BBB | 249 | 0.6% | 48.2% | | 37.9% |
| Below investment grade | - | - | -- | | -- |
| Total exposures | <u>\$ 41,903</u> | <u>100.0%</u> | <u>37.6%</u> | | <u>35.7%</u> |

Distribution of Financial Guaranty Direct Pooled Corporate Obligations by Year Insured as of September 30, 2008

| Year insured: | Net Par | | Avg. Initial Credit Enhancement ² | | Avg. Current Enhancement ² |
|----------------|------------------|---------------|--|--|---------------------------------------|
| | Outstanding | % | | | |
| 2004 and prior | \$ 1,619 | 3.9% | 30.8% | | 31.8% |
| 2005 | 7,479 | 17.8% | 36.8% | | 34.3% |
| 2006 | 13,123 | 31.3% | 37.9% | | 35.0% |
| 2007 | 16,470 | 39.3% | 38.4% | | 36.9% |
| 2008 YTD | 3,212 | 7.7% | 37.4% | | 37.4% |
| | <u>\$ 41,903</u> | <u>100.0%</u> | <u>37.6%</u> | | <u>35.7%</u> |

Distribution of Financial Guaranty Direct Pooled Corporate Obligations by Asset Class as of September 30, 2008

| Asset class: | Net Par | | Avg. Initial Credit Enhancement ² | | Avg. Current Enhancement ² | Avg. Rating ¹ |
|---|------------------|---------------|--|--|---------------------------------------|--------------------------|
| | Outstanding | % | | | | |
| High yield corporates | \$ 26,792 | 63.9% | 35.4% | | 33.7% | AAA |
| Trust preferred - banks and insurance | 3,816 | 9.1% | 47.1% | | 45.0% | AAA |
| Trust preferred - US mortgage and REITs | 2,526 | 6.0% | 50.1% | | 45.0% | AA |
| Trust preferred - European mortgage and REITs | 1,077 | 2.6% | 36.8% | | 37.0% | AAA |
| Market value CDOs of corporates | 4,514 | 10.8% | 38.9% | | 35.6% | AAA |
| Investment grade corporates | 2,331 | 5.6% | 28.7% | | 29.6% | AAA |
| Commercial real estate | 758 | 1.8% | 49.0% | | 48.9% | AAA |
| CDO of CDOs (corporate) ³ | 89 | 0.2% | 1.7% | | 5.1% | AAA |
| | <u>\$ 41,903</u> | <u>100.0%</u> | <u>37.6%</u> | | <u>35.7%</u> | <u>AAA</u> |

1. Assured's internal rating. Assured's scale is comparable to that of the nationally recognized rating agencies. The super senior category, which is not generally used by rating agencies, is used by the Company in instances where Assured's AAA-rated exposure has additional credit enhancement due to either (1) the existence of another security rated AAA that is subordinated to Assured's exposure or (2) Assured's exposure benefits from a different form of credit enhancement that would pay any claims first in the event that any of the exposures incurs a loss and such credit enhancement, in management's opinion, causes Assured's attachment point to be materially above the AAA attachment point.

2. "Average Credit Enhancement" is intended to provide a measure of the amount of equity and/or subordinate tranches that are junior in the capital structure to Assured's exposure, expressed as a percentage of the total transaction size and reflects any reduction of that credit support resulting from defaults or other factors. For transactions where excess spread may be available to absorb certain losses, the amounts shown above do not include any benefit from excess spread. The calculation methodologies differ for the various asset classes to reflect differences in transaction structures in order to provide a measure that management believes is comparable across asset classes. Data is obtained from third-party sources such as trustee reports and may be subject to misstatement or correction.

3. Consists of one transaction whereby Assured's exposure is principal-protected by a collateral account currently containing \$94 million in assets and representing 105% of current net par. Funds in the collateral account are permitted to be invested in cash, government securities and AAA ABS (other than MBS).

Assured Guaranty Ltd.

Consolidated U.S. Residential Mortgage-Backed Securities ("RMBS") Profile (1 of 2)

(dollars in millions)

Distribution of U.S. RMBS by Rating¹ and by Segment as of September 30, 2008

| Ratings ¹ : | Direct Net Par | | Reinsurance Net Par | | Total Net Par | |
|------------------------|-------------------|---------------|------------------------|---------------|------------------|---------------|
| | Outstanding | % | Outstanding | % | Outstanding | % |
| Super senior | \$ 6,462 | 36.4% | \$ - | - | \$ 6,462 | 34.2% |
| AAA | 1,650 | 9.3% | 233 | 20.4% | 1,882 | 10.0% |
| AA | 1,414 | 8.0% | 92 | 8.1% | 1,506 | 8.0% |
| A | 2,930 | 16.5% | 115 | 10.0% | 3,045 | 16.1% |
| BBB | 3,163 | 17.8% | 215 | 18.8% | 3,378 | 17.9% |
| Below investment grade | 2,118 | 11.9% | 488 | 42.7% | 2,606 | 13.8% |
| | <u>\$ 17,736</u> | <u>100.0%</u> | <u>\$ 1,143</u> | <u>100.0%</u> | <u>\$ 18,879</u> | <u>100.0%</u> |

Distribution of U.S. RMBS by Rating¹ and Type of Exposure as of September 30, 2008

| Ratings ¹ : | Prime | | Prime HELOC | Alt-A First Lien | Subprime First Lien | Total Net Par Outstanding |
|------------------------|---------------------|-----------------------|-----------------|---------------------|------------------------|------------------------------|
| | Prime First Lien | Closed End Seconds | | | | |
| Super senior | \$ 685 | \$ 48 | \$ - | \$ 2,788 | \$ 2,942 | \$ 6,462 |
| AAA | 434 | 63 | 15 | 1,021 | 348 | 1,882 |
| AA | 81 | 139 | 13 | 610 | 662 | 1,506 |
| A | 87 | - | 14 | 1,769 | 1,174 | 3,045 |
| BBB | 712 | 6 | 111 | 1,402 | 1,147 | 3,378 |
| Below investment grade | 9 | 195 | 1,719 | 239 | 444 | 2,606 |
| Total exposures | <u>\$ 2,008</u> | <u>\$ 451</u> | <u>\$ 1,874</u> | <u>\$ 7,829</u> | <u>\$ 6,717</u> | <u>\$ 18,879</u> |

Distribution of U.S. RMBS by Year Insured and Type of Exposure as of September 30, 2008

| Year Insured: | Prime | | Prime HELOC | Alt-A First Lien | Subprime First Lien | Total Net Par Outstanding |
|-----------------|---------------------|-----------------------|-----------------|---------------------|------------------------|------------------------------|
| | Prime First Lien | Closed End Seconds | | | | |
| 2004 and prior | \$ 233 | \$ - | \$ 150 | \$ 131 | \$ 513 | \$ 1,028 |
| 2005 | 215 | - | 792 | 432 | 97 | 1,536 |
| 2006 | 447 | 6 | 166 | 56 | 4,516 | 5,192 |
| 2007 | 1,113 | 445 | 766 | 4,421 | 1,557 | 8,302 |
| 2008 YTD | - | - | - | 2,788 | 34 | 2,822 |
| Total exposures | <u>\$ 2,008</u> | <u>\$ 451</u> | <u>\$ 1,874</u> | <u>\$ 7,829</u> | <u>\$ 6,717</u> | <u>\$ 18,879</u> |

1. Assured's internal rating. Assured's scale is comparable to that of the nationally recognized rating agencies. The super senior category, which is not generally used by rating agencies, is used by the Company in instances where Assured's AAA-rated exposure has additional credit enhancement due to either (1) the existence of another security rated AAA that is subordinated to Assured's exposure or (2) Assured's exposure benefits from a different form of credit enhancement that would pay any claims first in the event that any of the exposures incurs a loss and such credit enhancement, in management's opinion, causes Assured's attachment point to be materially above the AAA attachment point.

Assured Guaranty Ltd.

Consolidated U.S. RMBS Profile (2 of 2)

(dollars in millions)

Distribution of U.S. RMBS by Rating¹ and Year Insured as of September 30, 2008

| Year insured: | Super Senior | AAA Rated | AA Rated | A Rated | BBB Rated | BIG Rated | Total |
|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|------------------|
| 2004 and prior | \$ - | \$ 286 | \$ 162 | \$ 122 | \$ 174 | \$ 283 | \$ 1,028 |
| 2005 | - | 432 | 45 | 144 | 99 | 816 | 1,536 |
| 2006 | 2,942 | 195 | 549 | 409 | 865 | 233 | 5,192 |
| 2007 | 1,334 | 351 | 750 | 2,370 | 2,239 | 1,258 | 8,302 |
| 2008 YTD | 2,187 | 619 | - | - | - | 16 | 2,822 |
| | <u>\$ 6,462</u> | <u>\$ 1,882</u> | <u>\$ 1,506</u> | <u>\$ 3,045</u> | <u>\$ 3,378</u> | <u>\$ 2,606</u> | <u>\$ 18,879</u> |
| % of total | 34.2% | 10.0% | 8.0% | 16.1% | 17.9% | 13.8% | 100.0% |

Distribution of U.S. Prime HELOC RMBS by Rating¹ and Year Insured as of September 30, 2008

| Year insured: | Super Senior | AAA Rated | AA Rated | A Rated | BBB Rated | BIG Rated | Total |
|----------------|--------------|--------------|--------------|--------------|---------------|-----------------|-----------------|
| 2004 and prior | \$ - | \$ 2 | \$ 13 | \$ 5 | \$ 84 | \$ 46 | \$ 150 |
| 2005 | - | - | - | 9 | 21 | 761 | 792 |
| 2006 | - | - | - | - | 5 | 161 | 166 |
| 2007 | - | 13 | 1 | - | 1 | 751 | 766 |
| 2008 YTD | - | - | - | - | - | - | - |
| | <u>\$ -</u> | <u>\$ 15</u> | <u>\$ 13</u> | <u>\$ 14</u> | <u>\$ 111</u> | <u>\$ 1,719</u> | <u>\$ 1,874</u> |
| % of total | 0.0% | 0.8% | 0.7% | 0.8% | 5.9% | 91.8% | 100.0% |

