



ENDURING FINANCIAL STRENGTH<sup>SM</sup>  
AAA S&P • Aaa Moody's • AAA Fitch

Assured Guaranty Corp.  
*Financial Supplement*

FIRST QUARTER 2008  
MARCH 31, 2008



## Assured Guaranty Corp. Financial Supplement First Quarter 2008 March 31, 2008

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This supplement should be read in conjunction with documents filed by Assured Guaranty Ltd. with the Securities and Exchange Commission, including our 10-Q's dated March 31, 2007, June 30, 2007, September 30, 2007 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 Assured Guaranty Corp.'s ("Assured" or "the Company") 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") and net present value of estimated future installment premiums in force, 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 Assured Guaranty Ltd.'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 Corp.

## Selected Financial Highlights

(dollars in millions)

	Quarter Ended March 31,		% Change versus 1Q-07
	2008	2007	
<b>Gross written premiums (GWP) analysis:</b>			
Present value of financial guaranty and credit derivative GWP (PVP) <sup>a</sup>	\$ 255.2	\$ 83.7	205%
Less: PVP of credit derivatives	91.5	40.3	127%
PVP of financial guaranty GWP	163.7	43.4	277%
Less: Financial guaranty installment premium PVP	33.8	22.7	49%
Total: Financial guaranty upfront GWP	129.9	20.7	528%
Plus: Financial guaranty installment GWP	14.2	14.6	(3)%
Total financial guaranty GWP	144.1	35.3	308%
Plus: Other segment GWP	0.2	0.1	100%
<b>Total GWP per income statement</b>	<b>\$ 144.3</b>	<b>\$ 35.4</b>	<b>308%</b>
<b>Net (loss) income</b>	<b>\$ (124.7)</b>	<b>\$ 21.4</b>	<b>NM</b>
Less: After-tax realized gains (losses) on investments	0.4	(0.1)	NM
Less: After-tax unrealized losses on credit derivatives <sup>1</sup>	(135.1)	(4.1)	NM
Plus: After-tax incurred losses on credit derivatives <sup>2</sup>	(1.0)	(0.3)	233%
<b>Operating income <sup>b</sup></b>	<b>\$ 9.0</b>	<b>\$ 25.3</b>	<b>(64)%</b>
<b>Book value</b>	<b>\$ 733.2</b>	<b>\$ 1,134.2</b>	<b>(35)%</b>
Plus: Net unearned premium reserve, after tax <sup>3</sup>	219.4	123.4	78%
Plus: Net unearned revenue on credit derivatives, after tax <sup>4</sup>	8.3	4.7	77%
Plus: Net present value of estimated future installment premiums in-force, after tax <sup>d</sup>	403.1	237.5	70%
Less: Deferred acquisition costs, after tax	51.1	45.6	12%
<b>Adjusted book value <sup>c</sup></b>	<b>\$ 1,312.9</b>	<b>\$ 1,454.1</b>	<b>(10)%</b>
<b>ROE, excluding AOCI</b>	<b>(64.2)%</b>	<b>7.8%</b>	
<b>Operating ROE, excluding AOCI and after-tax unrealized (losses) gains on credit derivatives <sup>b</sup></b>	<b>3.1%</b>	<b>9.4%</b>	
Net debt service outstanding	\$ 144,726	\$ 89,938	61%
Gross debt service outstanding	196,223	117,474	67%
Net par outstanding	101,977	72,902	40%
Gross par outstanding	140,074	97,263	44%
Net debt service written	17,183	7,720	123%
Gross debt service written	24,135	9,949	143%
Net par written	11,595	6,815	70%
Gross par written	16,755	8,575	95%

1. The quarter ended March 31, 2008 included a fair value after-tax gain of \$5.5 million related to the Company'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 less pre-paid reinsurance premiums, after tax.

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

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 Corp.

## Consolidated Income Statements

(dollars in millions)

	Quarter Ended March 31,		% Change versus 1Q-07
	2008	2007	
<b>Revenues</b>			
Gross written premiums	\$ 144.3	\$ 35.4	308%
Net written premiums	103.8	20.3	411%
Net earned premiums:			
Scheduled net earned direct premiums	11.4	4.6	148%
Scheduled net earned reinsurance premiums	3.7	7.4	(50)%
Refundings	0.9	4.5	(80)%
Total net earned premiums	16.0	16.5	(3)%
Net investment income	16.1	15.7	3%
Realized gains and other settlements on credit derivatives	20.8	11.8	76%
Incurred losses on credit derivatives	(1.5)	(0.4)	275%
<b>Total revenues</b>	<b>51.4</b>	<b>43.6</b>	<b>18%</b>
<b>Expenses</b>			
Loss and loss adjustment expenses (recoveries)	23.5	(7.3)	NM
Profit commission expense	0.4	-	NM
Acquisition costs	3.5	4.6	(24)%
Other operating expenses	14.5	11.6	25%
Interest and related expenses	0.7	0.7	0%
<b>Total expenses</b>	<b>42.8</b>	<b>9.7</b>	<b>341%</b>
Operating income before (benefit) provision for income taxes	8.6	34.0	(75)%
Total (benefit) provision for income taxes	(0.4)	8.7	NM
<b>Operating income <sup>b</sup></b>	<b>9.0</b>	<b>25.3</b>	<b>(64)%</b>
Plus: After-tax realized gains (losses) on investments	0.4	(0.1)	NM
Plus: After-tax unrealized losses on credit derivatives <sup>1</sup>	(134.1)	(3.9)	NM
<b>Net (loss) income</b>	<b>\$ (124.7)</b>	<b>\$ 21.4</b>	<b>NM</b>

The quarter ended March 31, 2008 included a fair value after-tax gain of \$5.5 million related to the Company's committed capital securities.

