



Assured Guaranty Ltd.
First Quarter 2009 Equity Investor Presentation



Safe Harbor Disclosure



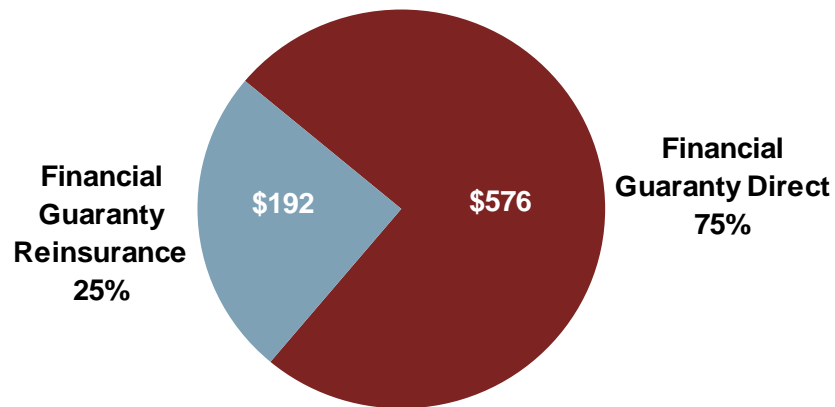
- Forward-looking statements are being made in this presentation. Actual results could differ materially from these statements.
- For example, the Company's forward looking statements, including its calculations of adjusted book value, PVP, net present value of estimated future installment premiums in force, total estimated net future premium earnings, and statements regarding capital losses, pricing, ratings, expenses and new business production could be affected by many events.
- Factors that could cause actual results to differ materially include, but are not limited to:
 - downgrades of financial strength ratings assigned by the major rating agencies to any of our insurance subsidiaries at any time, which has occurred in the past;
 - downgrades of transactions we insure;
 - our inability to execute our business strategy;
 - reduction in the amount of reinsurance facultative cessions or portfolio opportunities available to us;
 - contract cancellations;
 - developments in the world's financial capital markets that adversely affect our loss experience, the demand for our products, our access to capital, our unrealized (losses) gains on derivative financial instruments or our investment returns;
 - more severe or frequent losses associated with our insurance products, or changes in our assumptions used to estimate loss reserves and realized (losses) gains on derivative financial instruments;
 - changes in regulation or tax laws applicable to us, our subsidiaries or customers;
 - governmental actions;
 - natural catastrophes;
 - the Company's dependence on customers;
 - decreased demand for our insurance or reinsurance products or increased competition in our markets;
 - loss of key personnel;
 - technological developments;
 - the effects of mergers, acquisitions and divestitures;
 - changes in accounting policies or practices;
 - changes in the credit markets, segments thereof or general economic conditions, including the overall level of activity in the economy or particular sectors, interest rates, credit spreads and other factors;
 - other risks and uncertainties that have not been identified at this time; and
 - management's response to these factors.
- See the Company's SEC filings and latest earnings press release and financial supplement, which are available on its website, for more information on factors that could affect its forward-looking statements. Do not place undue reliance on these forward-looking statements which are made as of May 7, 2009. Assured does not undertake to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.
- This presentation references several non-GAAP financial measures. These non-GAAP financial measures are defined in the appendix of this presentation. In each case, if available, the most directly comparable GAAP financial measure is presented and a reconciliation of the non-GAAP financial measure and GAAP financial measure is provided. This presentation is consistent with how our management, analysts and investors evaluate our financial results and is comparable to estimates published by analysts in their research reports on us. Each of the non-GAAP financial measures is identified in this presentation as such.

Overview of Assured Guaranty Ltd.



(\$ in millions)

Last 12 Months New Business Production (PVP¹)



Total PVP: \$768 million

- **Assured Guaranty Corp. is the market leader in financial guaranty based on new business volume in 1Q-09**
 - Launched direct business in 2004
- **Bermuda-based Assured Guaranty Reinsurance Ltd. (“AG Re”) is the largest financial guaranty reinsurer**
 - 20+ year track record in reinsurance business

1. For an explanation of PVP, a non-GAAP financial measure, and a reconciliation of PVP to gross written premiums, which is the most comparable GAAP term, please refer to the appendix on slides 39-42.

Assured's Strategic Priorities



- **Exercise strict underwriting discipline**
 - Our proactive and rigorous underwriting standards have protected our company from the magnitude of credit losses experienced by many financial institutions during the last two years
 - Stress-test for adverse economic, financial and market environments
- **Expand direct franchise**
 - Market leader in PVP in 2008 and 1Q-09
 - Announced agreement to acquire FSA Holdings Ltd. in November 2008
- **Maintain leading reinsurance market position**
 - Current focus on portfolio transactions
- **Maintain highest ratings possible for Assured Guaranty Corp. and AG Re**
 - Assured Guaranty Corp. is currently rated AAA (stable) by Standard and Poor's; Aa2 (stable) by Moody's and AA (rating watch evolving) by Fitch
 - AG Re is currently rated AA (stable) by Standard & Poor's; Aa3 (stable) by Moody's and AA- (rating watch evolving) by Fitch
- **Utilize capital efficiently**

1. For an explanation of PVP, a non-GAAP financial measure, and a reconciliation of PVP to gross written premiums, which is the most comparable GAAP term, please refer to the appendix on slides 39-42.

Assured's Track Record of Growth



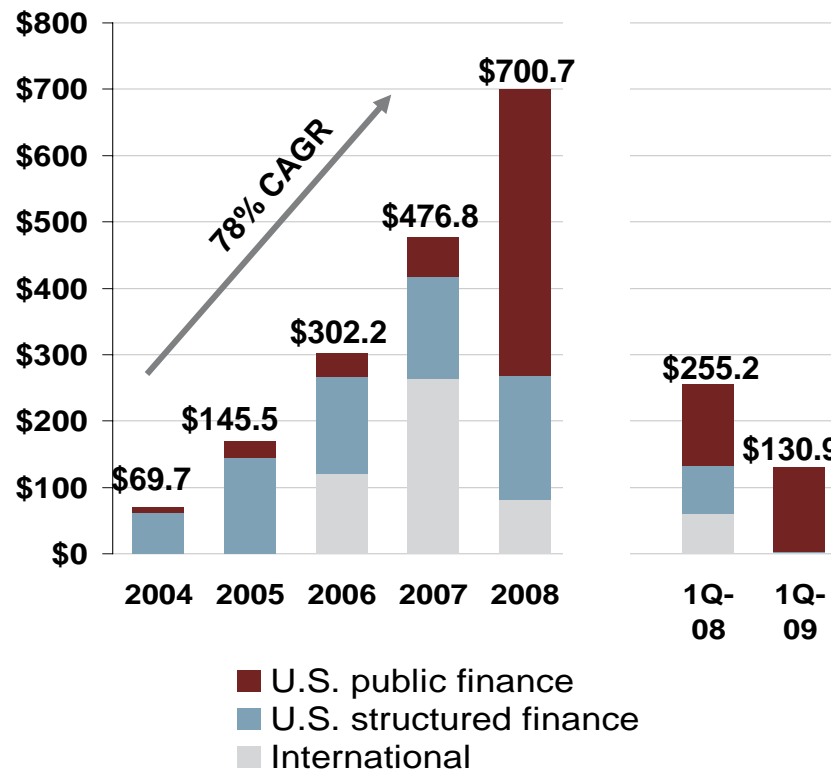
- **Assured has a demonstrated record of growth since our April 2004 IPO with a 2004 to 2008 compound annual growth rate of:**
 - 30% in PVP¹
 - 19% in net earned premium and credit derivative premiums received and receivable
 - 14% in net investment income
 - 11% in adjusted book value^{1,2} per share
 - April 22, 2004 IPO at \$18.00 per share
 - Previously a wholly-owned subsidiary of ACE Limited

- **1Q-09 growth versus 1Q-08 of**
 - 139% in net earned premium and credit derivative premiums received and receivable
 - 19% in net investment income
 - 19% in adjusted book value^{1,2} per share

1. For an explanation of adjusted book value or PVP, non-GAAP financial measures, and a reconciliation of PVP to gross written premiums, which is the most comparable GAAP term, please refer to the appendix on slides 39-42.

2. The Company's book value and adjusted book value per share as of 3/31/09 was impacted by \$0.43 per diluted share in after-tax unrealized gains on credit derivatives and a fair value gain on Assured Guaranty Corp.'s committed capital securities for 1Q-09.

Financial Guaranty Direct PVP ¹ (\$ in millions)



- **2009 new business activity**

- Demand remains strong for in U.S public finance new issue guaranties; PVP grew 50% in 1Q-09 compared to prior year period
- Limited activity levels in structured finance and international due to market conditions
- Secondary market public finance declined from \$43.5 million to \$7.2 million due to high 1Q-08 volume resulting from downgrades of competitors in 2008

- **Pricing remains above 2007 levels**

1. For an explanation of PVP, a non-GAAP financial measure, and a reconciliation of PVP to gross written premiums, which is the most comparable GAAP term, please refer to the appendix on slides 39-42.