Distribution of U.S. Closed End Seconds RMBS by Rating¹ and Year Insured as of September 30, 2008

| Year insured: | Super Senior | AAA Rated | AA Rated | A Rated | BBB Rated | BIG Rated | Total |
|----------------|--------------|--------------|---------------|-------------|-------------|---------------|---------------|
| 2004 and prior | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2005 | - | - | - | - | - | - | - |
| 2006 | - | - | - | - | 6 | - | 6 |
| 2007 | 48 | 63 | 139 | - | - | 195 | 445 |
| 2008 YTD | - | - | - | - | - | - | - |
| | <u>\$ 48</u> | <u>\$ 63</u> | <u>\$ 139</u> | <u>\$ -</u> | <u>\$ 6</u> | <u>\$ 195</u> | <u>\$ 451</u> |
| % of total | 10.6% | 14.0% | 30.9% | 0.0% | 1.2% | 43.3% | 100.0% |

Distribution of U.S. Alt-A RMBS by Rating¹ and Year Insured as of September 30, 2008

| Year insured: | Super Senior | AAA Rated | AA Rated | A Rated | BBB Rated | BIG Rated | Total |
|----------------|-----------------|-----------------|---------------|-----------------|-----------------|---------------|-----------------|
| 2004 and prior | \$ - | \$ 77 | \$ 32 | \$ - | \$ 22 | \$ - | \$ 131 |
| 2005 | - | 228 | 43 | 44 | 67 | 50 | 432 |
| 2006 | - | - | - | - | - | 56 | 56 |
| 2007 | 602 | 115 | 534 | 1,725 | 1,313 | 132 | 4,421 |
| 2008 YTD | 2,187 | 602 | - | - | - | - | 2,788 |
| | <u>\$ 2,788</u> | <u>\$ 1,021</u> | <u>\$ 610</u> | <u>\$ 1,769</u> | <u>\$ 1,402</u> | <u>\$ 239</u> | <u>\$ 7,829</u> |
| % of total | 35.6% | 13.0% | 7.8% | 22.6% | 17.9% | 3.0% | 100.0% |

Distribution of U.S. Subprime RMBS by Rating¹ and Year Insured as of September 30, 2008

| Year insured: | Super Senior | AAA Rated | AA Rated | A Rated | BBB Rated | BIG Rated | Total |
|----------------|-----------------|---------------|---------------|-----------------|-----------------|---------------|-----------------|
| 2004 and prior | \$ - | \$ 182 | \$ 38 | \$ 42 | \$ 14 | \$ 238 | \$ 513 |
| 2005 | - | 7 | - | 90 | 0 | - | 97 |
| 2006 | 2,942 | 125 | 549 | 400 | 489 | 12 | 4,516 |
| 2007 | - | 17 | 75 | 643 | 644 | 178 | 1,557 |
| 2008 YTD | - | 18 | - | - | - | 16 | 34 |
| | <u>\$ 2,942</u> | <u>\$ 348</u> | <u>\$ 662</u> | <u>\$ 1,174</u> | <u>\$ 1,147</u> | <u>\$ 444</u> | <u>\$ 6,717</u> |
| % of total | 43.8% | 5.2% | 9.9% | 17.5% | 17.1% | 6.6% | 100.0% |

1. Assured's internal rating. Assured's scale is comparable to that of the nationally recognized rating agencies. The super senior category, which is not generally used by rating agencies, is used by the Company in instances where Assured's AAA-rated exposure has additional credit enhancement due to either (1) the existence of another security rated AAA that is subordinated to Assured's exposure or (2) Assured's exposure benefits from a different form of credit enhancement that would pay any claims first in the event that any of the exposures incurs a loss and such credit enhancement, in management's opinion, causes Assured's attachment point to be materially above the AAA attachment point.

Assured Guaranty Ltd.

Financial Guaranty Direct U.S. RMBS Profile (1 of 3)

(dollars in millions)

Distribution of Financial Guaranty Direct U.S. RMBS by Rating¹ and Type of Exposure as of September 30, 2008

| Ratings ¹ : | Prime First Lien | Prime Closed End Seconds | Prime HELOC | Alt-A First Lien | Subprime First Lien | Total Net Par Outstanding |
|------------------------|---------------------|-----------------------------|-----------------|------------------|------------------------|------------------------------|
| Super senior | \$ 685 | \$ 48 | \$ - | \$ 2,788 | \$ 2,942 | \$ 6,462 |
| AAA | 335 | 60 | - | 1,015 | 239 | 1,650 |
| AA | - | 138 | 6 | 609 | 660 | 1,414 |
| A | - | - | - | 1,768 | 1,163 | 2,930 |
| BBB | 637 | - | 18 | 1,384 | 1,124 | 3,163 |
| Below investment grade | - | 195 | 1,308 | 239 | 376 | 2,118 |
| Total exposures | <u>\$ 1,657</u> | <u>\$ 441</u> | <u>\$ 1,331</u> | <u>\$ 7,803</u> | <u>\$ 6,504</u> | <u>\$ 17,736</u> |

Distribution of Financial Guaranty Direct U.S. RMBS Net Par Outstanding by Rating¹ and Year Issued as of September 30, 2008

| Year issued: | Super Senior | AAA Rated | AA Rated | A Rated | BBB Rated | BIG Rated | Total |
|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|------------------|
| 2004 and prior | \$ - | \$ 187 | \$ 75 | \$ 33 | \$ 39 | \$ 201 | \$ 535 |
| 2005 | 2,041 | 544 | 591 | 532 | 547 | 702 | 4,957 |
| 2006 | 1,198 | - | 75 | 150 | 957 | 322 | 2,703 |
| 2007 | 3,223 | 918 | 673 | 2,215 | 1,621 | 892 | 9,541 |
| 2008 YTD | - | - | - | - | - | - | - |
| | <u>\$ 6,462</u> | <u>\$ 1,650</u> | <u>\$ 1,414</u> | <u>\$ 2,930</u> | <u>\$ 3,163</u> | <u>\$ 2,118</u> | <u>\$ 17,736</u> |
| % of total | 36.4% | 9.3% | 8.0% | 16.5% | 17.8% | 11.9% | 100.0% |

Distribution of Financial Guaranty Direct U.S. RMBS Net Par Outstanding by Rating¹ and Year Insured as of September 30, 2008

| Year issued: | Super Senior | AAA Rated | AA Rated | A Rated | BBB Rated | BIG Rated | Total |
|----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|------------------|
| 2004 and prior | \$ - | \$ 187 | \$ 75 | \$ 33 | \$ 39 | \$ 201 | \$ 535 |
| 2005 | - | 420 | 42 | 132 | 67 | 702 | 1,363 |
| 2006 | 2,942 | 124 | 549 | 400 | 837 | 56 | 4,908 |
| 2007 | 1,334 | 317 | 748 | 2,365 | 2,221 | 1,158 | 8,142 |
| 2008 YTD | 2,187 | 602 | - | - | - | - | 2,788 |
| | <u>\$ 6,462</u> | <u>\$ 1,650</u> | <u>\$ 1,414</u> | <u>\$ 2,930</u> | <u>\$ 3,163</u> | <u>\$ 2,118</u> | <u>\$ 17,736</u> |
| % of total | 36.4% | 9.3% | 8.0% | 16.5% | 17.8% | 11.9% | 100.0% |

1. Assured's internal rating. Assured's scale is comparable to that of the nationally recognized rating agencies. The super senior category, which is not generally used by rating agencies, is used by the Company in instances where Assured's AAA-rated exposure has additional credit enhancement due to either (1) the existence of another security rated AAA that is subordinated to Assured's exposure or (2) Assured's exposure benefits from a different form of credit enhancement that would pay any claims first in the event that any of the exposures incurs a loss, and such credit enhancement, in management's opinion, causes Assured's attachment point to be materially above the AAA attachment point.

Assured Guaranty Ltd.

Financial Guaranty Direct U.S. RMBS Profile (2 of 3)

(dollars in millions)

Distribution of Financial Guaranty Direct U.S. RMBS by Year Insured as of September 30, 2008

| Year insured: | Prime First Lien | Prime Closed End Seconds | Prime HELOC | Alt-A First Lien | Subprime First Lien | Total Net Par Outstanding |
|----------------|---------------------|-----------------------------|-----------------|---------------------|------------------------|------------------------------|
| 2004 and prior | \$ - | \$ - | \$ 24 | \$ 126 | \$ 386 | \$ 535 |
| 2005 | 192 | - | 652 | 431 | 88 | 1,363 |
| 2006 | 357 | - | - | 56 | 4,495 | 4,908 |
| 2007 | 1,108 | 441 | 656 | 4,401 | 1,535 | 8,142 |
| 2008 YTD | - | - | - | 2,788 | - | 2,788 |
| | <u>\$ 1,657</u> | <u>\$ 441</u> | <u>\$ 1,331</u> | <u>\$ 7,803</u> | <u>\$ 6,504</u> | <u>\$ 17,736</u> |

Distribution of Financial Guaranty Direct U.S. RMBS by Year Issued as of September 30, 2008

| Year issued: | Prime First Lien | Prime Closed End Seconds | Prime HELOC | Alt-A First Lien | Subprime First Lien | Total Net Par Outstanding |
|----------------|---------------------|-----------------------------|-----------------|---------------------|------------------------|------------------------------|
| 2004 and prior | \$ - | \$ - | \$ 24 | \$ 126 | \$ 386 | \$ 535 |
| 2005 | 192 | - | 652 | 431 | 3,683 | 4,957 |
| 2006 | 357 | - | - | 446 | 1,900 | 2,703 |
| 2007 | 1,108 | 441 | 656 | 6,800 | 535 | 9,541 |
| 2008 YTD | - | - | - | - | - | - |
| | <u>\$ 1,657</u> | <u>\$ 441</u> | <u>\$ 1,331</u> | <u>\$ 7,803</u> | <u>\$ 6,504</u> | <u>\$ 17,736</u> |

Assured Guaranty Ltd.