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

NM = Not meaningful

# Assured Guaranty Corp.

## Consolidated Balance Sheets

(dollars in millions)

	As of	
	March 31, 2008	December 31, 2007
	<u>2008</u>	<u>2007</u>
<b>Assets</b>		
Fixed maturity securities, at fair value	\$ 1,346.0	\$ 1,311.3
Short-term investments, at cost which approximates fair value	135.6	44.0
<b>Total investments</b>	<b>1,481.6</b>	<b>1,355.3</b>
Cash and cash equivalents	3.0	1.8
Accrued investment income	17.5	16.6
Deferred acquisition costs	78.7	78.9
Prepaid reinsurance premiums	130.8	97.3
Reinsurance recoverable on ceded losses	23.8	20.5
Premiums receivable	14.6	15.0
Goodwill	85.4	85.4
Credit derivative assets	3.5	4.6
Deferred tax asset	222.2	132.6
Other assets	53.9	24.1
<b>Total assets</b>	<b>\$ 2,115.0</b>	<b>\$ 1,832.0</b>
<b>Liabilities and shareholder's equity</b>		
<b>Liabilities</b>		
Unearned premium reserves	\$ 468.4	\$ 346.8
Reserves for losses and loss adjustment expenses	105.8	70.4
Profit commissions payable	4.0	3.6
Reinsurance balances payable	33.3	12.9
Current income taxes payable	14.2	2.1
Funds held by Company under reinsurance contracts	5.3	5.3
Credit derivative liabilities	684.3	473.9
Liability for tax basis step-up adjustment	9.7	9.9
Other liabilities	57.0	39.9
<b>Total liabilities</b>	<b>1,381.9</b>	<b>964.8</b>
<b>Shareholder's equity</b>		
Common stock	15.0	15.0
Additional paid-in capital	380.4	380.4
Retained earnings	318.6	443.3
Accumulated other comprehensive income	19.2	28.5
<b>Total shareholder's equity</b>	<b>733.2</b>	<b>867.2</b>
<b>Total liabilities and shareholder's equity</b>	<b>\$ 2,115.0</b>	<b>\$ 1,832.0</b>

# Assured Guaranty Corp.

Financial Guaranty Profile (1 of 4)

(dollars in millions)

Sector:	Gross Par	As of March 31, 2008:		
	Written	Net Par		
	1Q 2008	Outstanding	%	Avg. Rating <sup>1</sup>
<b>U.S. public finance</b>				
General obligation	\$ 1,351	\$ 5,833	5.7%	A+
Tax backed	2,100	5,036	4.9%	A
Municipal utilities	1,452	4,295	4.2%	A
Healthcare	1,152	4,026	3.9%	A
Transportation	678	3,325	3.3%	A
Higher education	381	1,084	1.1%	A-
Investor-owned utilities	80	914	0.9%	A-
Housing	-	255	0.3%	AA-
Other public finance	19	812	0.8%	AA
Total U.S. public finance	<u>\$ 7,213</u>	<u>\$ 25,582</u>	<u>25.1%</u>	<u>A</u>
<b>U.S. structured finance</b>				
Pooled corporate obligations	\$ 1,432	\$ 25,408	24.9%	AAA
Prime mortgage-backed and home equity	2,116	8,859	8.7%	AA
Subprime mortgage-backed and home equity	-	5,377	5.3%	AA+
Commercial mortgage-backed securities	-	4,606	4.5%	AAA
Consumer receivables	1,475	4,319	4.2%	AA+
Commercial receivables	-	1,895	1.9%	AA
Structured credit	600	1,359	1.3%	A-
Insurance securitizations	-	263	0.3%	AA
Other structured finance	-	620	0.6%	AA
Total U.S. structured finance	<u>\$ 5,623</u>	<u>\$ 52,707</u>	<u>51.7%</u>	<u>AA+</u>
<b>International</b>				
Pooled corporate obligations	\$ 280	\$ 6,502	6.4%	AAA
Mortgage-backed and home equity	2,939	6,283	6.2%	AAA
Infrastructure and pooled infrastructure	-	4,867	4.8%	AA+
Regulated utilities	450	2,036	2.0%	A
Commercial receivables	-	1,080	1.1%	A-
Commercial mortgage-backed securities	-	710	0.7%	AAA
Public finance	-	682	0.7%	AA-
Future flow	250	611	0.6%	BBB+
Insurance securitizations	-	288	0.3%	BB
Structured credit	-	73	0.1%	AA-
Consumer receivables	-	5	-	AAA
Other international structured finance	-	552	0.5%	AAA
Total international	<u>\$ 3,918</u>	<u>\$ 23,689</u>	<u>23.2%</u>	<u>AA+</u>
<b>Total</b>	<u>\$ 16,755</u>	<u>\$ 101,977</u>	<u>100.0%</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 Corp.

