Financial Strength of Assured Guaranty’s New Subsidiary Assured Guaranty (Europe) SA Rated AA+ by KBRA and AA by S&P

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HAMILTON, Bermuda--(BUSINESS WIRE)--Assured Guaranty Ltd. (NYSE:AGO)(together with its subsidiaries, Assured Guaranty) announced today that S&P Global Ratings (S&P) and Kroll Bond Rating Agency (KBRA) assigned Assured Guaranty (Europe) SA (AGE SA)* financial strength ratings of AA and AA+, respectively, both with stable outlooks.

Assured Guaranty established AGE SA in France in mid-2019 to address the impact of the withdrawal of the United Kingdom (U.K.) from the European Union (E.U.). Through AGE SA, Assured Guaranty will continue to write new business in the E.U. London-based Assured Guaranty (Europe) plc (AGE)**, which previously provided financial guarantees in the E.U., will remain the Assured Guaranty platform that writes new business in the U.K. and certain other non-E.U. countries.

In addition, AGE intends to transfer certain existing financial guarantees in its portfolio to AGE SA. Upon such transfer, these will become the financial guarantees of AGE SA on the same terms. To the extent the transferred financial guarantees are currently rated by S&P or KBRA, no change is expected to the S&P or KBRA ratings of the insured obligations that are covered by those financial guarantees, as each of those agencies currently assigns the same rating to both AGE and AGE SA. (For additional information, see assuredguaranty.com/assured-guarantys-new-french-subsidiary-to-seek-ratings-only-from-sp-and-kbra.)

“We consider AGE SA one of our core business subsidiaries,” said Dominic Frederico, President and CEO of Assured Guaranty. “It has an integral role in our international strategy as we seek to expand our footprint in Europe, while AGE continues to serve the U.K. market. Like our other financial guaranty subsidiaries, AGE SA enjoys access to the full range of Assured Guaranty’s intellectual and technological resources and operates within our global risk management culture.”

The AA and AA+ financial strength ratings from S&P and KBRA are based on strong capital support from AGE SA’s direct parent company, Assured Guaranty Municipal Corp. (AGM), as well as on Assured Guaranty’s experienced underwriting team and strong corporate governance. AGM is rated AA by S&P and AA+ by KBRA, both with stable outlooks.

Nick Proud, Senior Managing Director for International and Structured Finance said, “Since the Brexit referendum result we have been planning for the U.K’s departure from the E.U., and AGE SA puts us in a position to continue to write new business in the E.U. without interruption.”

The S&P and KBRA rating announcements may be found at assuredguaranty.com/investor-information/by-company/assured-guaranty-ltd/ratings/.

*AGE SA (a société anonyme à Conseil d’administration, company number 852 597 384 RCS Paris) is an insurer authorised and regulated by the Autorité de Contrôle Prudentiel et de Résolution.

** AGE (registered in England, company number 2510099) is authorised by the Prudential Regulation Authority and regulated by the Prudential Regulation Authority and the Financial Conduct Authority. AGE provides its financial guarantee together with a co-guarantee from its U.S. affiliate Assured Guaranty Municipal Corp. (AGM).

Through its insurance subsidiaries, Assured Guaranty Ltd. (AGL) is the leading provider of financial guarantees for principal and interest payments due on municipal, public infrastructure and structured financings. Through other subsidiaries, AGL provides asset management services. AGL is a publicly traded (NYSE: AGO), Bermuda-based holding company. More information on AGL and its subsidiaries can be found at AssuredGuaranty.com.

Cautionary Statement Regarding Forward-Looking Statements:

Any forward-looking statements made in this press release reflect AGL’s current views with respect to future events and are made pursuant to the safe harbour 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, those resulting from AGL and its insurance subsidiaries’ inability to execute their strategies; the demand for their financial guarantees; further actions that the rating agencies may take with respect to their insurance subsidiaries’ financial strength ratings; adverse developments in their guaranteed or investment portfolios; adverse developments in its asset management business; and other risks and uncertainties that have not been identified at this time, management’s response to these factors, and other risk factors identified in AGL’s filings with the U.S. Securities and Exchange Commission. Readers are cautioned not to place undue reliance on these forward-looking statements, which are made as of 6 February 2020. 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.
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