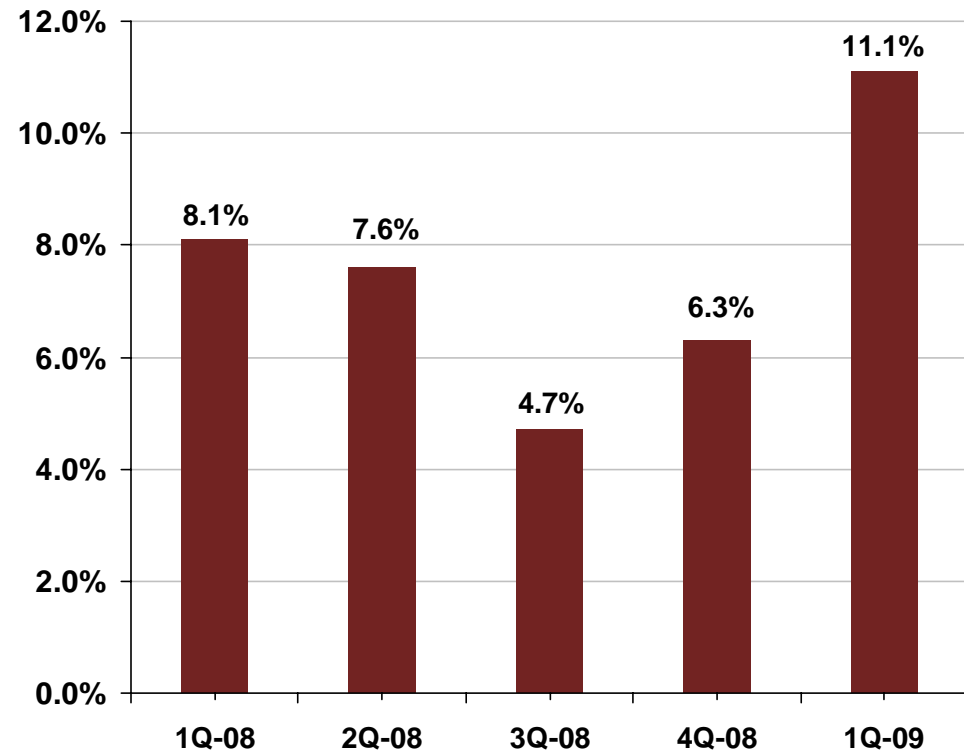
Financial Guaranty Direct

Public Finance Market Fundamentals



Assured Guaranty Corp.'s U.S. Public Finance New Issue Insured Penetration

- **2009 market trends remain strong for Assured**
 - 11.1% of U.S. public finance new issue par has been insured by Assured in 1Q-09
 - 10.5% through April 2009
- **Letter of credit and alternative forms of credit enhancement declined during first quarter 2009**
 - 6.9% versus 19.1% for full year 2008
 - 7.1% YTD through April 2009

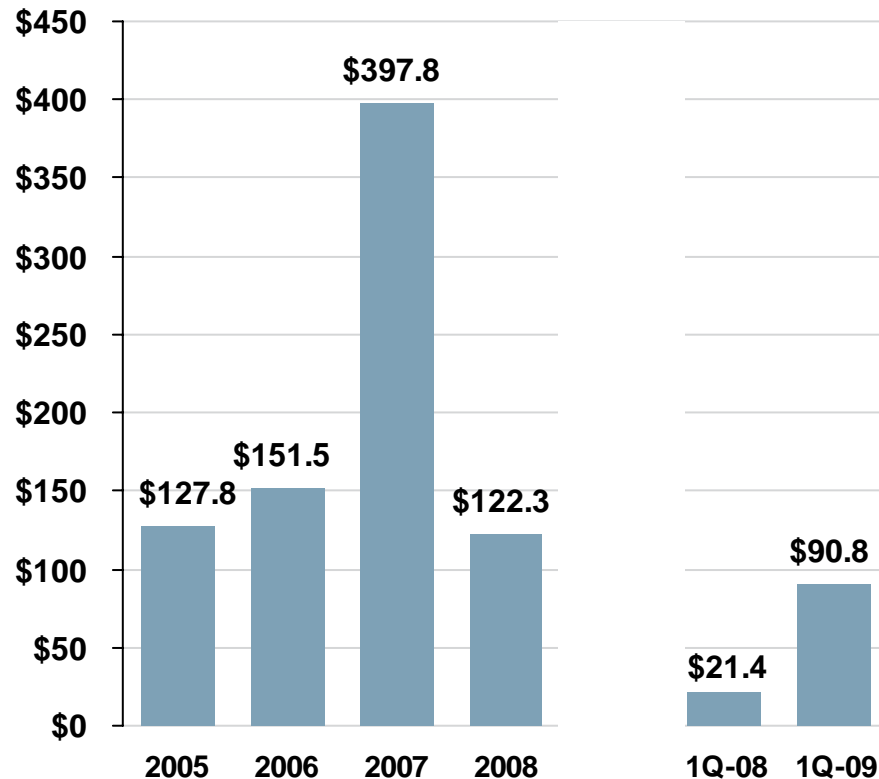


Source: SDC Platinum

Financial Guaranty Reinsurance



Financial Guaranty Reinsurance PVP ¹ (\$ in millions)



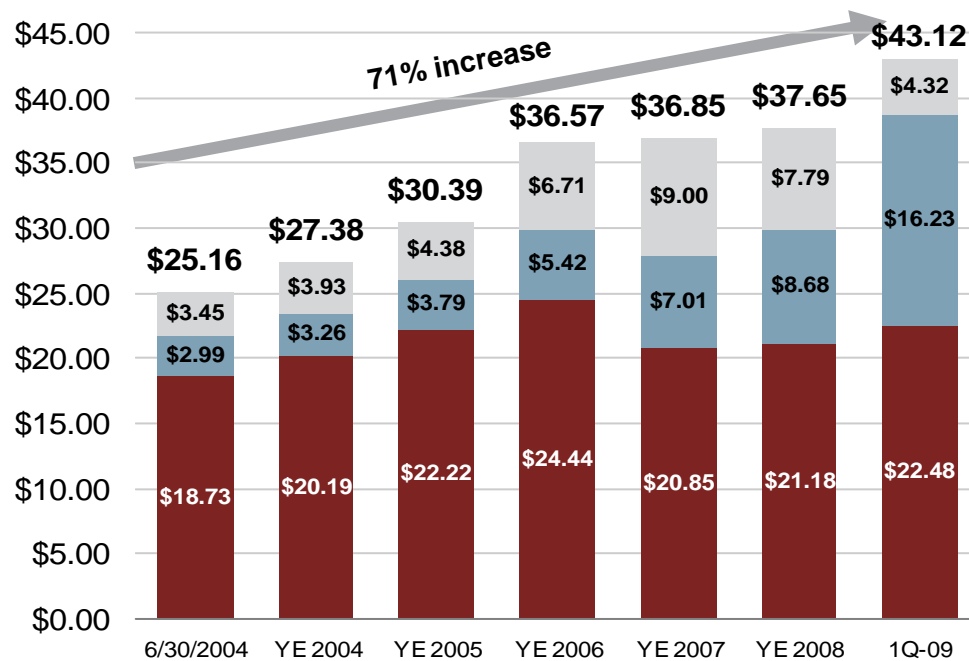
- **Current business focus is on portfolio transaction**
 - CIFG transaction for \$13 billion of par closed in January 2009
- **Treaty volume in 2009 declined due to lack of new business activity at most other companies**
- **FSA is sole current treaty client**

1. For an explanation of PVP, a non-GAAP financial measure, and a reconciliation of PVP to gross written premiums, which is the most comparable GAAP term, please refer to the appendix on slides 39-42.

Book Value Per Share Growth Since IPO



Adjusted Book Value¹ Per Share



- Net present value of estimated future installment premiums in force per share, after tax¹
- Net unearned premium reserve less deferred acquisitions costs, after tax³
- Book value per share

- Adjusted book value has grown every year since the IPO
- Adjusted book value has increased 71% since the IPO
- Excluding MTM, March 31, 2009 book value is \$22.48 and adjusted book value is \$46.99

1. For explanations of adjusted book value and net present value of estimated future installment premiums in force, which is a non-GAAP financial measure, please refer to the appendix on slide 39.

2. The Company's adjusted book value per share excluding net unrealized losses on credit derivatives, fair value gain on Assured Guaranty Corp.'s committed capital securities and accumulated other comprehensive income was \$46.99 at 3/31/09, an 8% increase from \$43.43 at 3/31/09.

3. Includes unearned revenue less prepaid reinsurance premiums on credit derivatives.

Summary of 1Q-09 Financial Results



(\$ in millions, except per share data)

	Quarter Ended March 30,		% Change vs. 1Q-09
	2009	2008	
Net earned premiums	\$148	\$47	217%
Net investment income	44	37	19%
Total revenues	222	108	106%
Loss & LAE	80	55	45%
Total expenses	143	103	38%
Operating income ¹	63	6	NM
Operating income¹ per diluted share	0.69	0.08	
Operating ROE ¹ (ex-AOCI and FAS 133)	10.8%	1.2%	
After-tax gain (loss) on investments / derivatives	(22)	(175)	NM
Net (loss) income	86	(169)	NM
Net (loss) income per diluted share	0.93	(2.09)	NM