Financial Guaranty Profile (2 of 4)

(dollars in millions)

### Historical Net Par Outstanding and Average Rating by Asset Type

Sector:	As of March 31,			As of December 31,		
	2008		2007		2006	
	Net Par Outstanding	Avg. Rating <sup>1</sup>	Net Par Outstanding	Avg. Rating <sup>1</sup>	Net Par Outstanding	Avg. Rating <sup>1</sup>
<b>U.S. public finance</b>						
General obligation	\$ 5,833	A+	\$ 4,945	A	\$ 4,332	A
Tax backed	5,036	A	3,520	A	3,246	A
Municipal utilities	4,295	A	3,496	A	3,921	A
Healthcare	4,026	A	3,300	A	2,765	A
Transportation	3,325	A	3,072	A	2,932	A
Higher education	1,084	A-	807	A-	679	A-
Investor-owned utilities	914	A-	854	BBB+	899	BBB+
Housing	255	AA-	267	AA-	329	AA-
Other public finance	812	AA	821	AA	888	AA-
Total U.S. public finance	<u>\$ 25,582</u>	<u>A</u>	<u>\$ 21,082</u>	<u>A</u>	<u>\$ 19,991</u>	<u>A</u>
<b>U.S. structured finance</b>						
Pooled corporate obligations	\$ 25,408	AAA	\$ 25,844	AAA	\$ 17,852	AAA
Prime mortgage-backed and home equity	8,859	AA	8,001	AA-	2,556	A
Subprime mortgage-backed and home equity	5,377	AA+	5,419	AA+	4,566	AA+
Commercial mortgage-backed securities	4,606	AAA	4,639	AAA	4,437	AAA
Consumer receivables	4,319	AA+	3,972	AA	1,645	AA
Commercial receivables	1,895	AA	2,142	AA	915	A
Structured credit	1,359	A-	886	A	880	AAA
Insurance securitizations	263	AA	208	AA	165	AA
Other structured finance	620	AA	625	AA	1,115	AA
Total U.S. structured finance	<u>\$ 52,707</u>	<u>AA+</u>	<u>\$ 51,736</u>	<u>AA+</u>	<u>\$ 34,131</u>	<u>AA+</u>
<b>International</b>						
Pooled corporate obligations	\$ 6,502	AAA	\$ 5,973	AAA	\$ 2,324	AAA
Mortgage-backed and home equity	6,283	AAA	4,703	AAA	2,865	AAA
Infrastructure and pooled infrastructure	4,867	AA+	4,828	AA+	3,816	AA
Regulated utilities	2,036	A	1,877	A	1,287	A
Commercial receivables	1,080	A-	1,074	A-	743	A-
Commercial mortgage-backed securities	710	AAA	719	AAA	897	AAA
Public finance	682	AA-	775	AA-	775	A
Future flow	611	BBB+	516	BBB+	534	BBB
Insurance securitizations	288	BB	245	BBB-	279	A-
Structured credit	73	AA-	73	AA-	135	A+
Consumer receivables	5	AAA	5	AAA	112	BBB+
Other international structured finance	552	AAA	522	AAA	481	AAA
Total international	<u>\$ 23,689</u>	<u>AA+</u>	<u>\$ 21,309</u>	<u>AA+</u>	<u>\$ 14,248</u>	<u>AA</u>
<b>Total exposures</b>	<u>\$ 101,977</u>	<u>AA</u>	<u>\$ 94,127</u>	<u>AA</u>	<u>\$ 68,370</u>	<u>AA</u>

### Distribution by ratings of financial guaranty portfolio

Ratings <sup>1</sup> :	March 31, 2008		December 31, 2007		December 31, 2006	
	Net Par		Net Par		Net Par	
	Outstanding	%	Outstanding	%	Outstanding	%
Super senior	\$ 31,532	30.9%	\$ 26,837	28.5%	\$ 12,435	18.2%
AAA	32,097	31.5%	33,266	35.3%	26,174	38.3%
AA	9,392	9.2%	8,889	9.4%	8,389	12.3%
A	17,691	17.3%	15,148	16.1%	13,385	19.5%
BBB	9,316	9.1%	8,796	9.3%	7,122	10.4%
Below investment grade	1,950	1.9%	1,191	1.3%	865	1.3%
Total exposures	<u>\$ 101,977</u>	<u>100.0%</u>	<u>\$ 94,127</u>	<u>100.0%</u>	<u>\$ 68,370</u>	<u>100.0%</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 Corp.

Financial Guaranty Profile (3 of 4)

(dollars in millions)

## Distribution by Ratings of Financial Guaranty Portfolio

	As of March 31, 2008							
	U.S. Public Finance		U.S. Structured Finance		International		Consolidated	
	Net Par		Net Par		Net Par		Net Par	
Ratings <sup>1</sup> :	Outstanding	%	Outstanding	%	Outstanding	%	Outstanding	%
Super senior	\$ -	-	\$ 21,696	41.2%	\$ 9,836	41.5%	\$ 31,532	30.9%
AAA	1,536	6.0%	22,227	42.2%	8,334	35.2%	32,097	31.5%
AA	5,529	21.6%	2,921	5.5%	942	4.0%	9,392	9.2%
A	13,102	51.2%	2,561	4.9%	2,028	8.6%	17,691	17.3%
BBB	5,017	19.6%	2,092	4.0%	2,207	9.3%	9,316	9.1%
Below investment grade	398	1.6%	1,210	2.3%	342	1.4%	1,950	1.9%
Total exposures	\$ 25,582	100.0%	\$ 52,707	100.0%	\$ 23,689	100.0%	\$ 101,977	100.0%

  

	As of December 31, 2007							
	U.S. Public Finance		U.S. Structured Finance		International		Consolidated	
	Net Par		Net Par		Net Par		Net Par	
Ratings <sup>1</sup> :	Outstanding	%	Outstanding	%	Outstanding	%	Outstanding	%
Super senior	\$ -	-	\$ 17,501	33.8%	\$ 9,336	43.8%	\$ 26,837	28.5%
AAA	489	2.3%	25,759	49.8%	7,018	32.9%	33,266	35.3%
AA	5,153	24.4%	2,805	5.4%	932	4.4%	8,889	9.4%
A	10,692	50.7%	2,707	5.2%	1,749	8.2%	15,148	16.1%
BBB	4,660	22.1%	1,890	3.7%	2,246	10.5%	8,796	9.3%
Below investment grade	88	0.4%	1,074	2.1%	28	0.1%	1,191	1.3%
Total exposures	\$ 21,082	100.0%	\$ 51,736	100.0%	\$ 21,309	100.0%	\$ 94,127	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 Corp.

