Ambac

Quarterly Operating Supplement

1Q2024

Ambac Financial Group
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About Ambac

Ambac Financial Group, Inc. ("Ambac" or "AFG") is a financial services holding company headquartered in New York City. Ambac's core business is a growing specialty P&C distribution and underwriting platform. Ambac also has a legacy financial guaranty business in run off. Ambac's common stock trades on the New York Stock Exchange under the symbol "AMBC". Ambac is committed to providing timely and accurate information to the investing public, consistent with our legal and regulatory obligations. To that end, we use our website to convey information about our businesses, including the anticipated release of quarterly financial results, quarterly financial, statistical and business-related information. For more information, please go to www.ambac.com.

The Amended and Restated Certificate of Incorporation of Ambac contains substantial restrictions on the ability to transfer Ambac's common stock. Subject to limited exceptions, any attempted transfer of common stock shall be prohibited and void to the extent that, as a result of such transfer (or any series of transfers of which such transfer is a part), any person or group of persons shall become a holder of 5% or more of Ambac's common stock or a holder of 5% or more of Ambac's common stock increases its ownership interest.

Company Information

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To obtain a copy of Ambac Financial Group, Inc.'s latest annual or quarterly report filed with the Securities and Exchange Commission or the most recent Annual Report to Stockholders, please visit our website at www.ambac.com.

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1) Internal credit ratings contained in this Supplement are provided solely to indicate the underlying credit quality of guaranteed obligations based on the view of Ambac. Ambac credit ratings are subject to revision at any time and do not constitute investment advice.
2) Information contained in this report is unaudited.
3) Numbers are in millions and may not add due to rounding.

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Consolidated Information

Consolidated Quarterly Comprehensive Income Data

(in millions, except per share data)	Three Months Ended					Year Ended	
	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023	March 31, 2023	December 31, 2023	December 31, 2022
Summary GAAP Financial Data:							
Net premiums earned	$ 33.1	$ 30.5	$ 18.3	$ 15.3	$ 13.9	$ 78.0	$ 56.3
Commission income	17.7	12.2	14.6	10.0	14.5	51.3	30.7
Program fees	2.6	2.5	2.4	2.1	1.5	8.4	3.1
Net investment income (loss)	41.7	40.5	30.4	35.2	34.1	140.1	16.8
Net gains (losses) on derivative contracts	1.7	(2.2)	4.4	0.5	(3.6)	(1.0)	128.6
Net realized gains on extinguishment of debt	—	—	—	—	—	—	81.3
Income (loss) on variable interest entities	2.6	3.8	0.9	0.1	(1.4)	3.5	21.0
Other income	2.7	3.8	2.0	2.4	3.0	11.2	9.8
Litigation recoveries	—	—	—	—	—	—	125.9
Losses and loss adjustment expenses (benefit)	(1.4)	18.7	(76.3)	7.4	17.7	(32.6)	(396.5)
Commission expense	9.8	7.4	8.5	6.0	7.6	29.5	17.6
General and administrative expenses	35.7	34.7	49.2	36.0	36.4	156.3	141.2
Intangible amortization	12.5	8.3	7.2	6.5	6.9	28.9	46.8
Interest expense	16.0	15.9	15.8	16.0	16.4	64.0	168.2
Pretax income (loss)	25.5	(15.3)	67.5	(11.1)	(28.8)	12.4	524.6
Net income (loss)	$ 20.8	$ (15.6)	$ 66.3	$ (13.0)	$ (32.7)	$ 5.0	$ 522.1
Net income (loss) attributable to common stockholders	$ 20.1	$ (15.7)	$ 65.9	$ (13.1)	$ (33.4)	$ 3.6	$ 522.4
Net income (loss) per diluted share attributable to common stockholders	$ 0.43	$ (0.24)	$ 1.41	$ (0.29)	$ (0.73)	$ 0.18	$ 11.31
Weighted average number of diluted shares outstanding	46.349	45.589	46.811	45.757	45.564	46.541	46.415
Non-GAAP Measurements:							
EBITDA [1]	$ 54.5	$ 9.3	$ 90.8	$ 11.8	$ (5.1)	$ 107.0	$ 741.5
Adjusted net income (loss)	38.5	10.2	93.6	3.4	(13.8)	93.4	495.0
Adjusted net income (loss) per diluted share	$ 0.82	$ 0.32	$ 2.00	$ 0.07	$ (0.30)	$ 2.11	$ 10.72