Financial Guaranty Direct U.S. RMBS Profile (3 of 3)

(dollars in millions)

Distribution of Financial Guaranty Direct U.S. Mortgage-Backed Securities Issued January 1, 2005 or Later by Exposure Type, Average Pool Factor, Subordination, Cumulative Losses and 60+ Day Delinquencies as of September 30, 2008¹

U.S. Prime First Lien

| Year issued: | Net Par | | Pool Factor ² | Subordination ³ | Cumulative Losses ⁴ | 60+ Day Delinquencies ⁵ |
|--------------|-------------|-------|--------------------------|----------------------------|--------------------------------|------------------------------------|
| | Outstanding | | | | | |
| 2005 | \$ | 192 | 76.8% | 5.4% | 0.05% | 2.2% |
| 2006 | | 357 | 71.3% | 4.6% | 0.0% | 5.3% |
| 2007 | | 1,108 | 89.3% | 10.4% | 0.0% | 3.6% |
| 2008 | | - | N/A | N/A | N/A | N/A |
| | \$ | 1,657 | 84.0% | 8.6% | 0.01% | 3.8% |

U.S. Prime CES

| Year issued: | Net Par | | Pool Factor ² | Subordination ³ | Cumulative Losses ⁴ | 60+ Day Delinquencies ⁵ |
|--------------|-------------|-----|--------------------------|----------------------------|--------------------------------|------------------------------------|
| | Outstanding | | | | | |
| 2005 | \$ | - | N/A | N/A | N/A | N/A |
| 2006 | | - | N/A | N/A | N/A | N/A |
| 2007 | | 441 | 75.0% | 30.0% | 17.5% | 15.5% |
| 2008 | | - | N/A | N/A | N/A | N/A |
| | \$ | 441 | 75.0% | 30.0% | 17.5% | 15.5% |

U.S. Prime HELOC

| Year issued: | Net Par | | Pool Factor ² | Subordination ³ | Cumulative Losses ⁴ | 60+ Day Delinquencies ⁵ |
|--------------|-------------|-------|--------------------------|----------------------------|--------------------------------|------------------------------------|
| | Outstanding | | | | | |
| 2005 | \$ | 652 | 35.2% | 0.0% | 9.2% | 12.0% |
| 2006 | | - | N/A | N/A | N/A | N/A |
| 2007 | | 656 | 72.0% | 0.0% | 11.7% | 8.2% |
| 2008 | | - | N/A | N/A | N/A | N/A |
| | \$ | 1,308 | 53.7% | 0.0% | 10.4% | 10.1% |

U.S. Alt-A First Lien

| Year issued: | Net Par | | Pool Factor ² | Subordination ³ | Cumulative Losses ⁴ | 60+ Day Delinquencies ⁵ |
|--------------|-------------|-------|--------------------------|----------------------------|--------------------------------|------------------------------------|
| | Outstanding | | | | | |
| 2005 | \$ | 431 | 60.0% | 13.2% | 0.5% | 7.8% |
| 2006 | | 446 | 75.8% | 36.8% | 1.0% | 21.6% |
| 2007 | | 6,800 | 80.4% | 21.2% | 0.4% | 14.9% |
| 2008 | | - | N/A | N/A | N/A | N/A |
| | \$ | 7,677 | 79.0% | 21.6% | 0.5% | 14.9% |

U.S. Subprime First Lien

| Year issued: | Net Par | | Pool Factor ² | Subordination ³ | Cumulative Losses ⁴ | 60+ Day Delinquencies ⁵ |
|--------------|-------------|-------|--------------------------|----------------------------|--------------------------------|------------------------------------|
| | Outstanding | | | | | |
| 2005 | \$ | 3,683 | 35.7% | 61.8% | 4.3% | 42.2% |
| 2006 | | 1,900 | 53.0% | 41.9% | 5.9% | 42.0% |
| 2007 | | 535 | 54.3% | 42.4% | 5.8% | 44.1% |
| 2008 | | - | N/A | N/A | N/A | N/A |
| | \$ | 6,118 | 42.7% | 53.9% | 4.9% | 42.3% |

U.S. CMBS

| Year issued: | Net Par | | Pool Factor ² | Subordination ³ | Cumulative Losses ⁴ | 60+ Day Delinquencies ⁵ |
|--------------|-------------|-------|--------------------------|----------------------------|--------------------------------|------------------------------------|
| | Outstanding | | | | | |
| 2005 | \$ | 3,429 | 97.0% | 28.8% | 0.0% | 0.1% |
| 2006 | | 1,418 | 98.6% | 30.5% | 0.0% | 0.0% |
| 2007 | | 545 | 90.9% | 19.6% | 0.0% | 0.8% |
| 2008 | | - | N/A | N/A | N/A | N/A |
| | \$ | 5,391 | 96.8% | 28.3% | 0.0% | 0.1% |

1. For this release, net par outstanding is based on values as of September 2008. Pool factor, subordination, cumulative losses and delinquency data is based on September 2008 information obtained from Intex, Bloomberg, and/or provided by the trustee and may be subject to restatement or correction.

2. Pool factor is the percentage of net par outstanding divided by the original net par outstanding of the transactions at inception.

3. Represents the sum of subordinate tranches and over-collateralization, expressed as a percentage of total transaction size and does not include any benefit from excess interest collections that may be used to absorb losses.

4. Cumulative losses are defined as net charge-offs on the underlying loan collateral divided by the original pool balance.

5. 60+ day delinquencies are defined as loans that are greater than 60 days delinquent and all loans that are in foreclosure, bankruptcy or REO divided by net par outstanding.

Assured Guaranty Ltd.

Financial Guaranty Direct Credit Derivative Exposure Profile
(dollars in millions)

Distribution of Financial Guaranty Direct Credit Derivative Exposure by Rating

| Ratings ¹ : | September 30, 2008 | | December 31, 2007 | |
|------------------------|--------------------|---------------|-------------------|---------------|
| | Net Par | | Net Par | |
| | Outstanding | % | Outstanding | % |
| Super senior | \$ 33,086 | 44.5% | \$ 34,328 | 49.1% |
| AAA | 30,063 | 40.4% | 33,318 | 47.6% |
| AA | 5,148 | 6.9% | 1,796 | 2.6% |
| A | 2,945 | 4.0% | 101 | 0.1% |
| BBB | 2,775 | 3.7% | 368 | 0.5% |
| Below investment grade | 338 | 0.5% | 26 | - |
| Total exposures | <u>\$ 74,355</u> | <u>100.0%</u> | <u>\$ 69,936</u> | <u>100.0%</u> |

Distribution of Financial Guaranty Direct Credit Derivative Exposure by Sector and Average Rating

| Sector: | September 30, 2008 | | December 31, 2007 | |
|--|--------------------|---------------------|-------------------|---------------------|
| | Net Par | Average | Net Par | Average |
| | Outstanding | Rating ¹ | Outstanding | Rating ¹ |
| U.S. public finance | | | | |
| General obligation | \$ 419 | AAA | \$ 431 | AAA |
| Tax backed | 69 | BBB+ | 70 | AAA |
| Investor-owned utilities | 39 | AAA | 39 | AAA |
| Municipal utilities | 25 | AAA | 26 | AAA |
| Total U.S. public finance | <u>\$ 552</u> | <u>AA+</u> | <u>\$ 565</u> | <u>AAA</u> |
| U.S. structured finance | | | | |
| Pooled corporate obligations | \$ 29,039 | AAA | \$ 28,229 | AAA |
| Prime mortgage-backed and home equity | 7,289 | AA | 4,901 | AAA |
| Subprime mortgage-backed and home equity | 5,711 | AA- | 5,843 | AAA |
| Commercial mortgage-backed securities | 5,361 | AAA | 5,391 | AAA |
| Commercial receivables | 1,583 | AA+ | 1,584 | AAA |
| Consumer receivables | 545 | AAA | 695 | AA+ |
| Structured credit | 352 | AA+ | 346 | AAA |
| Insurance securitizations | 100 | AA | 108 | AAA |
| Other structured finance | 49 | AA | 643 | AAA |
| Total U.S. structured finance | <u>\$ 50,028</u> | <u>AA+</u> | <u>\$ 47,740</u> | <u>AAA</u> |
| International | | | | |
| Mortgage-backed and home equity | \$ 8,323 | AAA | \$ 6,032 | AAA |
| Pooled corporate obligations | 7,604 | AAA | 6,984 | AAA |
| Infrastructure and pooled Infrastructure | 5,742 | AAA | 6,404 | AAA |
| Regulated utilities | 699 | AA | 462 | AAA |
| Commercial mortgage-backed securities | 543 | AAA | 832 | AAA |
| Future flow | 132 | A- | 173 | A+ |
| Insurance securitizations | 41 | BB- | 41 | BBB- |
| Public finance | 8 | AAA | 9 | AAA |
| Other international structured finance | 683 | AAA | 695 | AAA |
| Total international | <u>\$ 23,775</u> | <u>AAA</u> | <u>\$ 21,631</u> | <u>AAA</u> |
| Total exposures | <u>\$ 74,355</u> | <u>AA+</u> | <u>\$ 69,936</u> | <u>AAA</u> |

1. Assured's internal rating. Assured's scale is comparable to that of the nationally recognized rating agencies. The super senior category, which is not generally used by rating agencies, is used by the Company in instances where Assured's AAA-rated exposure has additional credit enhancement due to either (1) the existence of another security rated AAA that is subordinated to Assured's exposure or (2) Assured's exposure benefits from a different form of credit enhancement that would pay any claims first in the event that any of the exposures incurs a loss and such credit enhancement, in management's opinion, causes Assured's attachment point to be materially above the AAA attachment point.