Financial Guaranty Profile (4 of 4)

(dollars in millions)

## Geographic Distribution of Financial Guaranty Portfolio as of March 31, 2008

	Net Par	
	Outstanding	%
<b>U.S.:</b>		
California	\$ 3,810	3.7%
New York	2,036	2.0%
Florida	1,627	1.6%
Illinois	1,515	1.5%
Puerto Rico	1,350	1.3%
Massachusetts	1,291	1.3%
Texas	1,200	1.2%
New Jersey	1,031	1.0%
Pennsylvania	918	0.9%
South Carolina	767	0.8%
Other states	10,038	9.8%
Mortgage and structured (multiple states)	52,707	51.7%
<b>Total U.S.</b>	<b>\$ 78,288</b>	<b>76.8%</b>
<b>International:</b>		
United Kingdom	\$ 13,128	12.9%
Germany	3,090	3.0%
Australia	1,024	1.0%
Turkey	350	0.3%
Ireland	279	0.3%
Other	5,818	5.7%
<b>Total International</b>	<b>\$ 23,689</b>	<b>23.2%</b>
<b>Total exposures</b>	<b>\$ 101,977</b>	<b>100.0%</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.

# Assured Guaranty Corp.

Pooled Corporate Profile

(dollars in millions)

## Distribution by Ratings of Direct Pooled Corporate Obligations as of March 31, 2008

Ratings <sup>1</sup> :	Net Par		Avg. Initial Credit	Avg. Current
	Outstanding	%	Enhancement <sup>2</sup>	Enhancement <sup>2</sup>
AAA	\$ 29,436	93.7%	37.1%	35.7%
AA	1,941	6.2%	31.2%	29.0%
A	37	0.1%	10.3%	11.3%
BBB	2	-	10.8%	46.1%
Below investment grade	-	-	0.0%	0.0%
Total exposures	<u>\$ 31,416</u>	<u>100.0%</u>	<u>36.7%</u>	<u>35.3%</u>

## Distribution of Direct Pooled Corporate Obligations by Year Insured as of March 31, 2008

Year insured:	Net Par		Avg. Initial Credit	Avg. Current
	Outstanding	%	Enhancement <sup>2</sup>	Enhancement <sup>2</sup>
2004 and prior	\$ 1,687	5.4%	34.0%	33.9%
2005	5,595	17.8%	35.7%	33.4%
2006	9,829	31.3%	37.1%	34.8%
2007	12,850	40.9%	37.9%	37.2%
2008 YTD	1,455	4.6%	30.0%	30.0%
	<u>\$ 31,416</u>	<u>100.0%</u>	<u>36.7%</u>	<u>35.3%</u>

## Distribution of Direct Pooled Corporate Obligations by Asset Class as of March 31, 2008

Asset class:	Net Par		Average Rating <sup>1</sup>	Avg. Initial Credit	Avg. Current
	Outstanding	%		Enhancement <sup>2</sup>	Enhancement <sup>2</sup>
High yield corporates	\$ 19,819	63.1%	AAA	34.0%	32.8%
Trust preferred	5,731	18.2%	AAA	46.1%	44.8%
Market value CDOs of corporates	3,007	9.6%	AAA	40.3%	35.3%
Investment grade corporates	1,878	6.0%	AAA	28.3%	29.2%
Commercial real estate	619	2.0%	AAA	43.2%	43.0%
CDO of CDOs (corporate)	362	1.2%	AAA	35.3%	36.1%
	<u>\$ 31,416</u>	<u>100.0%</u>	<u>AAA</u>	<u>36.7%</u>	<u>35.3%</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, 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 numbers 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.

## Assured Guaranty Corp.

Residential Mortgage-Backed Securities Profile (1 of 2)

(dollars in millions)

### Distribution by Ratings<sup>1</sup> of Residential Mortgage-Backed Securities by Category as of March 31, 2008

Ratings <sup>1</sup> :	March 31, 2008					
	US		International		Total Net Par	
	Prime	Subprime	Prime	Subprime	Outstanding	% of Total
Super senior	\$ 3,848	\$ 2,612	\$ 1,845	\$ -	\$ 8,305	40.5%
AAA	2,487	1,867	4,274	15	8,642	42.1%
AA	307	484	143	-	934	4.6%
A	467	193	6	-	665	3.2%
BBB	614	165	-	-	779	3.8%
Below investment grade	1,135	59	-	-	1,194	5.8%
Total exposures	<u>\$ 8,859</u>	<u>\$ 5,377</u>	<u>\$ 6,268</u>	<u>\$ 15</u>	<u>\$ 20,519</u>	<u>100.0%</u>

### Distribution of Residential Mortgage-Backed Securities by Category and by Year Insured as of March 31, 2008

Year insured:	US		International		Total Net Par	
	Prime	Subprime <sup>2</sup>	Prime	Subprime	Outstanding	% of Total
2004 and prior	\$ 328	\$ 384	\$ 218	\$ 15	\$ 944	4.6%
2005	874	66	631	-	1,571	7.7%
2006	358	3,597	1,630	-	5,584	27.2%
2007	5,824	1,331	2,223	-	9,378	45.7%
2008 YTD	1,475	-	1,567	-	3,042	14.8%
	<u>\$ 8,859</u>	<u>\$ 5,377</u>	<u>\$ 6,268</u>	<u>\$ 15</u>	<u>\$ 20,519</u>	<u>100.0%</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 Corp.