NM = Not meaningful

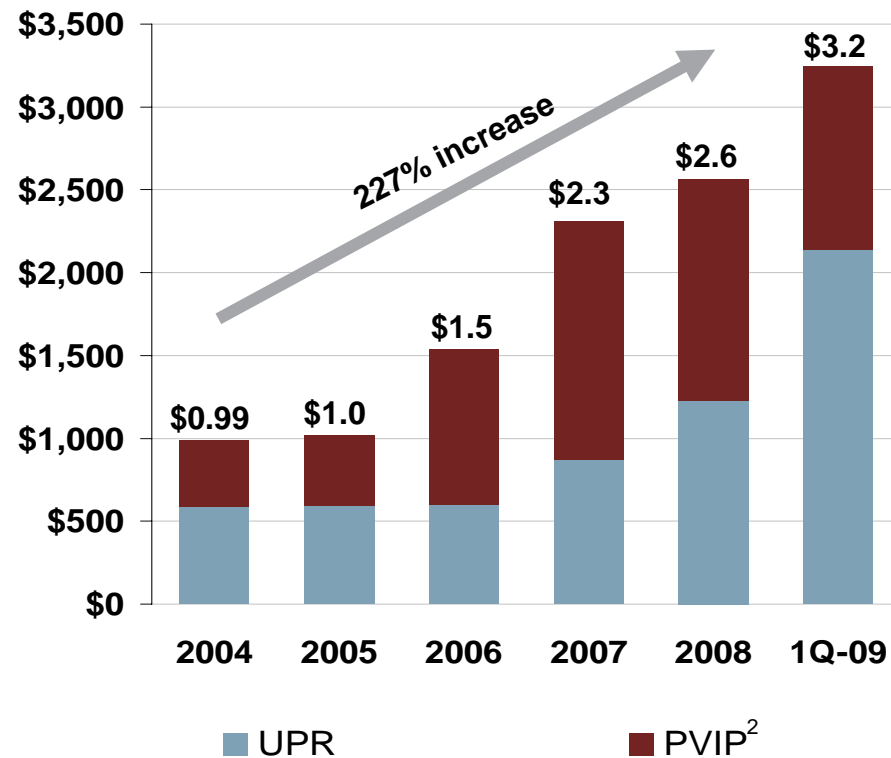
1. For an explanation of operating income and operating ROE, both non-GAAP financial measures, and a reconciliation of operating income to net income, which is the most comparable GAAP term, please refer to the appendix on slides 39-42.

Growing Future Earned Premium Base



(\$ in billions)

Estimated Future Earned Premiums¹ and Credit Default Revenue Since IPO



- Assured has consistently grown its future earned premiums since the IPO in 2004
- Assured's 2009 net unearned premium now includes future installment premiums
 - FAS 163

1. Estimated future earned premiums is net unearned premium reserves ("UPR") plus estimated future installment premiums (calculations for 2004 and 2005 include statutory unearned premium reserves and net present value of estimated future installment premiums²)

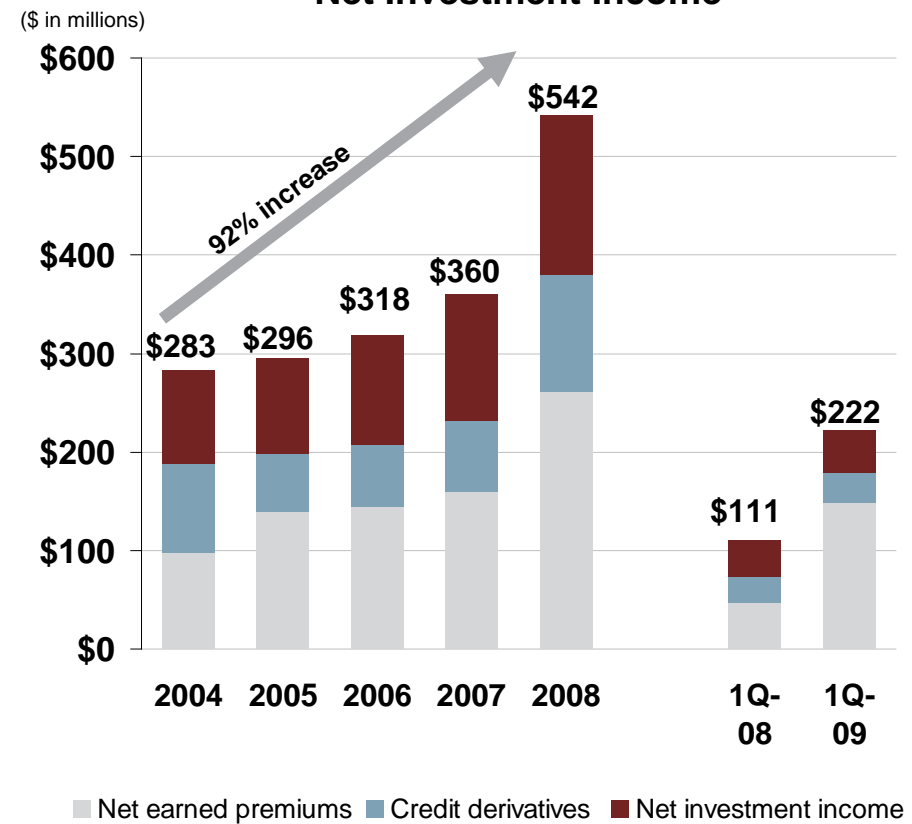
2. Please refer to the appendix on slide 39 for explanation of non-GAAP financial measures [net present value of estimated future installment premiums in force or "PVIP"].

Revenue Growth Driven by Growth of Future Earned Premium Base



- The significant growth in Assured's financial guaranty franchise over the past five years has generated substantial growth in our revenue base
- FSA acquisition will add to our in-force revenue base

Net Earned Premiums, Credit Derivatives¹ and Net Investment Income

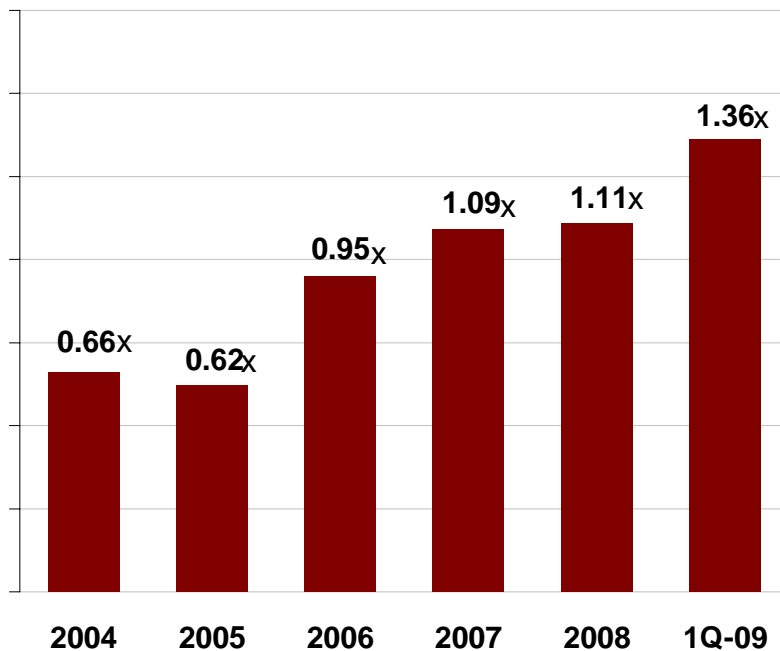


1. Credit derivative revenues received and receivable are included in realized gains and other settlements for credit derivatives.

Future Earned Premium Leverage



Ratio of Estimated Future Earned Premiums¹ to GAAP Equity, Adjusted for Mark-to-Market²



- **Assured's premium leverage has increased as the company has grown**
 - \$2.2 billion of unearned premium reserves as of March 31, 2009
 - \$0.5 billion of present value of estimated future installment premiums on credit derivatives³
- **Our low premium leverage at the time of the IPO reduced our ROE potential**
- **Our earnings leverage today is higher than our competitor's levels when their ROE's were at peak levels**
 - Losses reduced our ROE in 2008 and 1Q-09

1. Estimated future earned premiums is net unearned premium reserves plus estimated future installment premiums (calculations for 2004 and 2005 include statutory unearned premium reserves and net present value of estimated future installment premiums³)

2. 2004, 2005, 2006, 2007, 2008 and 1Q-09 GAAP equity is adjusted for net unrealized mark-to-market gains/(losses) on credit derivatives. In addition, AGL's 2007, 2008 and 1Q-09 GAAP equity excludes mark-to-market gains/(losses) on credit derivatives and a fair value gain on committed capital securities.

3. Please refer to the appendix on slide 40 for explanation of non-GAAP financial measures [net present value of estimated future installment premiums in force].

FSA Acquisition Timing Update



- **On November 14, 2008, Assured announced its agreement to purchase FSA Holdings Ltd. (“FSA”),**
 - Assured will not acquire FSA’s Financial Products Segment (“FP Segment”) from Dexia SA (“Dexia”)
 - Assured will be protected from any risk of loss from the FP segment
- **Purchase price of \$722 million based on \$8.10 per share at time of agreement**
 - \$361 million in cash and 44.6 million common shares of Assured to be paid to Dexia
 - Cash portion of the deal is backstopped by W.L. Ross & Co. between \$6.00 and \$8.50 per share
 - Assured will also assume \$730 million of FSA’s outstanding debt
- **Timing**
 - Finalizing collateral support and guaranty documentation for separation of the FP Segment
 - Anticipate receiving rating agency conclusions in second quarter 2009
 - Closing required within 5 to 45 days after receipt of all approvals