Please refer to Glossary for description of selected types of U.S. public finance, U.S. structured finance and International obligations that the Company insures and reinsures.

Assured Guaranty Ltd.

Unrealized Gains (Losses) on Credit Default Swaps ("CDS")

Unrealized Gains (Losses) on Credit Default Swaps ("CDS") as of September 30, 2008

| Asset Type | Net Par | | 3Q-08 Unrealized Gain (Loss) | 9 mos. 2008 Unrealized Gain (Loss) | |
|---|---------------------------|-------------------------|------------------------------|------------------------------------|--|
| | Outstanding (in billions) | Wtd. Avg. Credit Rating | | | |
| Corporate collateralized loan obligations | \$ 26.6 | AAA | \$ (3.7) | \$ 292.1 | |
| Market value CDOs of corporates | 3.7 | AAA | 0.7 | 46.0 | |
| Trust preferred securities | 6.3 | AAA | 11.4 | 69.8 | |
| Total pooled corporate obligations | 36.6 | AAA | 8.4 | 408.0 | |
| Commercial mortgage-backed securities | 5.9 | AAA | 0.7 | 79.3 | |
| Residential mortgage-backed securities | 21.3 | AA | (99.8) | 60.8 | |
| Other ⁴ | 10.6 | AA+ | (31.1) | (201.1) | |
| Total | \$ 74.4 | AA+ | \$ (121.8) | \$ 347.0 | |
| Reinsurance exposures written in CDS form | 3.2 | AA+ | 5.6 | (14.4) | |
| Grand Total | \$ 77.6 | AA+ | \$ (116.2) | \$ 332.6 | |

Unrealized Gains (Losses) on CDS Associated with Pooled Corporate Obligations as of September 30, 2008¹:

| Asset Type | Original Subordination ⁵ | Current Subordination | Net Par | | 3Q-08 Unrealized Gain (Loss) | 9 mos. 2008 Unrealized Gain (Loss) | |
|---------------------------------|-------------------------------------|-----------------------|---------------------------|-------------------------|------------------------------|------------------------------------|--|
| | | | Outstanding (in billions) | Wtd. Avg. Credit Rating | | | |
| High yield corporates | 36.3% | 34.3% | \$ 23.5 | AAA | \$ (3.7) | \$ 278.0 | |
| Trust preferred | 46.2% | 43.2% | 6.3 | AAA | 11.4 | 69.8 | |
| Market value CDOs of corporates | 41.6% | 37.5% | 3.7 | AAA | 0.7 | 46.0 | |
| Investment grade corporates | 28.7% | 29.6% | 2.3 | AAA | (0.6) | 6.2 | |
| Commercial real estate | 49.0% | 48.9% | 0.8 | AAA | 0.1 | 7.5 | |
| CDO of CDOs (corporate) | 1.7% | 5.1% | 0.1 | AAA | 0.5 | 0.4 | |
| Total | 38.2% | 36.1% | \$ 36.6 | AAA | \$ 8.4 | \$ 408.0 | |

Unrealized Gain on CDS Associated with Commercial Mortgage-Backed Securities by Year Issued as of September 30, 2008²:

| Vintage | Original Subordination | Current Subordination | Net Par | | 3Q-08 Unrealized Gain (Loss) | 9 mos. 2008 Unrealized Gain (Loss) | |
|----------------|------------------------|-----------------------|---------------------------|-------------------------|------------------------------|------------------------------------|--|
| | | | Outstanding (in billions) | Wtd. Avg. Credit Rating | | | |
| 2004 and Prior | 19.7% | 22.1% | \$ 0.3 | AAA | \$ 0.5 | \$ 5.5 | |
| 2005 | 27.6% | 28.6% | 3.4 | AAA | 0.4 | 50.9 | |
| 2006 | 27.2% | 27.8% | 2.0 | AAA | (0.1) | 20.6 | |
| 2007 | 35.8% | 35.9% | 0.2 | AAA | (0.1) | 2.4 | |
| 2008 | - | - | - | - | - | - | |
| Total | 27.4% | 28.3% | \$ 5.9 | AAA | \$ 0.7 | \$ 79.3 | |

Unrealized Gain on CDS Associated with RMBS by Year Issued as of September 30, 2008³:

| Vintage | Original Subordination | Current Subordination | Net Par | | 3Q-08 Unrealized Gain (Loss) | 9 mos. 2008 Unrealized Gain (Loss) | |
|----------------|------------------------|-----------------------|---------------------------|-------------------------|------------------------------|------------------------------------|--|
| | | | Outstanding (in billions) | Wtd. Avg. Credit Rating | | | |
| 2004 and Prior | 5.2% | 13.0% | \$ 0.5 | A+ | \$ (2.5) | \$ (8.8) | |
| 2005 | 24.1% | 48.7% | 5.2 | AA+ | (7.2) | 71.4 | |
| 2006 | 16.1% | 22.6% | 6.2 | AA+ | (12.5) | 131.5 | |
| 2007 | 16.4% | 18.4% | 9.5 | AA | (77.5) | (133.3) | |
| 2008 | - | - | - | - | - | - | |
| Total | 17.9% | 26.9% | \$ 21.3 | AA | \$ (99.8) | \$ 60.8 | |

Unrealized Gain on CDS Associated with RMBS by Asset Type as of September 30, 2008³:

| Asset Type | Original Subordination | Current Subordination | Net Par | | 3Q-08 Unrealized Gain (Loss) | 9 mos. 2008 Unrealized Gain (Loss) | |
|------------------|------------------------|-----------------------|---------------------------|-------------------------|------------------------------|------------------------------------|--|
| | | | Outstanding (in billions) | Wtd. Avg. Credit Rating | | | |
| Alt-A loans | 20.4% | 23.5% | \$ 6.6 | AA- | \$ (100.3) | \$ (167.6) | |
| Prime first lien | 10.4% | 12.2% | 9.0 | AAA | 0.6 | 25.8 | |
| Subprime lien | 26.9% | 53.9% | 5.7 | AA- | (0.1) | 202.6 | |
| Total | 17.9% | 26.9% | \$ 21.3 | AA | \$ (99.8) | \$ 60.8 | |

1. Corporate collateralized loan obligations, market value CDOs, and trust preferred securities include all U.S. structured finance pooled corporate obligations and international pooled corporate obligations.

2. Commercial mortgage-backed securities is comprised of commercial U.S. structured finance and commercial international mortgage backed securities.

3. Residential mortgage-backed securities is comprised of prime and subprime U.S. mortgage-backed and home equity securities and residential international mortgage-backed and home equity securities.

4. Other includes all other U.S. and international asset classes, such as commercial receivables and international infrastructure and pooled infrastructure securities.

The unrealized loss in other is primarily attributable to a change in the call date assumption for a particular wrapped UK utility transaction and a ratings downgrade on film securitization transaction. Other also includes management's estimate of credit related impairments for the Company's credit derivative exposures.

5. Represents the sum of subordinate tranches and over-collateralization and does not include any benefit from excess interest collections that may be used to absorb losses.

Assured Guaranty Ltd.

CDOs of ABS Profile
(dollars in millions)

Financial Guaranty Direct Collateralized Debt Obligations of Asset-Backed Securities (CDOs of ABS)¹ Net Par Outstanding by Type of CDO, by Year Insured and by Collateral:

| Year Insured | Legal Final Maturity ² | Net Par Outstanding | Type of Collateral as a Percent of Total Pool | | | | | | | Ratings as of September 30, 2008 | | Original AAA Sub-ordination ⁶ | Original Sub-ordination Below Assured | Current Sub-ordination Below Assured | |
|--|-----------------------------------|---------------------|---|--------------------------|-------------------------------|------------------------------------|-------------|-----------------------|-------------------------------|----------------------------------|------------|--|---------------------------------------|--------------------------------------|--|
| | | | ABS | RMBS (Includes Subprime) | Comm. MBS (CMBS) ³ | CDOs of Investment Grade Corporate | CDOs of ABS | Total Collateral Pool | U.S. Subprime First Lien RMBS | S&P | Moody's | | | | |
| CDOs of Mezzanine ABS³: | | | | | | | | | | | | | | | |
| 2001 | 2017 | \$ 113.6 | 0% | 0% | 100% | 0% | 0% | 100% | 0% | AAA | Aaa | 25.1% | 25.1% | 30.3% | |
| 2001 | 2016 | 59.7 | 0% | 0% | 100% | 0% | 0% | 100% | 0% | AAA | Aaa | 28.1% | 28.1% | 40.1% | |
| 2002 | 2017 | 105.3 | 0% | 0% | 100% | 0% | 0% | 100% | 0% | AAA | Aaa | 24.6% | 24.6% | 38.9% | |
| 2002 | 2017 | 101.7 | 0% | 0% | 100% | 0% | 0% | 100% | 0% | AAA | Aaa | 22.1% | 22.1% | 29.7% | |
| 2002 | 2017 | 88.7 | 0% | 0% | 100% | 0% | 0% | 100% | 0% | AAA | Aaa | 35.0% | 35.0% | 48.0% | |
| 2002 | 2017 | 68.4 | 0% | 0% | 100% | 0% | 0% | 100% | 0% | AAA | Aaa | 24.0% | 24.0% | 33.1% | |
| 2003 | 2018 | 126.0 | 0% | 0% | 100% | 0% | 0% | 100% | 0% | AAA | Aaa | 20.0% | 20.0% | 25.4% | |
| 2003 | 2038 | 74.9 | 0% | 0% | 100% | 0% | 0% | 100% | 0% | AAA | Aaa | 23.0% | 38.0% | 50.4% | |
| 2003 | 2018 | 48.0 | 0% | 0% | 100% | 0% | 0% | 100% | 0% | AAA | Aaa | 63.0% | 63.0% | 66.1% | |
| | Subtotal: | \$ 786.3 | 0% | 0% | 100% | 0% | 0% | 100% | 0% | AAA | Aaa | 27.2% | 28.6% | 37.7% | |
| CDOs of High Grade ABS⁴: | | | | | | | | | | | | | | | |
| No CDO of ABS business written | | | | | | | | | | | | | | | |
| CDOs of Pooled AAA ABS⁵: | | | | | | | | | | | | | | | |
| 2003 | 2010 | 682.5 | 35% | 34% | 26% | 5% | 0% | 100% | 0% | AAA | Aaa | 0.0% | 12.5% | 12.5% | |
| | Subtotal: | \$ 682.5 | 35% | 34% | 26% | 5% | 0% | 100% | 0% | AAA | Aaa | 0.0% | 12.5% | 12.5% | |
| Total: | | \$ 1,468.9 | 16% | 16% | 66% | 2% | 0% | 100% | 0% | AAA | Aaa | 14.6% | 21.1% | 26.0% | |

1. A "CDO of ABS" is a collateralized debt obligation (CDO) transaction whose collateral pool consists primarily of asset-backed securities (ABS), including mortgage-backed securities (MBS). ABS transactions securities generally represent an ownership interest in a trust that contains collateral supporting the notes. Those interests are divided into several tranches that can have varying levels of subordination, credit protection triggers and credit ratings.