Residential Mortgage-Backed Securities Profile (2 of 2)

(dollars in millions)

## Distribution of U.S. Subprime Residential Mortgage-Backed Securities by Rating<sup>1</sup> and Year Insured as of March 31, 2008

Year insured:	Super Senior	AAA Rated	AA Rated	A Rated	BBB Rated	BIG Rated	Total
2004 and prior	\$ -	\$ 153	\$ 1	\$ 6	\$ 165	\$ 59	\$ 384
2005	-	66	-	-	-	-	66
2006	2,168	1,286	143	-	-	-	3,597
2007	443	361	340	186	-	-	1,331
2008 YTD	-	-	-	-	-	-	-
	<u>\$ 2,612</u>	<u>\$ 1,867</u>	<u>\$ 484</u>	<u>\$ 193</u>	<u>\$ 165</u>	<u>\$ 59</u>	<u>\$ 5,377</u>
% of total	48.6%	34.7%	9.0%	3.6%	3.1%	1.1%	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 Corp.

CDOs of ABS Profile

(dollars in millions)

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

Year Insured	Legal Final Maturity <sup>2</sup>	Net Par Outstanding	Type of Collateral as a Percent of Total Pool							Ratings as of Mar. 31, 2008		Original AAA Sub-ordination	Original Sub-ordination Below Assured	Current Sub-ordination Below Assured	
			ABS	RMBS (Includes Subprime)	Comm. MBS (CMBS) <sup>3</sup>	CDOs of Investment Grade Corporate	Total Collateral Pool	U.S. Subprime RMBS	S&P	Moody's					
<b>CDOs of Mezzanine ABS<sup>3</sup>:</b>															
2001	2017	\$ 114.0	0%	0%	100%	0%	0%	100%	0%	AAA	Aaa	25.1%	25.1%	30.1%	
2001	2016	60.8	0%	0%	100%	0%	0%	100%	0%	AAA	Aaa	28.1%	28.1%	39.0%	
2002	2017	130.1	0%	0%	100%	0%	0%	100%	0%	AAA	Aaa	24.6%	24.6%	32.2%	
2002	2017	92.7	0%	0%	100%	0%	0%	100%	0%	AAA	Aaa	22.1%	22.1%	25.9%	
2002	2017	90.0	0%	0%	100%	0%	0%	100%	0%	AAA	Aaa	35.0%	35.0%	47.3%	
2002	2017	69.0	0%	0%	100%	0%	0%	100%	0%	AAA	Aaa	24.0%	24.0%	30.8%	
2003	2018	128.1	0%	0%	100%	0%	0%	100%	0%	AAA	Aaa	20.0%	20.0%	24.2%	
2003	2038	83.9	0%	0%	100%	0%	0%	100%	0%	AAA	Aaa	23.0%	38.0%	47.4%	
2003	2018	51.2	0%	0%	100%	0%	0%	100%	0%	AAA	Aaa	63.0%	63.0%	66.4%	
	<b>Subtotal:</b>	<b>\$ 819.9</b>	<b>0%</b>	<b>0%</b>	<b>100%</b>	<b>0%</b>	<b>0%</b>	<b>100%</b>	<b>0%</b>	<b>AAA</b>	<b>Aaa</b>	<b>27.3%</b>	<b>28.8%</b>	<b>35.7%</b>	
<b>CDOs of High Grade ABS<sup>4</sup>:</b>															
No CDO of ABS business written															
<b>CDOs of Pooled AAA ABS<sup>5</sup>:</b>															
2003	2010	544.2	35%	34%	26%	5%	0%	100%	0%	AAA	Aaa	0.0%	12.5%	12.5%	
2003	2008 <sup>(6)</sup>	419.0	37%	57%	6%	0%	0%	100%	32%	AAA	Aaa	0.0%	10.0%	10.0%	
	<b>Subtotal:</b>	<b>\$ 963.2</b>	<b>36%</b>	<b>44%</b>	<b>17%</b>	<b>3%</b>	<b>0%</b>	<b>100%</b>	<b>14%</b>	<b>AAA</b>	<b>Aaa</b>	<b>0.0%</b>	<b>11.4%</b>	<b>11.4%</b>	
<b>Total:</b>		<b>\$ 1,783.2</b>	<b>19%</b>	<b>24%</b>	<b>55%</b>	<b>2%</b>	<b>0%</b>	<b>100%</b>	<b>8%</b>	<b>AAA</b>	<b>Aaa</b>	<b>12.5%</b>	<b>19.4%</b>	<b>22.6%</b>	

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 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 March 31, 2008, as follows: 17% AAA, 7% AA, 12% A, 46% 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 March 31, 2008: 97% AAA and 3% BBB.