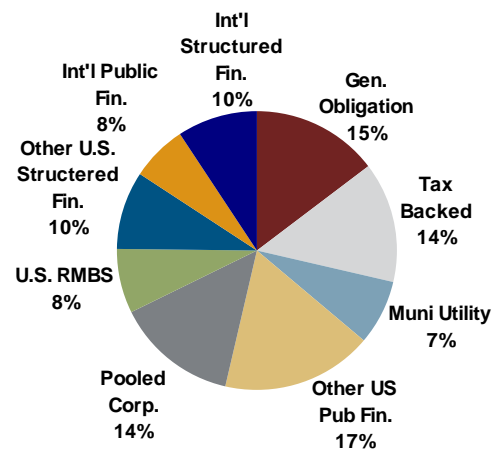
FSA Acquisition

Pro Forma Net Par Outstanding



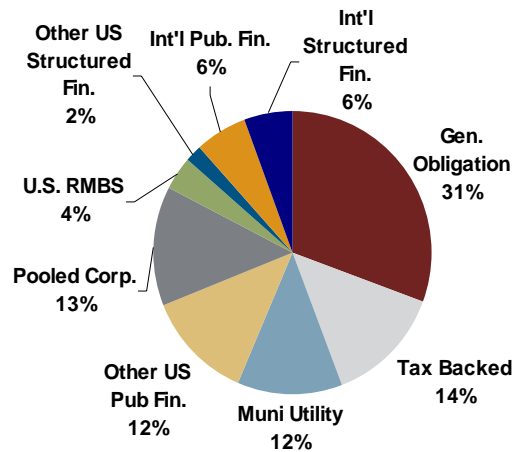
- **\$646.0 billion in pro forma net par outstanding**
- **Average pro forma portfolio rating¹ of A+**
 - 51% rated AA or higher
 - Less than 3% rated BIG

Assured Guaranty Ltd. 3/31/09



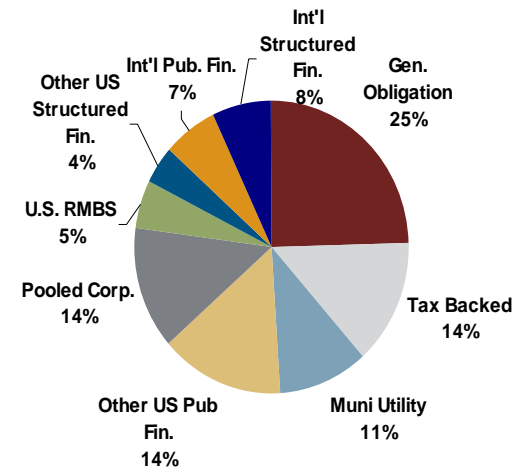
Total = \$237.2 bn
(60% Public Fin. / 40% Structured Fin.)
Average Rating A+

Financial Security Assurance Inc. (ex. FP segment) 12/31/08



Total = \$408.8 bn
(75% Public Fin. / 25% Structured Fin.)
Average Rating AA-

Pro Forma²



Total = \$646.0 bn
(70% Public Fin. / 30% Structured Fin.)
Average Rating A+

Source: Company public filings.

1. Ratings represent Assured's and FSA's internal ratings.

2. Percentages may not add due to rounding.

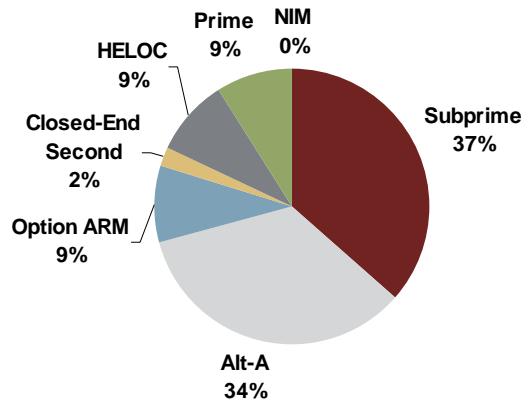
FSA Acquisition

Pro Forma U.S. RMBS Exposure



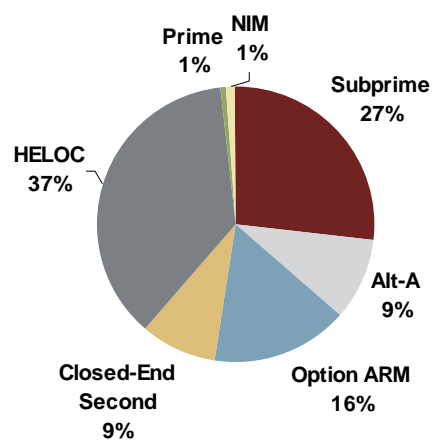
- **\$34.8 billion in pro forma U.S. RMBS net par outstanding, 5.4% of net par outstanding**
- **Combined portfolio is better diversified by type than either company on a stand-alone basis**
 - Over 70% is first lien

Assured Guaranty Ltd.
3/31/09



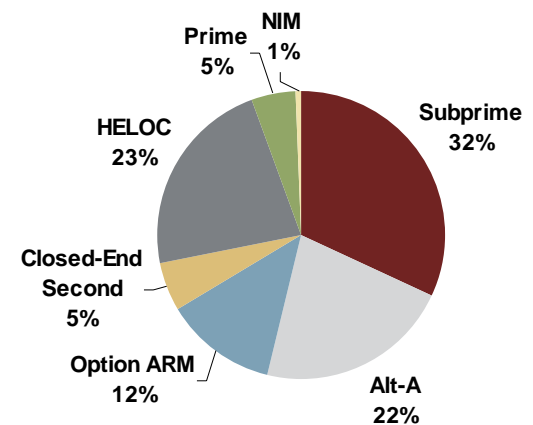
Total U.S. RMBS = \$17.8B
Average Rating BBB+

FSA (ex. FP segment)
12/31/08



Total U.S. RMBS = \$17.0 B
Estimated Average Rating BBB/BIG

Pro Forma



Total U.S. RMBS = \$34.8 B
Estimated Average Rating BBB

Source: Company public filings.

1. Ratings represent Assured's and FSA's internal ratings.

FSA Acquisition

Estimated Embedded Revenue Base



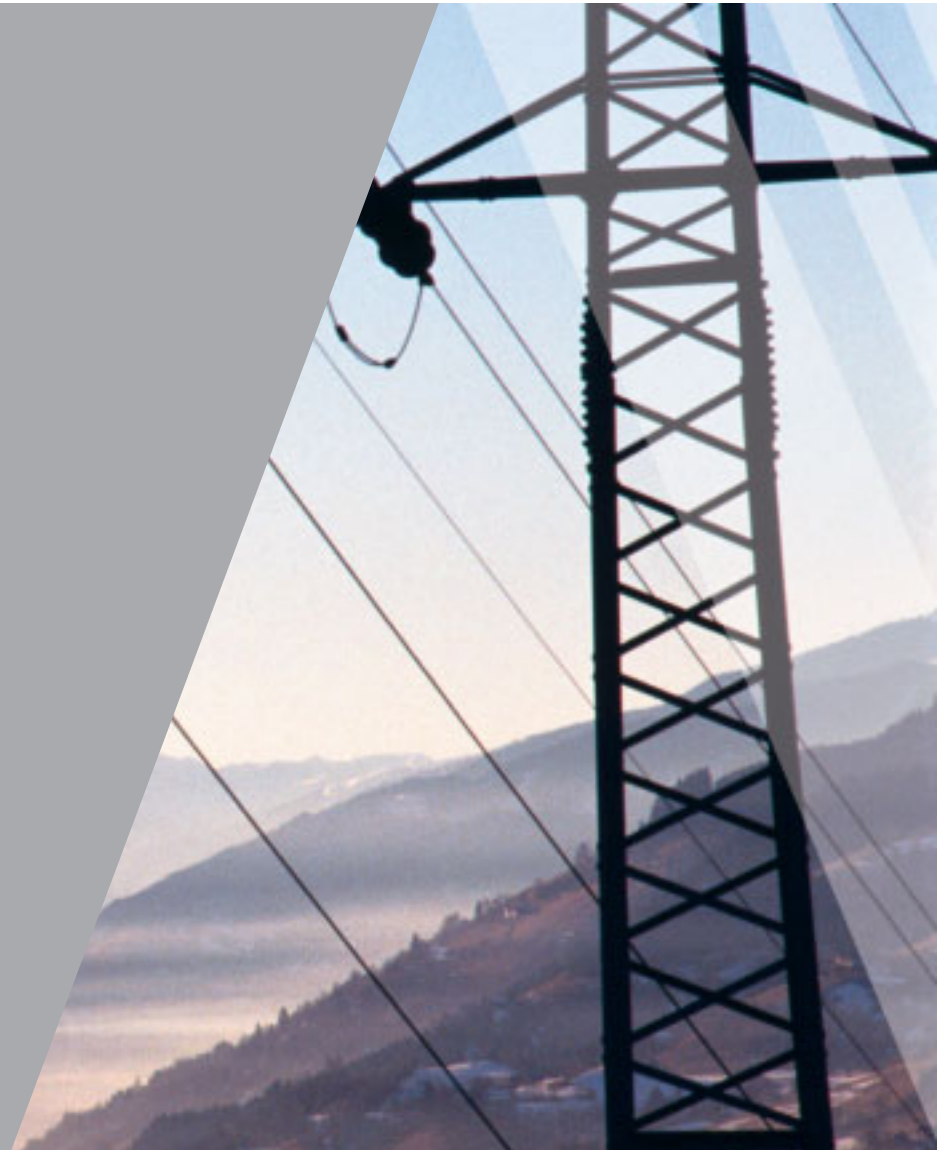
\$ in millions						
	Unearned Premium Amortization	CDS and Other Installment Earned Premiums	Total Earned Premiums ¹	Investment Income ²	Total	
Assured as of 3/31/09:³						
2009E	294.8	128.6	423.4	174.4	\$	597.8
2010	173.2	136.2	309.4	174.4		483.8
2011	156.8	124.6	281.5	174.4		455.9
FSA as of 12/31/08:						
2009	216.0	183.3	399.3	261.8		661.1
2010	165.4	175.1	340.5	261.8		602.3
2011	152.6	140.5	293.1	261.8		554.9
Pro-Forma Consolidated						
2009	510.8	311.9	822.7	436.2	\$	1,258.9
2010	338.6	311.3	649.9	436.2		1,086.1
2011	309.4	265.1	574.6	436.2		1,010.8

