

**Announcement: Assured Guaranty Corp**

**Moody's comments on proposed acquisition of FSA by Assured Guaranty; ratings remain on review down**

New York, November 14, 2008 -- Moody's Investors Service noted today that Assured Guaranty Ltd. (Assured Guaranty) and Dexia SA have announced a planned acquisition of the financial guaranty business of Financial Security Assurance Holdings Ltd. (FSA) by Assured Guaranty. Moody's Aaa insurance financial strength ratings of both Financial Security Assurance Inc. and Assured Guaranty Corp., as well as the Aa2 rating of Assured Guaranty Re Ltd., have been under review for downgrade since July 21, 2008.

Moody's said that the potential impact of the proposed transaction on the ratings of Assured Guaranty and FSA will be considered in the context of its ongoing rating reviews of both companies; those reviews are now expected to conclude in the near term. Importantly, as announced today by FSA's current owner, Dexia SA, the ongoing risk associated with the asset management business of FSA will be mitigated by French and Belgian state guarantees.

As Moody's discussed in more detail in press releases published on both companies on July 21, 2008, the rating reviews of FSA and Assured are assessing both the effect on capital adequacy of elevated risks in the insured portfolio and negative trends affecting the business model of financial guarantors more broadly. Moody's views the business model of the financial guaranty industry as being under significant pressure and notes that the competitive landscape continues to change. Moody's intends to publish further commentary in the coming days on the changing business dynamics of the financial guaranty industry, and the implications of those changes for ratings.

Assured Guaranty Corp., a New York based financial guaranty insurance company, is a wholly owned subsidiary of Assured Guaranty US Holdings Inc. Assured Guaranty Re Ltd. is a Bermuda based financial guaranty reinsurance company. Assured Guaranty US Holdings Inc. and Assured Guaranty Re are wholly owned by Assured Guaranty Ltd. [NYSE:AGO], a Bermuda-based holding company.

Financial Security Assurance, Inc. is the main operating company of Financial Security Assurance Holdings Ltd. and the parent of other wholly-owned financial guaranty insurers in a stacked structure. FSA Holdings is a subsidiary of Dexia Credit Local (senior debt at Aa3, BFSR at C-, under review for downgrade), which is the largest operating company within the Dexia Banking Group.

Dexia SA, headquartered in Brussels, had total assets of €604.6 billion at year-end 2007. Dexia SA also recorded a net profit, group share, of €2.5 billion at year-end 2007. For the first nine months of 2008, the group reported a net loss, group share, of €723 million, down from net income of €1.9 billion during the same period last year.

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