6. Risk expired in April 2008.

## Assured Guaranty Corp.

Non-Investment Grade Exposures

as of March 31, 2008

(dollars in millions)

Non-Investment Grade Exposures by Asset Type:	Weighted Average Remaining Life	Net Par Outstanding	Average Rating <sup>1</sup>
<b>U.S. public finance</b>			
Municipal utilities	29.2	\$ 269	CCC
Healthcare	16.8	84	BB-
Transportation	15.3	24	C
General obligation	6.2	9	BB+
Tax backed	9.4	6	BB-
Housing	13.8	4	B
Higher education	12.4	1	BB+
Investor-owned utilities	9.0	0	BB
Total public finance	24.7	\$ 398	CCC+
<b>U.S. structured finance</b>			
Prime mortgage-backed and home equity	3.1	\$ 1,135	BB-
Subprime mortgage-backed and home equity	3.9	59	CCC+
Other structured finance	15.5	15	B+
Pooled corporate obligations	2.7	1	BB
Commercial receivables	1.7	0	CCC-
Total structured finance	3.3	\$ 1,210	BB-
<b>International</b>			
Insurance securitizations	12.1	\$ 279	BB
Infrastructure and pooled infrastructure	8.9	63	BB
Total international	11.5	\$ 342	BB+
<b>Total non-investment grade exposures</b>	9.1	\$ 1,950	B+

### Top Ten Non-Investment Grade Exposures as of March 31, 2008

Name or description	Segment	Weighted Average Remaining Life	Net Par Outstanding	Average Rating <sup>1</sup>
CWHEQ Revolving Home Equity Loan Trust 2007-D	Direct	6.1	\$ 619	BB
Countrywide Home Equity Loan Trust 2005-J Class 1 & 2	Direct	5.1	327	B
Jefferson County Alabama Sewer	Reinsurance	29.3	268	CCC
Orkney Re II, PLC	Direct	10.6	149	BB
Ballantyne Re PLC	Direct	13.8	130	BB
American Home Mortgage Assets Trust 2007-3	Direct	2.6	85	B-
SACO I Trust 2005-GP1	Direct	2.6	77	BB
Trover Clinic Foundation	Direct	18.9	65	BB
International Infrastructure Transaction	Reinsurance	8.6	36	BB+
American Home Mortgage Investor Trust 2007-A	Direct	3.2	27	BB
<b>Total Top 10 Non-Investment Grade Exposures</b>		10.5	\$ 1,784	BB

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# Assured Guaranty Corp.

## Closely Monitored Credits ("CMC")

(dollars in millions)

### Net Par Outstanding by Credit Monitoring Category <sup>1</sup>

<b>March 31, 2008</b>			
<b>Description:</b>	<b>Net Par</b>		<b>Number of</b>
	<b>Outstanding</b>	<b>%</b>	<b>credits in</b>
			<b>category</b>
Fundamentally sound risk	\$ 100,019	98.1%	
Closely monitored credits:			
Category 1	560	0.5%	21
Category 2	1,330	1.3%	8
Category 3	42	-	8
Category 4	10	-	9
CMC Total	<u>1,942</u>	<u>1.9%</u>	<u>46</u>
Other below investment grade risk	16	-	42
<b>Total</b>	<u><u>\$ 101,977</u></u>	<u><u>100.0%</u></u>	

<b>December 31, 2007</b>			
<b>Description:</b>	<b>Net Par</b>		<b>Number of</b>
	<b>Outstanding</b>	<b>%</b>	<b>credits in</b>
			<b>category</b>
Fundamentally sound risk	\$ 92,920	98.7%	
Closely monitored credits:			
Category 1	782	0.8%	17
Category 2	357	0.4%	6
Category 3	42	-	7
Category 4	10	-	9
CMC Total	<u>1,190</u>	<u>1.3%</u>	<u>39</u>
Other below investment grade risk	16	-	41
<b>Total</b>	<u><u>\$ 94,127</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 Corp.

25 Largest U.S. Public Finance Exposures  
as of March 31, 2008

*(dollars in millions)*

<b>Credit Name:</b>	<b>Net Par Outstanding</b>	<b>Rating<sup>1</sup></b>
State of California General Obligation & Leases	\$ 688	A+
Commonwealth of Puerto Rico General Obligation & Leases	512	BBB-
Denver International Airport System	503	A+
Puerto Rico Highway & Transportation Authority	411	BBB
New York City General Obligation & Leases	327	A+
San Francisco Airport Commission	314	A
Puerto Rico Aqueduct & Sewer Authority	288	BBB-
City of Chicago General Obligation & Leases	288	AA-
State of New York General Obligation & Leases	279	AA
Commonwealth of Massachusetts General Obligation & Bay Transportation	278	A
Jefferson County, Alabama Sewer Enterprise	268	CCC
Massachusetts State Turnpike Authority	266	A-
State of New Jersey General Obligation & Leases	242	AA-
Energy Northwest	234	AA
Essentia Health	224	A-
Miami-Dade County Florida Aviation Authority	209	A
Metropolitan Transportation Authority (New York) - Transportation Revenue	192	A
Los Angeles County Metropolitan Transportation Authority	189	AA-
Intermountain Power Agency	188	A+
New Jersey Turnpike Authority	177	A
Los Angeles County Pension Obligation	174	A
Florida State Department Of Environmental Protect	173	A+
Public Finance Domestic Infrastructure Transaction	165	BBB-
Michigan State General Obligation	156	AA+
Chicago-O'Hare International Airport	153	A-
<b>Total top 25 U.S. public finance exposures</b>	<b><u>\$ 6,900</u></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.