1. Includes FG and CDS.

2. Investment income for Assured is estimated using 1Q-09 results and FSA is equal to full year 2008 results.

3. Includes 1Q-09 actual results.

Portfolio Overview



Net Par Outstanding Diversified By Sector



- **Assured’s portfolio is well diversified by asset class**

- 54% U.S. public finance
- 30% U.S. structured finance
- 16% International

- **Our portfolio maintains a high overall credit rating despite downgrades in our U.S. RMBS portfolio**

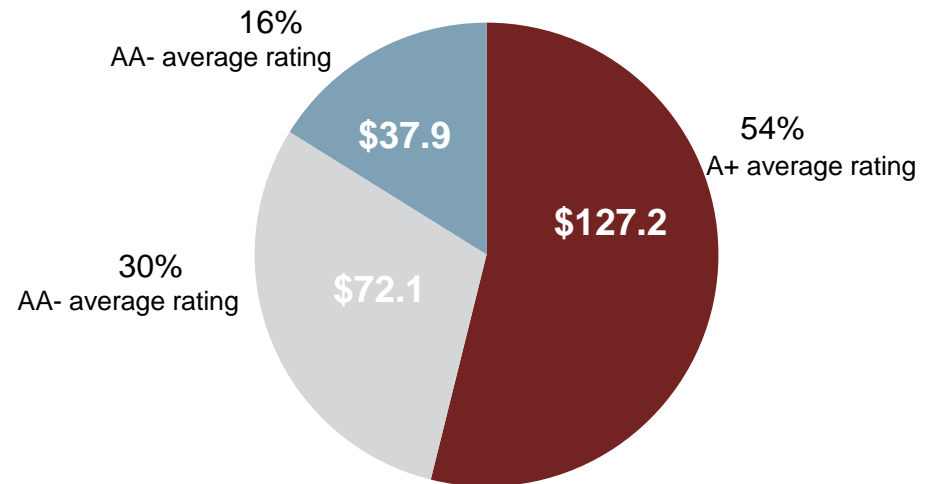
- A+ average internal rating

- **57% of our portfolio is in direct segment**

- **U.S. RMBS is the largest source of our non-investment grade exposures, at 65% of our below investment grade (“BIG”) exposures.**

Consolidated Net Par Outstanding²

As of March 31, 2009
(\$ in billions)



\$237.2 billion, A+ average rating¹

- U.S. public finance
- U.S. structured finance
- International

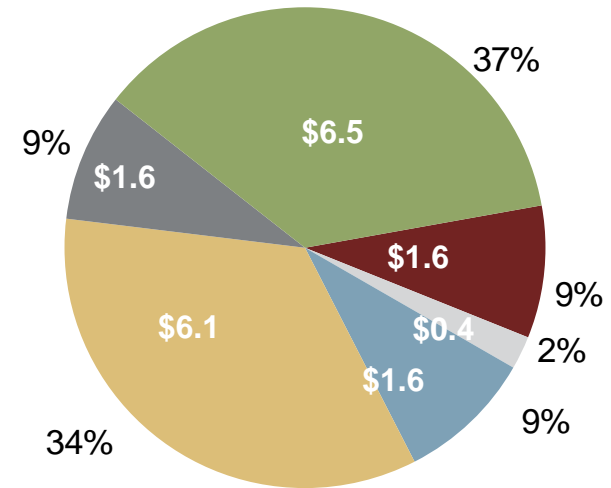
1. Assured's internal rating. Assured's scale is comparable to that of the nationally recognized rating agencies. The super senior category, which is not generally used by rating agencies, is used by the Company in instances where Assured's AAA-rated exposure has additional credit enhancement due to 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. Percent does not add to 100% due to rounding.

- **Our \$17.8 billion U.S. RMBS portfolio of has experienced material downgrades since year-end 2007**
 - Average rating of BBB+ at March 31, 2009 versus AA at year-end 2007
- **However, our U.S. RMBS portfolio is amortizing on an absolute basis and as a percentage of the portfolio**
 - 7.5% of total net par outstanding versus 9.1% at year end 2007
 - \$17.8 billion versus \$18.4 billion at year end 2008
 - 95% was underwritten in our financial guaranty direct segment

U.S. RMBS by Exposure Type

As of March 31, 2009
(\$ in billions)



\$17.8 billion, 7.5% of net par outstanding

- Prime first lien
- Prime closed end seconds
- Prime HELOC
- Alt-A first lien
- Alt-A Option ARMs
- Subprime first lien

Loss and Loss Adjustment Expenses



- The majority of Assured's cumulative losses for 2008 and first quarter 2009 are on second lien U.S. RMBS exposures

Financial Guaranty Direct and Reinsurance

As of March 31, 2009 (\$ in millions)	Total Net Par Outstanding	2008 and 1Q-09 Incurred Losses ²	March 31, 2009 Loss and Loss Adjustment Expense Reserves ²
Financial Guaranty Direct and Reinsurance: ¹			
Prime first lien	\$ 1,566	\$ 3.1	\$ 0.6
Prime closed end seconds	415	66.3	38.1
Prime HELOC	1,636	187.5	24.4
Alt-A first lien	6,132	18.7	18.1
Alt-A option ARMs	1,554	12.0	28.1
Subprime first lien	6,543	33.4	29.5
Total U.S. RMBS	17,847	320.9	138.9
Other structured	75,879	5.7	52.1
Public finance	143,449	31.8	38.4
Total	\$ 237,176	\$ 358.5	\$ 229.3

1. Includes financial guaranty (FG) and insured derivatives in the insured portfolio.

2. Includes loss and loss adjustment expense reserves for financial guaranty and credit derivatives, for the financial guaranty direct and reinsurance segments only.

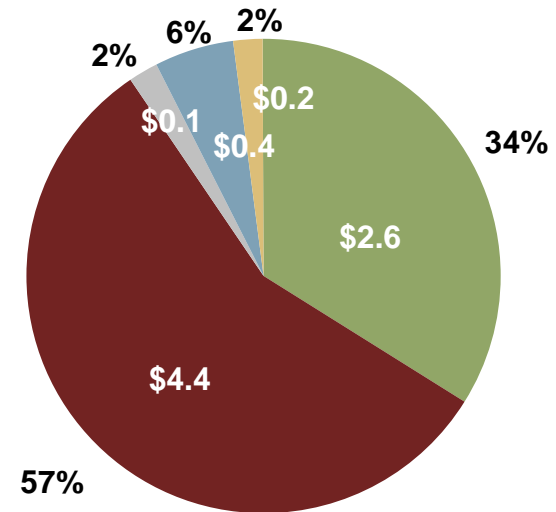
Consolidated U.S. RMBS Alt-A Exposure¹



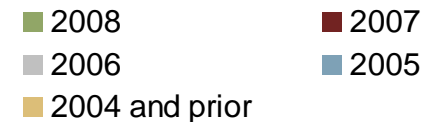
- 93% of our Alt-A was underwritten by our financial guaranty direct segment, largely underwritten after June 2007, using our significantly stressed assumptions**
 - Many transactions were underwritten on a secondary basis and had the benefit of some seasoning
 - Limited exposures to alt-A options ARMs (20% of alt-A exposure)
- Our alt-A exposures have an average rating of BBB+ due to significant downgrades in 2008**
 - 29% rated triple-A or super senior
 - 39% rated below investment grade
- Loss³ reserves for alt-A exposure were \$46.2 million as of March 31, 2009**

Alt-A¹ Exposure by Year Insured²

As of March 31, 2009
(\$ in billions)



\$7.7 billion, BBB+ average rating⁴



\$0 in claims paid since 2007 on 2005 and later

1. Alt-A exposures include alt-A first lien and alt-A Option ARMs.

2. Percent financial guaranty direct exposure

3. Loss reserves includes financial guaranty and credit derivatives.

4. Assured's internal rating. Please see slide 19 footnote 1 for more explanation.

Direct U.S. RMBS Performance

Alt-A First Lien and Alt-A Option ARMs



(\$ 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 March 31, 2009 ¹

U.S. Alt-A First Lien

Year issued:	Net Par Outstanding	Pool Factor ²	Subordination ³	Cumulative Losses ⁴	60+ Day Delinquencies ⁵	Number of transactions
2005	\$ 376	59.8%	11.7%	1.0%	10.6%	13
2006	360	73.3%	39.4%	3.3%	30.3%	2
2007	5,233	77.8%	20.5%	1.6%	24.0%	11
2008	N/A	N/A	N/A	N/A	N/A	N/A
2009	N/A	N/A	N/A	N/A	N/A	N/A
	<u>\$ 5,969</u>	<u>76.4%</u>	<u>21.1%</u>	<u>1.7%</u>	<u>23.5%</u>	<u>26</u>

U.S. Alt-A Option ARMs

Year issued:	Net Par Outstanding	Pool Factor ²	Subordination ³	Cumulative Losses ⁴	60+ Day Delinquencies ⁵	Number of transactions
2005	\$ 40	32.3%	27.6%	1.0%	22.4%	1
2006	56	55.1%	19.1%	1.2%	30.6%	1
2007	1,354	79.6%	20.7%	1.3%	25.3%	7
2008	N/A	N/A	N/A	N/A	N/A	N/A
2009	N/A	N/A	N/A	N/A	N/A	N/A
	<u>\$ 1,450</u>	<u>77.4%</u>	<u>20.8%</u>	<u>1.3%</u>	<u>25.5%</u>	<u>9</u>

1. For this release, net par outstanding is based on values as of March 2009. All performance information such as pool factor, subordination, cumulative losses and delinquency is based on March 2009 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.

