

Largest Structured Finance Exposures As of September 30, 2011

(\$ Millions)	Ambac Rating ⁽¹⁾	Net Par Outstanding	% of Total Net Par Outstanding
CDO of ABS < 25% MBS	A +	1,723	1%
Iowa Student Loan Liquidity Corporation Revenue Bonds ⁽²⁾	BIG	1,467	1%
Wachovia Asset Securitization Issuance II, LLC 2007-HE2 ⁽²⁾	BIG	1,425	0%
Vermont Student Assistance Corporation Revenue Bonds ⁽²⁾	BIG	1,291	0%
The National Collegiate Student Loan Trust 2007-4 ⁽²⁾	BIG	1,023	0%
The National Collegiate Student Loan Trust 2007-3 ⁽²⁾	BIG	1,003	0%
Wachovia Asset Securitization Issuance II, LLC 2007-HE1 (2)	BIG	969	0%
Ballantyne Re Plc ⁽³⁾	BIG	900	0%
Cendant Rental Car Funding	BIG	820	0%
Spirit Master Funding	BBB	785	0%
Michigan Higher Education Student Loan Authority ⁽²⁾	BIG	758	0%
Timberlake Financial, LLC	BBB -	620	0%
Privately Placed RMBS Transaction ⁽²⁾	BIG	573	0%
Progress Energy Carolinas, INC	A -	558	0%
Countrywide Asset-Backed Certificates Trust 2005-16 ⁽²⁾	BIG	553	0%
Countrywide Revolving Home Equity Loan Trust 2005-F ⁽²⁾	BIG	543	0%
Morgan Stanley Credit Corporation Heloc Trust 2007-1 ⁽²⁾	BIG	538	0%
Option One Mortgage Loan Trust 2007-FXD1 ⁽²⁾	BIG	530	0%
Ares XI CLO, Ltd.	AA +	508	0%
Massachusetts Educational Financing Authority Revenue Bonds ⁽²⁾	BIG	504	0%
National Collegiate Master Student Loan Trust I ⁽²⁾	BIG	496	0%
Local Insight Media LLC	BIG	492	0%
CenterPoint Energy Inc.	BBB	476	0%
Countrywide Asset Backed Certificates Trust 2005-17 ⁽²⁾	BIG	475	0%
Impac CMB Trust Series 2005-7 ⁽²⁾	BIG	457	0%
		<u>\$19,487</u>	<u>6.8%</u>

- (1) Internal Ambac credit ratings contained in this Supplement are provided solely to indicate the underlying credit quality of guaranteed obligations based on the view of Ambac Assurance. In cases where Ambac has insured multiple tranches of an issue with varying internal ratings, or more than one obligation of an issuer with varying internal ratings, a weighted average rating is used. Ambac credit ratings are subject to revision at anytime and do not constitute investment advice. Ambac Assurance, or one of its affiliates, has insured the obligations listed and may also provide other products or services to the issuers of these obligations for which Ambac may have received premiums or fees.
- (2) On March 24, 2010, Ambac Assurance established a Segregated Account. The purpose of the Segregated Account is to segregate certain segments of Ambac Assurance's liabilities, and in connection with such segregation Ambac Assurance has allocated a portion of this transaction to the Segregated Account.
- (3) All or a portion of transaction guaranteed by Ambac Assurance UK, Ltd.