(1) EBITDA is prior to the impact of noncontrolling interests and relates to subsidiaries where Ambac does not own 100% in the amounts of $0.9, $0.3, $0.6, $0.3 and $0.9 for the three months ended March 31, 2024, December 31, 2023, September 30, 2023, June 30, 2023 and March 31, 2023, respectively, and $2.1 and $1.5 for the years ended December 31, 2023 and December 31, 2022, respectively. Noncontrolling interests are primarily in the Insurance Distribution segment.

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Consolidated Quarterly Balance Sheet Data

(in millions, except per share data)	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023	March 31, 2023	December 31, 2022	December 31, 2021
Summary GAAP Financial Data:							
Total non-VIE investments	$ 2,681.6	$ 2,664.0	$ 2,492.4	$ 2,510.4	$ 2,508.7	$ 2,593.1	$ 2,954.9
Premium receivables	298.7	289.6	277.8	276.1	272.3	269.3	322.6
Intangible assets	293.3	306.5	311.6	317.0	321.3	326.4	361.5
Goodwill	69.7	69.7	69.7	61.4	61.4	60.9	46.1
Subrogation recoverable	129.8	137.2	179.5	138.5	146.0	271.3	2,091.9
Unearned premiums	428.7	421.6	407.2	393.8	388.8	371.8	394.5
Loss and loss expense reserves	850.5	892.9	849.8	862.7	851.5	805.4	1,569.9
Long-term debt [(1)]	512.0	508.3	504.8	501.3	497.2	638.8	2,229.9
Accrued interest payable	487.1	474.7	462.4	450.1	438.2	426.5	575.9
Ambac stockholders' equity	1,365.2	1,361.7	1,265.2	1,249.9	1,253.6	1,252.3	1,038.1
Number of shares outstanding (net of treasury shares)	45.225	45.195	45.187	45.304	45.322	44.974	46.304
Ambac Financial Group, Inc. book value per share	$ 30.19	$ 30.13	$ 28.00	$ 27.59	$ 27.66	$ 27.85	$ 22.42
Non-GAAP Measurements:							
Adjusted book value	$ 1,313.1	$ 1,298.9	$ 1,260.5	$ 1,222.0	$ 1,264.2	$ 1,272.1	$ 874.0
Adjusted book value per share	$ 29.03	$ 28.74	$ 27.90	$ 26.97	$ 27.89	$ 28.29	$ 18.88

(1) Long-term debt for all periods excludes the portion of long-term debt associated with VIEs consolidated as a result of Ambac's variable interest

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Consolidated Yearly Comprehensive Income Data