2. "Legal Final Maturity" represents the final date for payment specified in the transaction documents and does not take into account prepayments that shorten the expected maturity and weighted average life.

3. "CDOs of Mezzanine ABS" is a market term that refers to transactions where the underlying collateral at issuance is comprised primarily of mezzanine tranches rated BBB or lower. The collateral underlying Assured's exposure to CDOs of Mezzanine ABS is comprised of mezzanine tranches of CMBS transactions and senior unsecured debt issued by commercial property REITs. The transactions to which Assured has exposure are static pools rather than actively managed transactions, and the collateral in these static pools was originated primarily in the period from 1997-2003. The collateral underlying Assured's exposure to CDOs of Mezzanine ABS had weighted average ratings, based on rating information as of September 30, 2008, as follows: 17% AAA, 8% AA, 13% A, 44% BBB and 18% below investment grade (BIG).

4. "CDOs of High Grade ABS" is a market term that refers to transactions where the underlying collateral at issuance is comprised of mezzanine tranches rated single-A or higher.

5. "CDOs of Pooled AAA ABS" is a market term that refers to transactions where the underlying collateral at issuance is comprised of the senior-most AAA rated securities. Assured's exposure to CDOs of Pooled AAA ABS was rated, based on rating information as of September 30, 2008: 100% AAA.

6. Represents the sum of subordinate tranches and over-collateralization and does not include any benefit from excess interest collections that may be used to absorb losses.

Assured Guaranty Ltd.

Non-Investment Grade Exposures

As of September 30, 2008

(dollars in millions)

| Non-Investment Grade Exposures by Asset Type: | Weighted Average Remaining Life | Net Par Outstanding | Average Rating ¹ |
|---|------------------------------------|------------------------|--------------------------------|
| U.S. public finance | | | |
| Municipal utilities | 25.2 | \$ 468 | B |
| General obligation | 13.8 | 44 | BB |
| Tax backed | 16.0 | 44 | BB |
| Healthcare | 11.3 | 30 | B- |
| Transportation | 15.4 | 24 | C |
| Housing | 13.7 | 3 | B- |
| Investor-owned utilities | 9.8 | 2 | BB+ |
| Higher education | 13.2 | 1 | BB+ |
| Other public finance | 33.4 | 342 | BB+ |
| Total U.S. public finance | 26.4 | \$ 958 | B+ |
| U.S. structured finance | | | |
| Prime mortgage-backed and home equity | 7.2 | \$ 2,162 | CCC |
| Subprime mortgage-backed and home equity | 11.4 | 444 | B+ |
| Pooled corporate obligations | 2.8 | 15 | B- |
| Commercial receivables | 1.9 | 0 | CCC- |
| Other structured finance | 9.8 | 34 | B |
| Total U.S. structured finance | 7.9 | \$ 2,654 | CCC |
| International | | | |
| Insurance securitizations | 12.3 | \$ 923 | BB+ |
| Infrastructure and pooled infrastructure | 10.1 | 79 | B+ |
| Total international | 12.2 | \$ 1,002 | BB |
| Total non-investment grade exposures | 12.7 | \$ 4,614 | B |

Top Ten Non-Investment Grade Exposures as of September 30, 2008

| Name or Description | Weighted Average Remaining Life | Net Par Outstanding | Average Rating ¹ | Segment |
|---|------------------------------------|------------------------|--------------------------------|-------------|
| CWHEQ Revolving Home Equity Loan Trust 2007-D | 6.7 | \$ 627 | CCC | Direct |
| Countrywide Home Equity Loan Trust 2005-J Class 1 & 2 | 5.7 | 560 | CCC | Direct |
| Ballantyne Re PLC Class A-2 Floating Rate Notes | 13.8 | 500 | B | Direct |
| Jefferson County, Alabama Sewer | 25.6 | 457 | B | Reinsurance |
| Orkney Re II, PLC | 10.6 | 423 | BB- | Direct |
| Private Student Loan Transaction | 33.5 | 152 | BB+ | Reinsurance |
| Private Student Loan Transaction | 29.2 | 110 | BB+ | Reinsurance |
| ACE Home Equity Loan Trust 2007-SL2 | 3.6 | 109 | CCC | Direct |
| SACO I Trust 2005-GP1 | 3.0 | 91 | D | Direct |
| Morgan Stanley Mortgage Loan Trust 2006-5AR | 5.4 | 91 | B | Direct |
| Total | 12.8 | \$ 3,120 | B- | |

1. Assured's internal rating. Assured's scale is comparable to that of the nationally recognized rating agencies. The super senior category, which is not generally used by rating agencies, is used by the Company in instances where Assured's AAA-rated exposure has additional credit enhancement due to either (1) the existence of another security rated AAA that is subordinated to Assured's exposure or (2) Assured's exposure benefits from a different form of credit enhancement that would pay any claims first in the event that any of the exposures incurs a loss, and such credit enhancement, in management's opinion, causes Assured's attachment point to be materially above the AAA attachment point.

Please refer to Glossary for description of selected types of U.S. public finance, U.S. structured finance and International obligations that the Company insures and reinsures.

Assured Guaranty Ltd.

Closely Monitored Credits ("CMC")

(dollars in millions)

Net Par Outstanding by Credit Monitoring Category ¹

| | September 30, 2008 | | |
|-----------------------------------|--------------------------------|----------------------|--|
| Description: | Net Par Outstanding | % | Number of Credits in Category |
| Fundamentally sound risk | \$ 222,597 | 97.9% | |
| Closely monitored credits: | | | |
| Category 1 | 1,368 | 0.6% | 41 |
| Category 2 | 1,422 | 0.6% | 26 |
| Category 3 | 1,892 | 0.8% | 47 |
| Category 4 | 20 | - | 14 |
| CMC Total | <u>4,702</u> | <u>2.1%</u> | <u>128</u> |
| Other below investment grade risk | 44 | - | 66 |
| Total | <u><u>\$ 227,342</u></u> | <u><u>100.0%</u></u> | |

| | December 31, 2007 | | |
|-----------------------------------|--------------------------------|----------------------|--|
| Description: | Net Par Outstanding | % | Number of Credits in Category |
| Fundamentally sound risk | \$ 198,133 | 98.9% | |
| Closely monitored credits: | | | |
| Category 1 | 1,288 | 0.6% | 36 |
| Category 2 | 743 | 0.4% | 12 |
| Category 3 | 71 | - | 16 |
| Category 4 | 24 | - | 16 |
| CMC Total | <u>2,126</u> | <u>1.1%</u> | <u>80</u> |
| Other below investment grade risk | 20 | - | 46 |
| Total | <u><u>\$ 200,279</u></u> | <u><u>100.0%</u></u> | |

1. Assured's surveillance department is responsible for monitoring the Company's portfolio of credits and maintains a list of closely monitored credits. The closely monitored credits are divided into four categories: Category 1 (low priority; fundamentally sound, greater than normal risk); Category 2 (medium priority; weakening credit profile, may result in loss); Category 3 (high priority; claim/default probable, case reserve established); Category 4 (claim paid, case reserve established for future payments). The closely monitored credits include all below investment grade (BIG) exposures where there is a material amount of exposure (generally greater than \$10.0 million) or a material risk of the Company incurring a loss greater than \$0.5 million. The closely monitored credits also include investment grade (IG) risks where credit quality is deteriorating and where, in the view of the Company, there is significant potential that the risk quality will fall below investment grade.

Assured Guaranty Ltd.