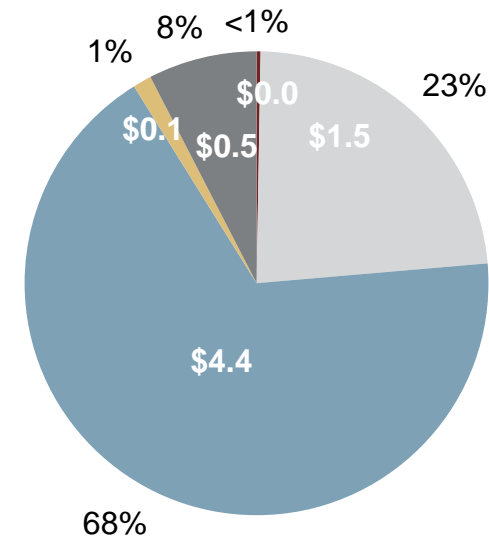
Consolidated U.S. RMBS Subprime Exposure



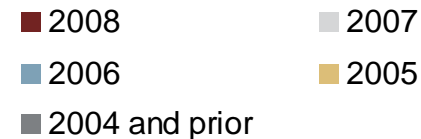
- **Our subprime portfolio remains highly rated**
 - 48.6% rated triple-A or super senior¹
 - Average subordination is 54.6%
- **Only 3.4% of par is in reinsurance segment**
- **Of 353 total subprime transactions only 100 exposures are rated non-investment grade**
 - Largest BIG exposure is \$80 million
- **Loss reserves² for subprime exposure were \$29.5 million at March 31, 2009**
 - \$0 million in claims paid 2005 and later on

Subprime by Year Insured

As of March 31, 2009
(\$ in billions)



\$6.5 billion, AA- average rating¹



financial guaranty direct exposures

Direct U.S. RMBS Performance

Subprime First Lien



(\$ 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 March 31, 2009 ¹

U.S. Subprime First Lien

Year issued:	Net Par Outstanding	Pool Factor ²	Subordination ³	Cumulative Losses ⁴	60+ Day Delinquencies ⁵	Number of transactions
2005	\$ 3,580	31.5%	63.6%	7.1%	41.9%	42
2006	1,900	46.4%	41.3%	8.9%	42.8%	49
2007	498	48.0%	40.5%	9.3%	45.6%	2
2008	N/A	N/A	N/A	N/A	N/A	N/A
2009	N/A	N/A	N/A	N/A	N/A	N/A
	<u>\$ 5,977</u>	<u>37.6%</u>	<u>54.6%</u>	<u>7.9%</u>	<u>42.5%</u>	<u>93</u>

1. For this release, net par outstanding is based on values as of March 2009. All performance information such as pool factor, subordination, cumulative losses and delinquency is based on March 2009 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.

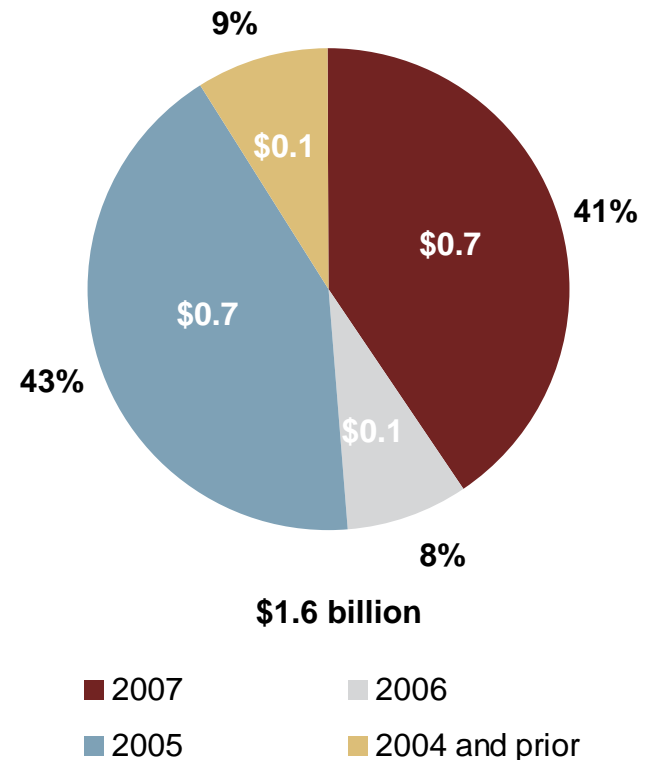
Consolidated U.S. RMBS Home Equity Line of Credit (HELOC) Exposure



- **Assured's HELOC book consists principally of two Countrywide deals underwritten in 2005 and 2007**
 - Current par insured of \$1.6 billion
 - Average rating³ of CC
- **Only 29% of HELOCs are in reinsurance segment**
 - No transaction after 2006
- **Cumulative incurred financial guaranty losses on two Countrywide direct deals \$93.3 million, net of \$112.2 million of loss salvage recoveries**
 - Total losses incurred² on HELOCs in 1Q-09 are \$24.4 million

HELOCs by Year Insured ¹

As of March 31, 2009
(\$ in billions)



1. HELOCs insured in 2008 or 2009 was \$0.

2. Losses include financial guaranty and credit derivatives.

3. Assured's internal rating. Please see slide 19 footnote 1 for more explanation.

Direct U.S. RMBS Performance

Prime HELOC



(\$ 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 March 31, 2009 ¹

U.S. Prime HELOC

Year issued:	Net Par Outstanding	Pool Factor ²	Subordination ³	Cumulative Losses ⁴	60+ Day Delinquencies ⁵	Number of transactions
2005	\$ 572	31.7%	0.0%	11.9%	15.0%	2
2006	N/A	N/A	N/A	N/A	N/A	N/A
2007	575	64.3%	0.0%	16.9%	12.8%	2
2008	N/A	N/A	N/A	N.A.	N/A	N/A
2009	N/A	N/A	N/A	N.A.	N/A	N/A
	\$ 1,146	48.0%	0.0%	14.4%	13.9%	4

1. For this release, net par outstanding is based on values as of March 2009. All performance information such as pool factor, subordination, cumulative losses and delinquency is based on March 2009 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.

Consolidated U.S. RMBS Closed End Second Liens Exposure



- **Limited exposure to closed end seconds liens**

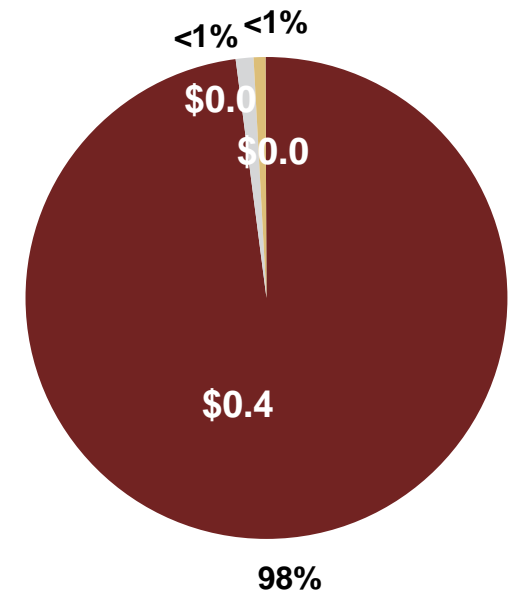
- \$415 million in total exposure is
- Less than \$10 million in reinsurance segment
- All but \$8 million of exposure is 2007 vintage

- **5 direct transactions totaling \$405 million**

- 3 deals for \$304 million rated BIG
- 2 deals are rated² AAA and super senior
- All five are 2007 vintage

Closed End Second Liens by Year Insured¹

As of March 31, 2009
(\$ in billions)



\$0.4 billion, BB- average rating²



1. Closed End Second Liens insured in 2008, 2005 and 2004 and prior was \$0.

2. Assured's internal rating. Please see slide 19 footnote 1 for more explanation.

Direct U.S. RMBS Performance

Closed End Seconds



(\$ 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 March 31, 2009 ¹

U.S. Prime CES

Year issued:	Net Par Outstanding	Pool Factor ²	Subordination ³	Cumulative Losses ⁴	60+ Day Delinquencies ⁵	Number of transactions
2005	N/A	N/A	N/A	N/A	N/A	N/A
2006	N/A	N/A	N/A	N/A	N/A	N/A
2007	405	61.2%	21.5%	30.5%	21.1%	5
2008	N/A	N/A	N/A	N/A	N/A	N/A
2009	N/A	N/A	N/A	N/A	N/A	N/A
	\$ 405	61.2%	21.5%	30.5%	21.1%	5

1. For this release, net par outstanding is based on values as of March 2009. All performance information such as pool factor, subordination, cumulative losses and delinquency is based on March 2009 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.

Direct Commercial Mortgage-Backed Securities



(\$ 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 March 31, 2009 ¹

U.S. CMBS

Year issued:	Net Par Outstanding	Pool Factor ²	Subordination ³	Cumulative Losses ⁴	60+ Day Delinquencies ⁵	Number of transactions
2005	\$ 3,429	81.2%	22.2%	0.1%	0.3%	2
2006	1,418	93.2%	20.9%	0.0%	0.0%	3
2007	524	96.5%	28.9%	0.0%	0.2%	158
2008	N/A	N/A	N/A	N/A	N/A	N/A
2009	N/A	N/A	N/A	N/A	N/A	N/A
	<u>\$ 5,371</u>	<u>85.8%</u>	<u>22.5%</u>	<u>0.1%</u>	<u>0.2%</u>	<u>163</u>

1. For this release, net par outstanding is based on values as of March 2009. All performance information such as pool factor, subordination, cumulative losses and delinquency is based on March 2009 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.