(in millions, except per share data)	YTD 2024	Year ended December 31, 2023	2022	2021	2020
Summary GAAP Financial Data:					
Net premiums earned	$ 33.1	$ 78.0	$ 56.3	$ 47.0	$ 54.1
Commission income	17.7	51.3	30.7	26.2	—
Program fees	2.6	8.4	3.1	0.2	—
Net investment income	41.7	140.1	16.8	139.3	121.7
Net gains (losses) on derivative contracts	1.7	(1.0)	128.6	22.3	(49.6)
Net realized gains on extinguishment of debt	—	—	81.3	32.8	—
Income (loss) on variable interest entities	2.6	3.5	21.0	7.0	5.5
Other income	2.7	11.2	9.8	1.1	2.7
Litigation recoveries	—	—	125.9	—	—
Losses and loss adjustment expenses (benefit)	(1.4)	(32.6)	(396.5)	(88.2)	224.7
Commission expense	9.8	29.5	17.6	14.5	—
General and administrative expenses	35.7	156.3	141.2	111.3	92.4
Intangible amortization	12.5	28.9	46.8	55.0	56.7
Interest expense	16.0	64.0	168.2	187.5	221.9
Pretax income (loss)	25.5	12.4	524.6	1.8	(439.7)
Net income (loss)	20.8	5.0	522.1	(16.1)	(437.2)
Net income (loss) attributable to common stockholders	20.1	3.6	522.4	(16.9)	(437.2)
Net income (loss) per diluted share attributable to common stockholders	$ 0.43	$ 0.18	$ 11.31	$ (0.61)	$ (9.47)
Weighted average number of diluted shares outstanding	46.349	46.541	46.415	46.535	46.147
Non-GAAP Measurements:					
EBITDA [(1)]	$ 54.5	$ 107.0	$ 741.5	$ 246.1	$ (159.8)
Adjusted net income (loss)	38.5	93.4	495.0	7.2	
Adjusted net income (loss) per diluted share	$ 0.85	$ 2.11	$ 10.72	$ (0.07)	
Adjusted earnings (losses)					$ (377.8)
Adjusted earnings (losses) per diluted share					$ (8.19)

(1) EBITDA is prior to the impact of noncontrolling interests, relating to subsidiaries where Ambac does not own 100% of $0.9 for the three months ended March 31, 2024 and of $2.1, $1.5 and $1.3 for the years ended December 31, 2023, 2022 and 2021, respectively.

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Earnings Measures by Reporting Segment (First Quarter 2024)

The Company reports its results of operations in three segments: Legacy Financial Guarantee Insurance, Specialty Property and Casualty Insurance and Insurance Distribution, separate from Corporate and Other, which is consistent with the manner in which the Company's chief operating decision maker ("CODM") reviews the business to assess performance and allocate resources. See *Note 1. Background and Business Description* of Ambac's Annual Report on Form 10-K for a description of each of the Company's business segments.

Three Months Ended March 31, 2024

($ in millions)	LFG	SPC	ID	CORP	CONS
Gross premiums written	$ 1.7	$ 96.4			$ 98.1
Net premiums written	1.5	26.2			27.8
Premiums placed			$ 90.1		90.1
Revenues:					
Net premiums earned	7.5	25.6			33.1
Commission income			17.7		17.7
Program fees		2.6			2.6
Net investment income	38.0	1.4	0.1	$ 2.2	41.7
Net investment gains (losses), including impairments	0.6	—		—	0.6
Net gains (losses) on derivative contracts	1.8			—	1.7
Other income	5.2	—	0.1	—	5.3
Total revenues and other income	**$ 53.1**	**$ 29.5**	**$ 17.9**	**$ 2.1**	**$ 102.6**

($ in millions)	LFG	SPC	ID	CORP	CONS
Expenses:					
Losses and loss adjustment expenses (benefit)	$ (20.7)	$ 19.4			$ (1.4)
Amortization of deferred acquisition costs, net	—	4.4			4.4
General and administrative expenses [1]	21.4	3.9	$ 3.1	$ 6.8	35.2
Commission expense			9.8		9.8
Total expenses included for EBITDA	**0.7**	**27.7**	**12.9**	**6.8**	**48.1**
EBITDA [2]	**52.4**	**1.8**	**5.0**	**(4.7)**	**54.5**
Less: Interest expense	16.0				16.0
Less: Depreciation expense [1]	0.2	—	—	0.3	0.5
Less: Intangible amortization	11.3		1.1		12.5
Pretax income (loss)	**24.8**	**1.8**	**3.8**	**(5.0)**	**25.5**
Income tax expense (benefit)	4.6	0.1	0.1	(0.1)	4.8
Net income (loss)	**20.2**	**1.7**	**3.7**	**(4.9)**	**20.8**
Less: Net (gain) attributable to noncontrolling interest		—	(0.7)		(0.7)
Net income (loss) attributable to common stockholders	**$ 20.2**	**$ 1.7**	**$ 3.0**	**$ (4.9)**	**$ 20.1**