Largest Exposures by Sector (Part 1 of 4)

As of September 30, 2008

(dollars in millions)

25 Largest U.S. Public Finance Exposures

| Credit Name: | Net Par | |
|---|------------------|---------------------|
| | Outstanding | Rating ¹ |
| State of California General Obligation & Leases | \$ 1,560 | A+ |
| State of New Jersey General Obligation & Leases | 1,185 | AA- |
| Commonwealth of Massachusetts General Obligation & Bay Transportation | 1,031 | A |
| Commonwealth of Puerto Rico General Obligation & Leases | 1,008 | BBB- |
| New York City General Obligation & Leases | 1,007 | A+ |
| City of Chicago General Obligation & Leases | 996 | AA- |
| State of New York General Obligation & Leases | 986 | A+ |
| Los Angeles Unified School District | 897 | AA |
| Miami-Dade County Florida Aviation Authority | 886 | A |
| State of Washington General Obligation | 833 | AA |
| San Francisco Airport Commission | 808 | A |
| Denver International Airport System | 795 | BBB- |
| Chicago Public Building Commission - Chicago Board of Education | 721 | A |
| District of Columbia General Obligation | 708 | A |
| Metropolitan Transportation Authority (New York) - Transportation Revenue | 701 | A |
| Long Island Power Authority | 700 | A- |
| Port Authority of New York & New Jersey | 678 | AA- |
| Florida State General Obligation | 675 | AA |
| Puerto Rico Highway & Transportation Authority | 638 | BBB |
| Michigan State General Obligation | 626 | AA+ |
| Hawaii State General Obligation | 616 | AA |
| New York City Municipal Water Finance Authority | 586 | AA+ |
| Miami-Dade County School Board | 548 | A |
| Pennsylvania State Turnpike Commission | 534 | A+ |
| Florida State Department of Environmental Protection | 477 | A+ |
| Total top 25 U.S. public finance exposures | \$ 20,205 | |

10 Largest Healthcare Exposures

| Credit Name: | Net Par | | State |
|--|-----------------|---------------------|-------|
| | Outstanding | Rating ¹ | |
| Iowa Health System | \$ 418 | AA- | IA |
| Methodist Health System | 303 | A | TN |
| Essentia Health | 262 | A- | MN |
| Integris Health, Inc. | 255 | AA | OK |
| Meridian Health System Obligated Group | 212 | A- | NJ |
| Adventist Health System / Sunbelt | 210 | A+ | FL |
| Catholic Healthcare West | 207 | A | CA |
| Lifebridge Health | 207 | A | MD |
| Spartanburg Regional Healthcare System | 198 | AA- | SC |
| Centracare Health System | 196 | A | MN |
| Total top 10 healthcare exposures | \$ 2,466 | | |

1. Assured's internal rating. Assured's scale is comparable to that of the nationally recognized rating agencies. The super senior category, which is not generally used by rating agencies, is used by the Company in instances where Assured's AAA-rated exposure has additional credit enhancement due to either (1) the existence of another security rated AAA that is subordinated to Assured's exposure or (2) Assured's exposure benefits from a different form of credit enhancement that would pay any claims first in the event that any of the exposures incurs a loss, and such credit enhancement, in management's opinion, causes Assured's attachment point to be materially above the AAA attachment point.

Assured Guaranty Ltd.

Largest Exposures by Sector (Part 2 of 4)

As of September 30, 2008

(dollars in millions)

50 Largest U.S. Structured Finance Exposures

| Credit Name: | Net Par | Rating ¹ | Credit |
|---|------------------|---------------------|---------------|
| | Outstanding | | Enhancement |
| Deutsche Alt-A Securities Mortgage Loan 2007-2 | \$ 1,049 | BBB | 10.5% |
| Private - CDO | 1,001 | AAA | 32.0% |
| Discover Card Master Trust I Series A | 1,000 | AAA / Super senior | 57.5% |
| Ares Enhanced Credit Opportunities Fund | 922 | AAA | 39.5% |
| Field Point III & IV, Limited | 909 | AA- | 33.5% |
| Prospect Funding I LLC | 831 | AAA | 32.8% |
| Goldentree Credit Opportunities Financing I | 811 | AAA | 50.3% |
| Park Avenue Receivables Company LLC | 772 | AAA | 2.5% |
| Private - CDO | 713 | AAA | 19.1% |
| MortgageIt Securities Corp. Mortgage Loan 2007-2 | 685 | AAA / Super senior | 11.2% |
| Private RMBS Re-Remic | 662 | AAA / Super senior | 27.0% |
| Private - CDO | 660 | AAA | 40.6% |
| Applebee's Enterprises LLC | 633 | BBB- | 37.5% |
| CWHEQ Revolving Home Equity Loan Trust 2007-D | 627 | CCC | 0.0% |
| Private RMBS Re-Remic | 623 | AAA / Super senior | 27.8% |
| Sandelman Finance 2006-1 Limited | 623 | AA | 33.4% |
| Private RMBS Re-Remic | 603 | AAA / Super senior | 27.3% |
| Private RMBS Re-Remic | 602 | AAA / Super senior | 26.4% |
| Private Structured Credit | 600 | BBB+ | Private |
| Citibank Omni Master Trust | 595 | AAA / Super senior | 30.0% / 34.0% |
| Field Point I & II, Limited | 590 | AA- | 32.2% |
| Countrywide Home Equity Loan Trust 2005-J Class 1 & 2 | 560 | CCC | 0.0% |
| Inwood Park CDO Ltd. | 551 | AAA / Super senior | 42.4% |
| Liberty CLO Ltd | 530 | AAA / Super senior | 40.8% |
| Deutsche Alt-A Securities Mortgage Loan 2007-3 | 528 | A | 16.5% |
| LIICA Holdings, LLC | 495 | AA | 28.7% |
| Aaa Trust 2007-2 | 491 | A | 44.7% |
| Private - CDO | 486 | AAA | 45.2% |
| Private RMBS Transaction | 485 | A- | 8.2% |
| Shenandoah Trust Capital I Term Securities | 484 | A+ | 20.2% |
| Private RMBS Re-Remic | 463 | AA- | 25.6% |
| SLM Private Credit Student Loan Trust 2007 | 450 | AAA | 10.5% |
| Private RMBS Re-Remic | 449 | AAA | 38.2% |
| Synthetic CDO - IG Corporate | 438 | AAA / Super senior | 30.0% |
| Synthetic CDO - IG Corporate | 438 | AAA / Super senior | 30.0% |
| Synthetic CDO - IG Corporate | 438 | AAA / Super senior | 30.0% |
| Impac CMB Trust Series 2007-A | 427 | A+ | 8.1% |
| McDonnell Loan Opportunity Fund II | 400 | AAA | 20.5% |
| SLM Student Loan Trust 2007 | 392 | AAA | 6.3% |
| Wasatch CLO, Limited | 389 | AAA | 22.9% |
| Southfork Clo Ltd. Series 2005-A1 Class A1G | 380 | AAA / Super senior | 31.0% |
| Newstar Credit Opportunities Funding II | 376 | AA | 21.6% |
| Cent CDO XI Limited | 373 | AAA | 22.6% |
| SLM Private Credit Student Loan Trust 2006 | 356 | AAA | 10.9% |
| ACS 2007-1 Pass Through Trust G-1 | 339 | A | 39.4% |
| Synthetic CDO - IG Corporate | 335 | AAA / Super senior | 30.0% |
| Private - CDO | 335 | AAA | 42.4% |
| Comstock Funding Limited | 326 | AAA | 28.1% |
| Mountain View CLO II | 322 | AAA | 23.9% |
| United Commercial Mortgage Securities 2007-1 | 319 | A | 8.1% |
| Total top 50 U.S. structured finance exposures | \$ 27,864 | | |

1. Assured's internal rating. Assured's scale is comparable to that of the nationally recognized rating agencies. The super senior category, which is not generally used by rating agencies, is used by the Company in instances where Assured's AAA-rated exposure has additional credit enhancement due to either (1) the existence of another security rated AAA that is subordinated to Assured's exposure or (2) Assured's exposure benefits from a different form of credit enhancement that would pay any claims first in the event that any of the exposures incurs a loss and such credit enhancement, in management's opinion, causes Assured's attachment point to be materially above the AAA attachment point.

Assured Guaranty Ltd.

Largest Exposures by Sector (Part 3 of 4)

As of September 30, 2008

(dollars in millions)

25 Largest International Exposures

| Credit Name: | Net Par | |
|---|------------------|---------------------|
| | Outstanding | Rating ¹ |
| Prime European RMBS | \$ 1,432 | AAA / Super senior |
| Permanent Master Issuer PLC | 1,346 | AAA |
| Arkle Master Issuer PLC | 1,335 | AAA |
| Gracechurch Mortgage Financing PLC | 1,331 | AAA |
| Granite Master Issuer PLC | 1,154 | AAA |
| Graphite Mortgages PLC Provide Graphite 2005-2 | 1,125 | AAA / Super senior |
| Essential Public Infrastructure Capital III | 1,016 | AAA / Super senior |
| Essential Public Infrastructure Capital II | 990 | AAA / Super senior |
| Paragon Mortgages (No.13) PLC | 860 | AAA |
| International Infrastructure Pool | 770 | AAA / Super senior |
| International Infrastructure Pool | 770 | AAA / Super senior |
| International Infrastructure Pool | 770 | AAA / Super senior |
| Synthetic CDO - IG ABS | 683 | AAA / Super senior |
| United Utilities Water PLC | 637 | A |
| Stichting Profile Securitisation I | 615 | AAA / Super senior |
| Taberna Europe CDO II PLC | 612 | AAA |
| National Grid Gas PLC | 560 | A |
| Northumbrian Water PLC | 558 | BBB+ |
| Global Senior Loan Index Fund 1 B.V. | 557 | AAA / Super senior |
| Nemus Funding No.1 PLC | 543 | AAA / Super senior |
| Harvest CLO III | 500 | AAA |
| Ballantyne Re PLC Class A-2 Floating Rate Notes | 500 | B |
| National Grid Electricity Transmission PLC | 497 | A |
| Taberna Europe CDO I PLC | 466 | AAA |
| RMF Euro CDO V PLC | 463 | AAA |
| Total top 25 international exposures | \$ 20,088 | |

1. Assured's internal rating. Assured's scale is comparable to that of the nationally recognized rating agencies. The super senior category, which is not generally used by rating agencies, is used by the Company in instances where Assured's AAA-rated exposure has additional credit enhancement due to either (1) the existence of another security rated AAA that is subordinated to Assured's exposure or (2) Assured's exposure benefits from a different form of credit enhancement that would pay any claims first in the event that any of the exposures incurs a loss and such credit enhancement, in management's opinion, causes Assured's attachment point to be materially above the AAA attachment point.

Assured Guaranty Ltd.