Non-RMBS U.S. Structured Finance Exposure

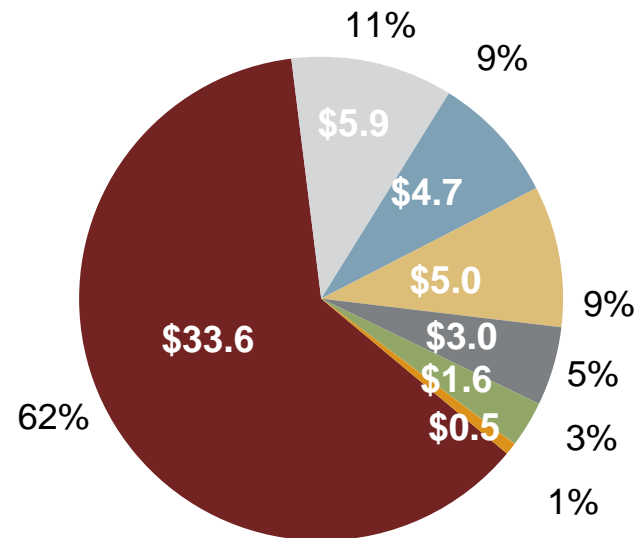


- **Assured's non-RMBS U.S structured finance exposures are principally comprised of**
 - Pooled corporate obligations
 - Commercial mortgage-backed securities
 - Consumer receivables
 - Commercial receivables
 - Structured credit
 - Insurance securitizations

- **Non-RMBS U.S. structured finance credit experience has been generally strong, although downgrades increased during first quarter 2009**
 - 64% rated¹ super senior or AAA
 - 2% rated¹ below investment grade

U.S. Non-RMBS Structured Finance

As of March 31, 2009
(\$ in billions)



\$54.3 billion, AA average rating¹

- Pooled corporate obligations
- Commercial mortgage-backed securities
- Consumer receivables
- Commercial receivables
- Structured credit
- Insurance securitizations
- Other structured finance

1. Assured's internal rating. Please see slide 19 footnote 1 for more explanation.

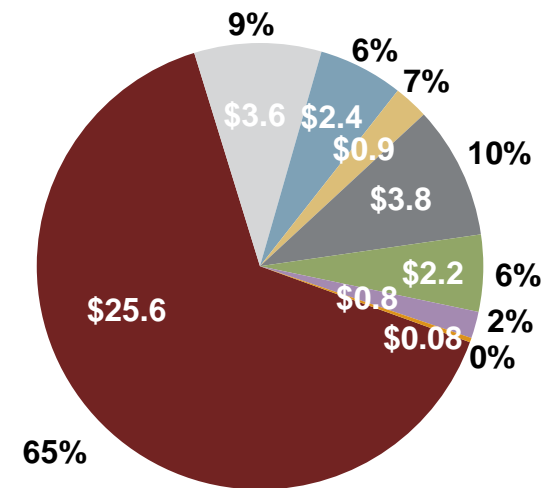
Pooled Corporate Obligations



- **Our pooled corporate exposure is highly rated and well-protected**
 - Average credit enhancement of 31.6%
 - 74.8% rated² AAA, AA+ average rating
 - Pooled corporate obligations of trust preferred securities were downgraded during first quarter 2009 due to increased deferrals and defaults on collateral; over-collateralization remains strong at 173%
- **\$2.5 billion of Trust Preferreds for U.S. mortgage and REITs and are the lowest rated asset classes**
 - A- average rating
 - Many downgrades in 1Q-09 for banks and insurance companies

Pooled Corporate Obligations By Asset Class

As of March 31, 2009
(\$ in billions)



\$39.7 billion, AA+ average rating²

- High yield corporates
- Trust preferred - banks and insurance
- Trust preferred - U.S. mortgage and REITs
- Trust preferred - European mortgage and REITs
- Market value CDOs of corporates
- Investment grade of corporate
- Commercial real estate
- CDO of CDOs (corporate)

1. Some amounts may not add due to rounding.
2. Assured's internal rating. Please see slide 19 footnote 1 for more explanation.
3. Below Investment Grade.

Pooled Corporate Obligations By Collateral Type



(\$ in millions)

Distribution of Financial Guaranty Direct Pooled Corporate Obligations by Asset Class as of March 31, 2009

Asset class:	Net Par Outstanding	% of total	Avg. Initial Credit Enhancement ²	Avg. Current Enhancement ²	Avg. Rating ¹
High yield corporates	\$ 25,670	64.7%	34.9%	28.9%	AAA
Trust preferred - banks and insurance	3,637	9.2%	47.0%	41.9%	A-
Trust preferred - US mortgage and REITs	2,455	6.2%	50.1%	43.6%	A-
Trust preferred - European mortgage and REITs	970	2.4%	36.8%	36.7%	A
Market value CDOs of corporates	3,813	9.6%	37.8%	28.6%	AAA
Investment grade corporates	2,274	5.7%	28.7%	29.9%	AAA
Commercial real estate	771	1.9%	49.1%	47.9%	AAA
CDO of CDOs (corporate) ³	74	0.2%	1.7%	5.4%	AAA
	<u>\$ 39,664</u>	<u>100.0%</u>	<u>37.2%</u>	<u>31.6%</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.

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 \$79 million in assets and representing 106% of current net par. Funds in the collateral account are permitted to be invested in cash, government securities and AAA ABS (other than MBS).

U.S. Consumer Receivables



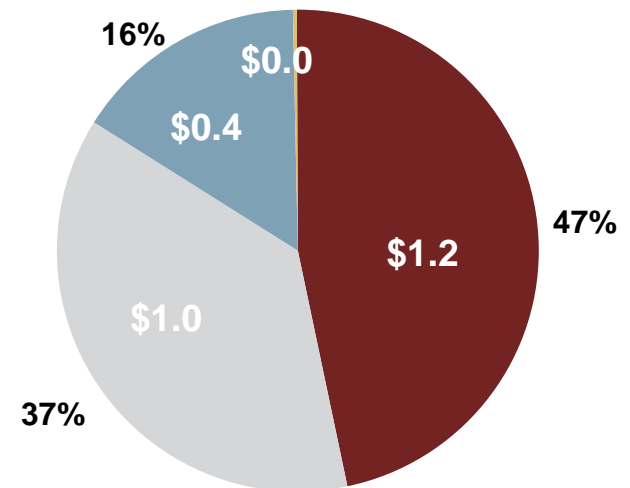
- **U.S. consumer receivable exposures are well protected**

- Average rating of A+
- For student loans and auto loans current credit enhancement is higher than initial credit enhancement
- Credit cards have 57.5% current credit enhancement
- 86% rated¹ super senior or AAA
- 0% rated¹ below investment grade

- **Nearly half of the par was written in 2008, after the deterioration in consumer credit trends was evident**

- Assured utilized underwriting criteria that had stress scenario assumptions

Assured Guaranty Ltd.
Direct U.S. Consumer Receivables by Year Insured
 As of March 31, 2009
 (\$ in billions)
 <1%



\$2.6 billion, AA+ average rating¹

- 2008
- 2007
- 2006
- 2005 and prior

1. Assured's internal rating. Please see slide 19 footnote 1 for more explanation.

U.S. Consumer Receivables By Collateral Type



(\$ in millions)

Distribution of Consumer Receivables by Asset Class as of March 31, 2009

Asset class:	Net Par Outstanding	%	Average Rating ¹	Avg. Initial Credit Enhancement ²	Avg. Current Enhancement ²
Student loans	\$ 1,261	47.7%	AAA	7.2%	8.5%
Credit cards	1,000	37.9%	AAA	57.5%	57.5%
Auto	380	14.4%	A-	11.2%	27.3%
	<u>\$ 2,641</u>	<u>100.0%</u>	<u>AA+</u>	<u>26.8%</u>	<u>29.8%</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.

Closely Monitored Credits



(\$ in millions)

Net Par Outstanding by Below Investment Grade Category ¹

March 31, 2009

Description:	Net Par		Number of Credits in Category
	Outstanding	% of total	
Category 1	\$ 3,733	39.8%	117
Category 2	3,363	35.8%	222
Category 3	2,295	24.4%	125
BIG Total	\$ 9,391	100.0%	464

1. Effective January 1, 2009 Assured adopted FAS 163. Assured's surveillance department is responsible for monitoring our portfolio of credits and maintains a list of below investment grade ("BIG") credits. The BIG credits are divided into three categories: The closely monitored credits are divided into four categories: Category 1 (below investment grade credit with no FAS 163 loss reserve); Category 2 (below investment grade credit with a FAS 163 loss reserve established prior to an event of default); Category 3 (below investment grade credit with a FAS 163 loss reserve established and where an event of default has occurred or is imminent).