# Assured Guaranty Corp.

25 Largest U.S. Structured Finance Exposures

as of March 31, 2008

(dollars in millions)

<b>Credit Name:</b>	<b>Net Par Outstanding</b>	<b>Rating<sup>1</sup></b>
Deutsche Alt-A Securities Mortgage Loan 2007-2	\$ 797	AAA
Discover Card Master Trust I Series A	720	AAA / Super senior
Chrysler Retail Auto Loan Receivables Class-A	717	A
Goldentree Credit Opportunities Financing I	631	AAA
Private - CDO	621	AAA
Countrywide Home Equity Loan Trust 2007-D	619	BB
Mortgagelt Securities Corp. Mortgage Loan 2007-2	597	AAA / Super senior
Citibank Omni Master Trust	574	AAA / Super senior
Private - CDO	573	AAA
Prospect Funding I LLC	566	AAA
Private RMBS Re-Remic	515	AAA / Super senior
Private RMBS Re-Remic	515	AAA / Super senior
Private - CDO	495	AAA
Private RMBS Re-Remic	493	AAA / Super senior
Private Structured Credit	486	BBB+
Chrysler Retail Auto Loan Receivables Class A	468	AAA
Private RMBS Re-Remic	467	AAA / Super senior
Deutsche Alt-A Securities Mortgage Loan 2007-3	460	AAA / Super senior
Field Point I & II, Limited	456	AA-
Ares Enhanced Credit Opportunities Fund	450	AAA
Aaa Trust 2007-2	443	AAA / Super senior
Applebee's Enterprises LLC	439	BBB-
Private RMBS Transaction	432	AAA
Synthetic CDO - IG ABS	419	AAA / Super senior
Private - CDO	405	AAA
<b>Total top 25 U.S. structured finance exposures</b>	<b><u>\$ 13,356</u></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.

# Assured Guaranty Corp.

10 Largest Healthcare and International Exposures

as of March 31, 2008

(dollars in millions)

## 10 Largest Healthcare Exposures

Credit Name:	Net Par		State
	Outstanding	Rating <sup>1</sup>	
Essentia Health	\$ 224	A-	MN
Lifebridge Health	138	A	MD
Meridian Health System Obligated Group	136	A-	NJ
Integris Health, Inc.	132	AA	OK
Bon Secours Health System, Inc.	118	A-	MD
Catholic Healthcare West	117	A	CA
Adventist Health System / Sunbelt	114	A+	FL
Covenant Health	108	A-	TN
Adventist Healthcare System West	101	A	CA
Centracare Health System	100	A	MN
<b>Total top 10 healthcare exposures</b>	<b>\$ 1,287</b>		

## 10 Largest International Exposures

Credit Name:	Net Par		Rating <sup>1</sup>
	Outstanding		
Prime European RMBS	\$ 1,214	AAA / Super senior	
Permanent Master Issuer PLC	899	AAA	
Granite Master Issuer PLC	897	AAA	
Gracechurch Mortgage Financing PLC	895	AAA	
Essential Public Infrastructure Capital II	893	AAA / Super senior	
Arkle Master Issuer PLC	887	AAA	
Essential Public Infrastructure Capital III	840	AAA / Super senior	
Graphite Mortgages PLC Provide Graphite 2005-2	631	AAA / Super senior	
Synthetic CDO - IG ABS	544	AAA / Super senior	
Global Senior Loan Index Fund 1 B.V.	506	AAA / Super senior	
<b>Total top 10 international exposures</b>	<b>\$ 8,206</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.

# Assured Guaranty Corp.

## Capital and Claims Paying Resources

(dollars in millions)

	As of:	
	March 31, 2008	December 31, 2007
<b>Statutory surplus and reserves</b>		
Unearned premium reserve	\$ 390	\$ 302
Contingency reserve	621	582
Policyholders' surplus	380	400
Loss and loss adjustment expense reserves <sup>1</sup>	-	12
<b>Total policyholders' surplus &amp; reserves</b>	<b>\$ 1,392</b>	<b>\$ 1,296</b>
<b>Claims paying resources</b>		
Policyholders' surplus	\$ 380	\$ 400
Contingency reserve	621	582
<b>Qualified statutory capital</b>	<b>1,002</b>	<b>982</b>
Unearned premium reserve	390	302
Loss and loss adjustment expense reserves <sup>1</sup>	-	12
<b>Total policyholders' surplus &amp; reserves</b>	<b>1,392</b>	<b>1,296</b>
Present value of installment premium <sup>d</sup>	620	554
Standby line of credit/stop loss	280	280
<b>Total claims paying resources</b>	<b>\$ 2,292</b>	<b>\$ 2,130</b>
Net par insured outstanding	\$ 101,977	\$ 94,127
Net debt service outstanding	\$ 144,726	\$ 128,351
Ratios:		
Net par insured to statutory capital	102:1	96:1
Capital ratio <sup>2</sup>	144:1	131:1
Financial resources ratio <sup>3</sup>	63:1	60:1

1. Assured Guaranty Corp.'s loss and loss adjustment expenses at 3/31/08 were \$0.2 million.

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

3. 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 Corp.

### Loss and LAE Reserves by Segment and Type of Reserve

*(dollars in millions)*

	<b>As of March 31, 2008</b>	<b>As of December 31, 2007</b>
<b>Loss and LAE reserves by segment:</b>		
Financial guaranty direct	\$ 69.0	\$ 33.3
Financial guaranty reinsurance	31.1	31.5
Other	5.7	5.6
Total	\$ 105.8	\$ 70.4
Plus: Loss and LAE reserves on credit derivatives	6.0	4.1
Total loss and LAE reserves, including credit derivatives	\$ 111.8	\$ 74.5
<b>Loss and LAE reserves by type:</b>		
Case	\$ 20.1	\$ 19.9
IBNR	3.9	4.1
Portfolio	81.8	46.4
Total	\$ 105.8	\$ 70.4
Plus: Loss and LAE reserves on credit derivatives	6.0	4.1
Total loss and LAE reserves, including credit derivatives	\$ 111.8	\$ 74.5