Largest Exposures by Sector (Part 4 of 4)

As of September 30, 2008

(dollars in millions)

10 Largest Residential Mortgage Servicers Exposures

| Servicer: | Net Par Outstanding |
|--|--------------------------------|
| Countrywide Home Loans, Inc. | \$ 4,381 |
| Wells Fargo Home Mortgage, Inc. | 2,902 |
| Northern Rock PLC | 2,279 |
| Residential Funding Corporation | 2,245 |
| European Mortgage Servicer (Private Transaction) | 1,432 |
| Halifax PLC | 1,351 |
| Cheltenham & Gloucester PLC | 1,335 |
| Barclays Bank PLC | 1,331 |
| EMC Mortgage Corp | 1,201 |
| Paragon Finance PLC | 860 |
| Total top 10 residential mortgage servicers exposures | <u>\$ 19,316</u> |

Assured Guaranty Ltd.

Consolidated Capital and Claims Paying Resources

(dollars in millions)

| | As of September 30, 2008 | | | As of December 31, 2007 | | |
|--|------------------------------|---|-----------------|------------------------------|---|-----------------|
| | Assured Guaranty Corp. | Assured Guaranty Re Ltd. ¹ | Consolidated | Assured Guaranty Corp. | Assured Guaranty Re Ltd. ¹ | Consolidated |
| Statutory surplus and reserves | | | | | | |
| Unearned premium reserve ² | \$ 537 | \$ 740 | \$ 1,277 | \$ 302 | \$ 629 | \$ 931 |
| Contingency reserve | 680 | - | 680 | 582 | - | 582 |
| Policyholders' surplus | 426 | 1,250 | 1,676 | 400 | 1,097 | 1,497 |
| Loss & loss adjustment expense reserves ³ | 10 | 44 | 54 | 12 | 18 | 30 |
| Total policyholders' surplus and reserves | \$ 1,653 | \$ 2,034 | \$ 3,687 | \$ 1,296 | \$ 1,744 | \$ 3,040 |
| Claims paying resources | | | | | | |
| Policyholders' surplus | \$ 426 | \$ 1,250 | \$ 1,676 | \$ 400 | \$ 1,097 | \$ 1,497 |
| Contingency reserve | 680 | - | 680 | 582 | - | 582 |
| Qualified statutory capital | 1,106 | 1,250 | 2,356 | 982 | 1,097 | 2,079 |
| Unearned premium reserve ² | 537 | 740 | 1,277 | 302 | 629 | 931 |
| Loss and loss adjustment expense reserves ³ | 10 | 44 | 54 | 12 | 18 | 30 |
| Total policyholders' surplus and reserves | 1,653 | 2,034 | 3,687 | 1,296 | 1,744 | 3,040 |
| Present value of installment premium ^d | 551 | 363 | 915 | 554 | 366 | 920 |
| Standby line of credit/stop loss | 280 | 200 | 480 | 280 | 200 | 480 |
| Total claims paying resources | \$ 2,484 | \$ 2,597 | \$ 5,082 | \$ 2,130 | \$ 2,310 | \$ 4,440 |
| Net par insured outstanding | \$ 112,064 | \$ 115,340 | \$ 227,342 | \$ 94,127 | \$ 106,253 | \$ 200,279 |
| Net debt service outstanding | \$ 164,713 | \$ 191,061 | \$ 355,712 | \$ 128,351 | \$ 174,173 | \$ 302,413 |
| Ratios: | | | | | | |
| Net par insured to statutory capital | 101:1 | 92:1 | 96:1 | 96:1 | 97:1 | 96:1 |
| Capital ratio ⁴ | 149:1 | 153:1 | 151:1 | 131:1 | 159:1 | 145:1 |
| Financial resources ratio ⁵ | 66:1 | 74:1 | 70:1 | 60:1 | 75:1 | 68:1 |

1. Assured Guaranty Re Ltd. (AG Re) numbers are the Company's estimate of U.S. statutory as the company files Bermuda statutory financial statements.

2. Unearned premium reserve for AG Re is U.S. GAAP based, includes unearned revenues on credit derivatives and is net of prepaid reinsurance premiums.

3. Loss and loss adjustment reserves for AG Re are U.S. GAAP based, includes loss reserves for credit derivatives and is net of reinsurance recoverable and portfolio reserves.

4. The capital ratio is calculated by dividing net par and interest insured by qualified statutory capital.

5. The financial resources ratio is calculated by dividing net par and interest insured by total claims paying resources.

Note: Please refer to endnotes for explanation of non-GAAP financial measures [net present value of estimated future installment premiums in force (d)].

Assured Guaranty Ltd.

Summary Financial and Statistical Data

(dollars in millions, except per share amounts)

| | 9 Months 2008 | Year Ended December 31, | | |
|--|---------------|-------------------------|------------|------------|
| | | 2007 | 2006 | 2005 |
| GAAP Summary Income Statement Data | | | | |
| Gross written premiums | \$ 534.4 | \$ 424.5 | \$ 261.3 | \$ 192.1 |
| Net earned premiums | 184.0 | 159.3 | 144.8 | 139.4 |
| Realized gains and other settlements on credit derivatives | 89.4 | 74.0 | 73.9 | 57.1 |
| Net investment income | 120.2 | 128.1 | 111.5 | 96.8 |
| Total expenses | 310.9 | 161.4 | 150.4 | 70.7 |
| Income (loss) before provision for income taxes | 422.2 | (463.0) | 190.0 | 229.6 |
| Net income (loss) | 312.7 | (303.3) | 159.7 | 188.4 |
| Operating income ^b | 71.0 | 178.0 | 157.2 | 190.0 |
| Net income (loss) per diluted share | \$ 3.55 | \$ (4.46) | \$ 2.15 | \$ 2.53 |
| Operating income per diluted share | \$ 0.81 | \$ 2.57 | \$ 2.12 | \$ 2.55 |
| Financial Ratios: | | | | |
| Loss and LAE ratio ^e | 70.9% | 3.4% | (3.3)% | (35.0)% |
| Expense ratio ^e | 41.8% | 55.8% | 59.2% | 58.9% |
| Combined ratio ^e | 112.7% | 59.2% | 55.9% | 23.9% |
| GAAP Summary Balance Sheet Data (End of Period) | | | | |
| Total investments and cash | \$ 3,538.6 | \$ 3,147.9 | \$ 2,469.9 | \$ 2,256.0 |
| Total assets | 4,442.7 | 3,762.9 | 2,931.6 | 2,689.8 |
| Unearned premium reserves | 1,231.8 | 887.2 | 631.0 | 524.6 |
| Loss and LAE reserves | 165.9 | 125.6 | 115.9 | 117.4 |
| Senior notes | 197.4 | 197.4 | 197.4 | 197.3 |
| Series A Enhanced Junior Subordinated Debentures | 149.8 | 149.7 | 149.7 | - |
| Shareholders' equity | 2,089.9 | 1,666.6 | 1,650.8 | 1,661.5 |
| Book value per share | \$ 22.98 | \$ 20.85 | \$ 24.44 | \$ 22.22 |
| Other Financial Information: | | | | |
| Net debt service outstanding (end of period) | \$ 355,712 | \$ 302,413 | \$ 180,174 | \$ 145,694 |
| Gross debt service outstanding (end of period) | 362,112 | 307,657 | 181,503 | 148,836 |
| Net par outstanding (end of period) | 227,342 | 200,279 | 132,296 | 102,465 |
| Gross par outstanding (end of period) | 232,029 | 204,809 | 133,303 | 105,258 |
| Consolidated qualified statutory capital | 2,356 | 2,079 | 1,658 | 1,545 |
| Consolidated policyholders' surplus and reserves | 3,687 | 3,040 | 2,374 | 2,182 |
| Ratios: | | | | |
| Par insured to statutory capital | 96:1 | 96:1 | 80:1 | 66:1 |
| Capital ratio ¹ | 151:1 | 145:1 | 109:1 | 94:1 |
| Financial resources ratio ² | 70:1 | 68:1 | 53:1 | 48:1 |
| Gross debt service written: | | | | |
| U.S. public finance | \$ 58,861 | \$ 66,190 | \$ 13,261 | \$ 13,335 |
| U.S. structured finance | 11,801 | 42,414 | 28,902 | 16,724 |
| International | 9,396 | 24,971 | 17,979 | 5,729 |
| Total gross debt service written | \$ 80,058 | \$ 133,575 | \$ 60,142 | \$ 35,788 |
| Net debt service written | 78,944 | 129,872 | 59,775 | 35,440 |
| Net par written | 48,195 | 84,686 | 50,541 | 26,020 |
| Gross par written | 48,859 | 88,117 | 50,892 | 26,320 |

1. The capital ratio is calculated by dividing net par and interest insured by qualified statutory capital.

2. The financial resources ratio is calculated by dividing net par and interest insured by total claims paying resources.

Note: Please refer to endnotes for explanation of non-GAAP financial measures [operating income (b) and loss and loss adjustment expense ratio, expense ratio and combined ratio (e)].

Assured Guaranty Ltd.