Below-Investment Grade Exposures

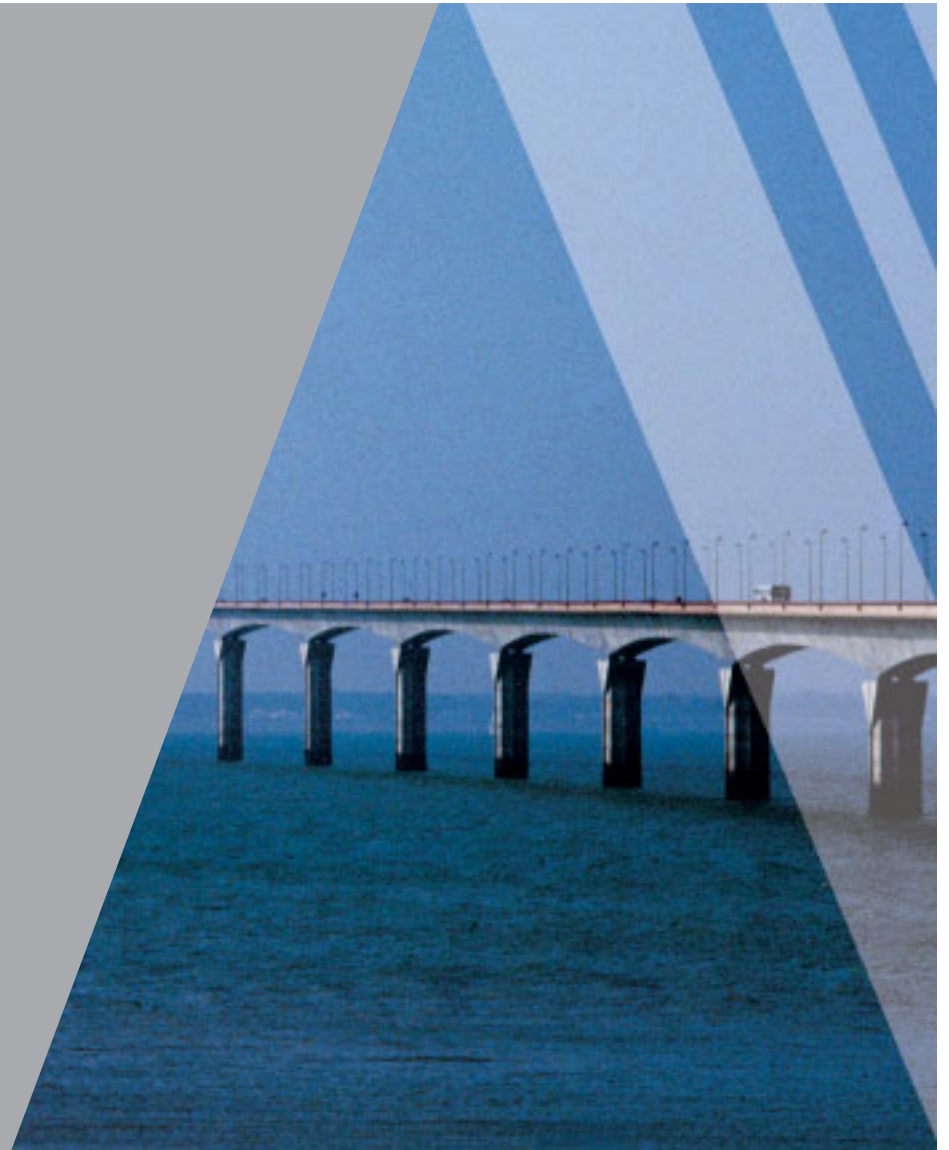


Below-Investment Grade Exposures Greater Than \$50 Million as of March 31, 2009

Name or Description	Weighted Average	Net Par	Internal	Current Credit
	Remaining Life	Outstanding	Rating ¹	Enhancement
Deutsche Alt-A Securities Mortgage Loan 2007-2	7.8	\$ 1,002	B	9.8%
Mortgageit Securities Corp. Mortgage Loan 2007-2	4.6	649	BB	11.2%
Countrywide Home Equity Loan Trust 2007-D	6.3	549	D	0.0%
Deutsche Alt-A Securities Mortgage Loan 2007-3	4.3	510	B	16.1%
Ballantyne Re PLC Class A-2 Floating Rate Notes	12.8	500	D	NM
Countrywide Home Equity Loan Trust 2005-J Class 1 & 2	5.4	493	D	0.0%
CWALT Alternative Loan Trust 2007-HY9	9.7	468	BB	8.5%
Jefferson County Alabama Sewer	24.7	455	D	n/a
Orkney Re II, PLC	9.6	423	B	NM
Detroit Michigan General Obligation	16.1	316	BB	n/a
Taberna Preferred Funding III, Ltd.	21.7	288	BB+	33.4%
Alesco Preferred Funding XVI, Ltd.	24.5	262	BB+	19.3%
Taberna Preferred Funding II, Ltd.	21.7	245	B	33.3%
CWALT Alternative Loan Trust 2007-OA10	3.2	182	B	10.8%
Guaranteed Student Loan transaction	32.5	152	B+	n/a
Lehman Excess Trust 2007-16N	4.6	140	BB	12.1%
ACE Home Equity Loan Trust 2007-SL3	2.5	131	BB	36.8%
Guaranteed Student Loan transaction	28.2	110	BB+	n/a
ACE Home Equity Loan Trust 2007-SL2	3.2	106	D	0.0%
Argent Securities Inc. 2003-W6	4.1	95	BB	10.6%
Guaranteed Student Loan transaction	37.6	95	BB+	n/a
Morgan Stanley Mortgage Loan Trust 2006-5AR	5.6	86	B	7.3%
MASTR Asset Backed Securities Trust 2005-NC2 A4	5.5	80	BB	40.4%
SACO I Trust 2005-GP1	2.2	79	D	0.0%
American Home Mortgage Assets Trust 2007-3	2.8	67	D	0.0%
Customer Asset Protection Company (CAPCO), Excess SIPC	n/a	63	BB	n/a
CSAB Mortgage-Backed Trust 2007-1	6.3	63	B	6.3%
Bear Stearns ABS I Trust 2005-AC6	4.2	62	BB	9.6%
Chey Chase Funding LLC Series 2006-2 Class A-2	4.1	56	B	19.1%
Total	11.0	\$ 7,726	B-	

1. Assured's internal rating. Please see slide 19 footnote 1 for more explanation.

Appendix



Appendix

Explanation of Non-GAAP Financial Measures



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. Management discounts estimated future installment premiums on insurance contracts for PVP at 6% per year, while under FAS 163 these amounts are discounted at a risk free rate. Additionally, under FAS 163 management records future installment premiums on financial guaranty insurance contracts covering non-homogeneous pools of assets based on the contractual term of the contract whereas for PVP management only records its estimate of the future installment premiums that it expects to receive based on the contractual terms of the transaction. 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.

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 adjustment 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.

Adjusted book value, which is a non-GAAP financial measure, is defined, subsequent to the adoption of FAS 163 in the first quarter of 2009, as shareholders' equity (book value) plus the after-tax value of the unearned premium reserve, which includes estimated future installment premiums in force, discounted at the risk free rate, 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 on credit derivatives in force, less future ceding commissions, discounted at 6%, less after-tax deferred acquisition costs.

Adjusted book value, prior to the adoption of FAS 163, was 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.

Appendix

Explanation of Non-GAAP Financial Measures

(cont'd)



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.

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 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 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.

For adjusted book value, net present value of estimated future installment premiums in force, and PVP, Assured 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.

Appendix: PVP¹ – Reconciliation to Gross Written Premiums



(\$ in millions)

Consolidated gross written premiums (GWP) analysis:

PVP of financial guaranty GWP
 Less: Financial guaranty installment premium PVP
 Total: Financial guaranty upfront GWP
 Plus: Financial guaranty installment GWP
 Plus: Financial guaranty installment PVP adjustment ²
 Total financial guaranty GWP
 Plus: Mortgage guaranty segment GWP
 Plus: Other segment GWP
Total GWP

	Quarter Ended March 31,	
	2009	2008
\$	219.3	\$ 183.2
	11.6	36.1
	207.7	147.1
	-	24.7
	27.1	-
	234.8	171.8
	-	0.5
	0.0	3.5
\$	234.8	\$ 175.8

1. For an explanation of PVP, a non-GAAP financial measure, please refer to the appendix on slide 39.

2. Q1 2009 amount represents the difference in management estimates for the discount rate applied to future installments as well as the estimated term for future installments compared to FAS 163.

Appendix: Reconciliation of Operating Income to Net Income (Loss)²



(\$ in millions, except per share data)

	Quarter Ended	
	March 31,	
	2009	2008
Operating income	\$ 63.4	\$ 6.2
Plus: Realized (losses) gains on investments, after tax	(17.1)	0.4
Plus: Unrealized gains (losses) on credit derivatives, after tax ¹	39.1	(175.8)
Net income (loss)	\$ 85.5	\$ (169.2)
Per diluted share ³		
Operating income	\$ 0.69	\$ 0.08
Plus: Realized (losses) gains on investments, after tax	(0.19)	-
Plus: Unrealized gains (losses) on credit derivatives, after tax ¹	0.43	(2.20)
Net income (loss) ⁴	\$ 0.93	\$ (2.09)

1. The quarters ended March 31, 2009 and 2008 included a fair value after-tax gain of \$12.8 million, or \$0.14 per diluted share, and \$5.5 million, or \$0.07 per diluted share, respectively, related to Assured Guaranty Corp.'s committed capital securities.

2. Some amounts may not add due to rounding.

3. Effective January 1, 2009, the Company adopted FSP EITF 03-6-1, "Determining Whether Instruments Granted in Share-Based Payment Transactions Are Participating Securities" ("FSP"), which clarifies that share-based payment awards that entitle their holders to receive nonforfeitable dividends or dividend equivalents before vesting should be considered participating securities and shall be included in the calculation of basic and diluted earnings per share ("EPS"). Upon retrospective adoption of the FSP, Assured increased previously reported diluted EPS by \$0.02 for the Q1 2008. Operating income, a non-GAAP financial measure, for both periods is positive, therefore the per diluted share calculation ignores the effect of the FSP and includes the effect of dilutive securities.

4. Total may not add due to differences in calculating GAAP and non-GAAP per diluted share amounts.

Assured Guaranty Contacts:

Sabra Purtil
Managing Director
Global Communications & Investor Relations
Direct: 212 408 6040
spurtill@assuredguaranty.com

Ross Aron
Associate, Investor Relations
Direct: 212 261 5509
aron@assuredguaranty.com

First Quarter 2009 Equity Investor Presentation