## Assured Guaranty Corp.

Investment Portfolio  
as of March 31, 2008  
*(dollars in millions)*

	Amortized Cost	Pre-Tax Book Yield	After-Tax Book Yield	Fair Value	Annualized Investment Income
<b>Fixed maturity securities available for sale:</b>					
U.S. Treasury securities and obligations					
of U.S. government agencies	\$ 30.3	4.8%	3.2%	\$ 32.9	\$ 1.5
Agency obligations	-	-	-	-	-
Foreign government securities	54.8	5.0%	3.2%	56.8	2.7
Obligations of states and political subdivisions	424.9	4.7%	4.5%	430.9	20.0
Insured obligations of state and political subdivisions <sup>1</sup>	568.3	4.8%	4.5%	582.8	27.2
Corporate securities	55.0	5.9%	3.8%	55.0	3.2
Mortgage-backed securities <sup>2</sup> :					
Pass-throughs	148.4	5.7%	3.7%	148.9	8.4
PACs	5.0	4.5%	3.0%	5.1	0.2
Asset-backed securities <sup>3</sup>	25.5	5.2%	3.4%	25.8	1.3
Preferred stock	7.8	8.2%	5.3%	7.8	0.6
Total fixed maturity securities available for sale	\$ 1,320.0	4.9%	4.3%	\$ 1,346.0	\$ 65.3
Short-term investments	135.6	2.0%	1.3%	135.6	2.7
<b>Total investments</b>	<b>\$ 1,455.6</b>	<b>4.7%</b>	<b>4.0%</b>	<b>\$ 1,481.6</b>	<b>\$ 68.0</b>

<b>Ratings<sup>4</sup>:</b>	Fair Value	%
Treasury and government obligations	\$ 32.9	2.4%
Agency obligations	-	-
AAA/Aaa	794.1	59.0%
AA/Aa	362.1	26.9%
A/A	142.3	10.6%
BBB	14.6	1.1%
<b>Total</b>	<b>\$ 1,346.0</b>	<b>100.0%</b>

**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. \$1.0 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 Corp.

## Summary Financial and Statistical Data

(dollars in millions)

	YTD 1Q-2008	Year Ended December 31,				
		2007	2006	2005	2004	2003
<b>Statutory Data</b>						
Net income	\$ 17.7	\$ 71.6	\$ 64.3	\$ 100.9	\$ 103.2	\$ 66.6
Policyholders' surplus	380.1	399.6	286.0	295.7	236.7	255.6
Contingency reserve	621.4	582.5	630.9	559.0	518.4	400.0
Statutory capital	1,001.5	982.0	916.8	854.8	755.1	655.6
Unearned premium reserve	390.4	302.3	238.9	233.8	405.8	466.7
Net present value of estimated future installment premiums <sup>d</sup>	620.2	553.6	355.6	254.1	267.8	293.3
Premium resources	1,010.6	855.9	594.5	487.9	673.6	760.0
Loss and LAE reserves	0.2	12.5	15.2	20.9	31.8	55.0
Standby line of credit / stop loss	280.0	280.0	455.0	455.0	255.0	255.0
Total claims-paying resources	\$ 2,292.3	\$ 2,130.4	\$ 1,981.5	\$ 1,818.6	\$ 1,715.5	\$ 1,725.6
<b>Statutory Financial Ratios</b>						
Loss and LAE ratio	15.6%	(13.5)%	4.5%	18.2%	(8.4)%	25.9%
Expense ratio	1.0%	49.9%	64.8%	20.6%	107.4%	32.0%
Combined ratio	16.6%	36.4%	69.3%	38.8%	99.0%	57.9%
<b>Other Financial Information :</b>						
Net debt service outstanding (end of period)	\$ 144,726	\$ 128,351	\$ 85,522	\$ 70,769	\$ 105,831	\$ 117,406
Net par outstanding (end of period)	101,977	94,127	68,370	52,659	74,001	78,399
Gross par outstanding (end of period)	140,074	127,743	91,858	68,880	87,583	83,490
Par reinsured within Assured Guaranty	4,947	29,087	22,569	13,556	10,990	2,438
Qualified statutory capital	1,002	982	917	855	755	656
Policyholders' surplus & reserves	1,392	1,296	1,171	1,110	1,193	1,178
<b>Ratios:</b>						
Net par insured to statutory capital	102:1	75:1	75:1	62:1	98:1	120:1
Capital ratio <sup>1</sup>	144:1	93:1	93:1	83:1	140:1	179:1
Financial resources ratio <sup>2</sup>	63:1	43:1	43:1	39:1	62:1	68:1
<b>Gross debt service written<sup>3</sup>:</b>						
U.S. public finance	\$ 13,260	\$ 8,142	\$ 3,440	\$ 2,043	\$ 5,470	\$ 9,428
U.S. structured finance	6,381	35,396	26,848	12,999	13,640	6,950
International	4,494	15,263	13,245	3,307	2,512	3,063
Total gross debt service written	\$ 24,135	\$ 58,801	\$ 43,533	\$ 18,349	\$ 21,622	\$ 19,441

1. The capital ratio is calculated by dividing net par and interest insured divided by qualified statutory capital.
2. The financial resources ratio is calculated by dividing net par and interest insured by total claims paying resources.
3. Does not include \$34,799 million of debt service written that was novated to Financial Security Assurance Inc. during 2Q 2005.

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

## **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 insurance 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 premiums") does not adequately measure. Actual future net earned or written premiums and credit derivative premiums 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 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.

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.



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