Appendix
Credit Derivatives
(dollars in millions)

As part of its financial guaranty (FG) insurance business, the Company selects, structures and sells credit protection through credit default swaps ("CDS") in the institutional fixed income markets. The Company generates revenues through the premiums paid by third parties to insure against the risk of default on the assets underlying the CDS. In this appendix, the Company has presented the credit swap premiums in its financial guaranty direct and financial guaranty reinsurance segments, which were included in prior period financial information in Gross written premiums, Net written premiums, Net earned premiums, Loss and loss adjustment expenses (recoveries) and Acquisition Costs. The effect of these credit derivative premiums has been included in "Realized gains and other settlements on credit derivatives" and "Unrealized gains (losses) on credit derivatives" in income statements. Management's decision to reclassify these amounts was based on evolving financial guaranty industry practice. Management believes that this reclassification will increase comparability of its financial statements with other companies who participate in the CDS market. These reclassifications had no impact on underwriting gain (loss), loss and loss adjustment expense ratio, expense ratio, combined ratio, operating income or net income.

| Credit derivatives included in: | 1Q-07 | | | 2Q-07 | | | 3Q-07 | | | 4Q-07 | | |
|--|-----------|----------------|----------|-----------|----------------|----------|-----------|----------------|----------|-----------|----------------|----------|
| | FG Direct | FG Reinsurance | Total FG | FG Direct | FG Reinsurance | Total FG | FG Direct | FG Reinsurance | Total FG | FG Direct | FG Reinsurance | Total FG |
| Gross written premiums | \$ 17.4 | \$ - | \$ 17.4 | \$ 17.1 | \$ - | \$ 17.1 | \$ 20.9 | \$ - | \$ 20.9 | \$ 26.0 | \$ - | \$ 26.0 |
| Net written premiums | 17.0 | - | 17.0 | 16.4 | - | 16.4 | 19.9 | - | 19.9 | 25.0 | - | 25.0 |
| Net earned premiums ¹ | 16.8 | - | 16.8 | 16.3 | - | 16.3 | 17.6 | - | 17.6 | 22.0 | - | 22.0 |
| Loss and loss adjustment expenses (recoveries): | | | | | | | | | | | | |
| Net credit derivative losses paid (recovered) and payable (recoverable) ¹ | (0.0) | - | (0.0) | (0.0) | - | (0.0) | (0.0) | - | (0.0) | (0.0) | - | (0.0) |
| Incurred losses on credit derivatives ² | 0.6 | - | 0.6 | 0.7 | - | 0.7 | 1.8 | - | 1.8 | 0.5 | - | 0.5 |
| Total loss and loss adjustment expenses (recoveries) | 0.5 | - | 0.5 | 0.7 | - | 0.7 | 1.7 | - | 1.7 | 0.5 | - | 0.5 |
| Acquisition costs ¹ | 0.0 | - | 0.0 | (0.1) | - | (0.1) | 0.1 | - | 0.1 | (0.2) | - | (0.2) |
| | | | | | | | | | | | | |
| Credit derivatives included in: | 1Q-08 | | | 2Q-08 | | | 3Q08 | | | | | |
| | FG Direct | FG Reinsurance | Total FG | FG Direct | FG Reinsurance | Total FG | FG Direct | FG Reinsurance | Total FG | | | |
| Gross written premiums | \$ 28.8 | \$ 5.1 | \$ 33.8 | \$ 33.4 | \$ 1.1 | \$ 34.5 | \$ 25.3 | \$ 1.8 | \$ 27.0 | | | |
| Net written premiums | 27.6 | 5.1 | 32.7 | 32.3 | 1.1 | 33.4 | 24.2 | 1.8 | 26.0 | | | |
| Net earned premiums ¹ | 27.3 | 0.5 | 27.8 | 30.6 | 0.8 | 31.5 | 28.4 | 2.1 | 30.5 | | | |
| Loss and loss adjustment expenses (recoveries): | | | | | | | | | | | | |
| Net credit derivative losses paid (recovered) and payable (recoverable) ¹ | - | - | - | - | - | - | - | - | - | | | |
| Incurred losses on credit derivatives ² | 3.2 | - | 3.2 | 5.6 | - | 5.6 | 10.1 | - | 10.1 | | | |
| Total loss and loss adjustment expenses (recoveries) | 3.2 | - | 3.2 | 5.6 | - | 5.6 | 10.1 | - | 10.1 | | | |
| Acquisition costs ¹ | (0.1) | (0.2) | (0.2) | 0.2 | (0.3) | (0.1) | 0.2 | (0.7) | (0.5) | | | |

1. Included in "Realized gains and other settlements on credit derivatives" in income statements.

2. Included in "Unrealized gains (losses) on credit derivatives" in income statements.

Glossary

Below are the brief descriptions of selected types of U.S. public finance, U.S. structured finance and International obligations that the Company insures and reinsures. For a more complete description, please refer to Assured Guaranty Ltd.'s 10-K report.

Other public finance: primarily includes government insured student loans, government-sponsored project finance and structured municipal which includes excess of loss reinsurance on portfolios of municipal credits.

Pooled corporate obligations are structured financings backed by a pool of debt obligations. These financings are typically structured in multiple tranches (layers) from equity (first loss) through super senior (high excess). Losses on defaulted pool assets are allocated successively first to the equity tranche then to higher rated tranches.

Mortgage-backed and home equity: includes individual and repackaged securities backed by either prime, Alt-A, or subprime first and second lien mortgages.

Consumer receivables: principally includes auto loan receivables and credit card receivables.

Commercial mortgage-backed securities: includes individual and repackaged securities backed by commercial mortgage-backed securities.

Commercial receivables: includes equipment loans or leases, fleet auto financings and franchise loans.

Structured credit: includes whole business securitizations and intellectual property securitizations. Whole business securitizations are obligations backed by revenue-producing assets sold to a limited-purpose company by an operating company, including franchise agreements, lease agreements, intellectual property and real property.

Other structured finance: includes, manufactured housing, collateralized debt obligations of asset-backed securities and other securitizations not included in other asset classes.

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

(a) Present value of financial guaranty and credit derivative gross written premiums, or PVP, which is a non-GAAP financial measure, is defined as gross upfront and installment premiums received and the present value of gross estimated future installment premiums, on insurance and credit derivative contracts written in the current period, discounted at 6% per year. Management believes that PVP is a useful measure for management investors and analysts because it permits the evaluation of the value of new business production for Assured by taking into account the value of estimated future installment premiums on all new contracts underwritten in a reporting period, whether in insurance or credit derivative contract form, which GAAP gross premiums written and the net credit derivative premiums received and receivable portion of net realized gains and other settlement on credit derivatives ("credit derivative revenues") does not adequately measure. Actual future net earned or written premiums and credit derivative revenues may differ from PVP due to factors such as prepayments, amortizations, refundings, contract terminations or defaults that may or may not be influenced by market interest rates, refinancing or refunding activity, prepayment speeds, policy changes or terminations, credit defaults, or other factors that management cannot control or predict. This measure should not be viewed as a substitute for gross written premiums determined in accordance with GAAP.

(b) Operating income, which is a non-GAAP financial measure, is defined as net income (loss) excluding i) after-tax realized gains (losses) on investments and ii) after-tax unrealized gains (losses) on credit derivatives and the fair value adjustment of the Company's committed capital securities, other than the Company's net estimate of after-tax incurred case and portfolio loss and loss adjusted expense reserves for credit derivatives. Operating return on equity (ROE) represents operating income as a percentage of average shareholders' equity, excluding accumulated other comprehensive income and after-tax unrealized gains (losses) on credit derivatives. Management believes that operating income and operating ROE are useful measures for management, investors and analysts because the presentation of operating income and operating ROE enhance the understanding of Assured's results of operations by highlighting the underlying profitability of Assured's business. Realized gains (losses) on investments and unrealized gains (losses) on credit derivatives and the fair value adjustment of the Company's committed capital securities, other than the portion attributable to the Company's net estimate of incurred case and portfolio loss and loss adjustment expense reserves for credit derivatives, are excluded because the amount of both of these gains (losses) is heavily influenced by, and fluctuates, in part, according to changes in market interest rates, credit spreads and other factors that management cannot control or predict. These measures should not be viewed as substitutes for net income (loss) or ROE determined in accordance with GAAP.

(c) Adjusted book value, which is a non-GAAP financial measure, is defined as shareholders' equity (book value) plus the after-tax value of the unearned premium reserve net of prepaid reinsurance premiums, the after-tax value of unearned premium on credit derivatives net of prepaid reinsurance premiums and the after-tax net present value of estimated future installment premiums in force, less future ceding commissions, discounted at 6%, less after-tax deferred acquisition costs. Management believes that adjusted book value is a useful measure for management, equity analysts and investors because the calculation of adjusted book value permits an evaluation of the net present value of the Company's in force premiums and shareholders' equity. The premiums described above will be earned in future periods, but may differ materially from the estimated amounts used in determining current adjusted book value due to changes in market interest rates, refinancing or refunding activity, prepayment speeds, policy changes or terminations, credit defaults and other factors that management cannot control or predict. This measure should not be viewed as a substitute for book value determined in accordance with GAAP.

(d) Net present value of estimated future installment premiums in force, which is a non-GAAP financial measure is defined as the present value of estimated future installment premiums from our financial guaranty and credit derivative in-force books of business, net of reinsurance and discounted at 6%. Management believes that net present value of estimated future installment premiums in force is a useful measure for management, investors and analysts because it permits an evaluation of the value of future estimated financial guaranty and credit derivative installment premiums. Estimated future premiums may change from period to period due to changes in par outstanding, maturity, or other factors that management cannot control or predict that result from market interest rates, refinancing or refunding activity, prepayment speeds, policy changes or terminations, credit defaults, or other factors. There is no comparable GAAP financial measure.

(e) Loss ratio, which is a non-GAAP financial measure, is defined as loss and loss adjustment expenses (recoveries) plus the Company's net estimate of credit derivative incurred case and portfolio loss and loss adjustment expense reserves, which is included in unrealized gains (losses) on credit derivatives, plus net credit derivative losses (recoveries), which is included in realized gains and other settlements on credit derivatives, divided by net earned premiums plus net credit derivative premiums earned, which is included in realized gains and other settlements on credit derivatives. Expense ratio is calculated by dividing the sum of ceding commissions expense (income), profit commission expense, acquisition costs and operating expenses by net earned premiums plus net credit derivative premiums earned, which is included in realized gains and other settlements on credit derivatives. Combined ratio, which is a non-GAAP financial measure, is the sum of the loss ratio and the expense ratio. Management believes that loss, expense and combined ratios are useful measures for management, investors and analysts to measure the Company's underwriting performance. There are no comparable GAAP financial measures.

For adjusted book value, net present value of estimated future installment premiums in force, and PVP, Assurec uses 6% as the present value discount rate because it is the approximate taxable equivalent yield on Assured's investment portfolio for the periods presented.



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