S&P Reaffirms Assured Guaranty’s AA Financial Strength Ratings Under Revised Methodology

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HAMILTON, Bermuda--(BUSINESS WIRE)--Assured Guaranty Ltd. (NYSE:AGO) announced today that S&P Global Ratings (S&P) has affirmed the AA financial strength ratings on U.S. bond insurers Assured Guaranty Municipal Corp. (AGM), Municipal Assurance Corp. (MAC) and Assured Guaranty Corp. (AGC); U.K. financial guarantor Assured Guaranty (Europe) plc (AGE); and Bermuda insurers Assured Guaranty Re Ltd. (AGRe) and Assured Guaranty Re Overseas Ltd. (AGRO). The outlooks of all the Assured Guaranty entities are stable.

In its November 7th research update, S&P noted Assured Guaranty’s:
- “excellent capital and earnings”
- “exceptional” liquidity
- “record of credit discipline”
- “very strong competitive position”
- “leadership position in the U.S. public-finance market”
- “well-diversified underwriting strategy” with a “well-thought-out and measured” approach to the global structured finance and international markets

The affirmation incorporates the revised “Insurers Rating Methodology” and “Methodology and Assumptions for Analyzing Bond Insurance Capital Adequacy” articles that S&P released in July of this year. The same ratings had been affirmed by S&P in June.

In response to the report, Dominic Frederico, President and CEO of Assured Guaranty said:

“S&P has affirmed our financial guaranty subsidiaries’ AA, stable financial strength ratings twice in less than five months, evaluating our capital adequacy once under its previous criteria and now under its revised criteria. These ratings, the highest that S&P currently assigns to any active bond insurer, reflect the paramount importance we place on maintaining the financial strength of our insurance subsidiaries through disciplined underwriting and premium pricing and prudent approaches to strategic diversification, investments, enterprise risk management and capital management.”

Any forward-looking statements made in this press release reflect Assured Guaranty’s current views with respect to future events 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. These risks and uncertainties include, but are not limited to, difficulties executing Assured Guaranty’s business strategy; those risks and uncertainties resulting from changes in rating agency models or opinions; adverse credit developments in Puerto Rico or other portions of Assured Guaranty’s insured portfolio and the impact of those developments on rating agency models and opinions; 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’s filings with the Securities and Exchange Commission. Readers are cautioned not to place undue reliance on these forward-looking statements, which are made as of November 8, 2019. Assured Guaranty undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

Assured Guaranty Ltd. is a publicly traded (NYSE: AGO) Bermuda-based holding company. Its operating subsidiaries provide credit enhancement products to the U.S. and international public finance, infrastructure and structured finance markets. More information on Assured Guaranty Ltd. and its subsidiaries can be found at Assured Guaranty.com.

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