LFG = Legacy Financial Guarantee Insurance, SPC = Specialty Property & Casualty Insurance, ID = Insurance Distribution, CORP = Corporate & Other and CONS = Consolidated

(1) The Consolidated Statements of Comprehensive Income presents the sum of these items as General and Administrative Expenses.

(2) EBITDA is prior to the impact of noncontrolling interests and relates to subsidiaries where Ambac does not own 100% in the amount of $0.9 for the three months ended March 31, 2024 Noncontrolling interests are primarily in the Insurance Distribution segment.

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Earnings Measures by Reporting Segment (First Quarter 2023)

Three Months Ended March 31, 2023

($ in millions)	LFG	SPC	ID	CORP	CONS
Gross premiums written	$ 8.9	$ 51.8			$ 60.7
Net premiums written	8.8	9.2			18.0
Premiums placed			$ 77.1		77.1
Revenues:					
Net premiums earned	6.9	7.0			13.9
Commission income			14.5		14.5
Program fees		1.5			1.5
Net investment income	31.2	0.8		$ 2.1	34.1
Net investment gains (losses), including impairments	(4.5)	—		0.1	(4.4)
Net gains (losses) on derivative contracts	(3.4)			(0.2)	(3.6)
Other income	1.6	—	—	—	1.7
Total revenues and other income	**$ 31.8**	**$ 9.2**	**$ 14.5**	**$ 2.0**	**$ 57.5**

($ in millions)	LFG	SPC	ID	CORP	CONS
Expenses:					
Losses and loss adjustment expenses (benefit)	$ 13.0	$ 4.7			$ 17.7
Amortization of deferred acquisition costs, net	—	1.4			1.4
General and administrative expenses [1]	28.1	4.0	$ 2.4	$ 1.5	36.0
Commission expense			7.6		7.6
Total expenses included for EBITDA	**41.1**	**10.0**	**10.0**	**1.5**	**62.6**
EBITDA [2]	**(9.3)**	**(0.8)**	**4.5**	**0.5**	**(5.1)**
Less: Interest expense	16.4				16.4
Less: Depreciation expense [1]	0.4	—	—	—	0.5
Less: Intangible amortization	5.9		1.0		6.9
Pretax income (loss)	**(32.1)**	**(0.8)**	**3.6**	**0.4**	**(28.8)**
Provision for income taxes	3.8	—	0.1	—	3.9
Net income (loss)	**(35.9)**	**(0.8)**	**3.5**	**0.4**	**(32.7)**
Less: net (gain) attributable to noncontrolling interest		—	(0.7)		(0.7)
Net income (loss) attributable to common stockholders	**$ (35.9)**	**$ (0.8)**	**$ 2.8**	**$ 0.4**	**$ (33.4)**

LFG = Legacy Financial Guarantee Insurance, SPC = Specialty Property & Casualty Insurance, ID = Insurance Distribution, CORP = Corporate & Other and CONS = Consolidated

(1) The Consolidated Statements of Comprehensive Income presents the sum of these items as General and Administrative Expenses.
(2) EBITDA is prior to the impact of noncontrolling interests and relates to subsidiaries where Ambac does not own 100% in the amount of $0.9 for the three months ended March 31, 2023. Noncontrolling interests are primarily in the Insurance Distribution segment.

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Consolidated Investment Portfolio

As of March 31, 2024

INVESTMENTS BY CATEGORY ($ in millions)	U.S. GAAP Carrying Value	U. S. GAAP [3] Book Value	Pre-tax Yield to Maturity [1]
Legacy Financial Guarantee Insurance			
Ambac Assurance and Subsidiaries excluding Ambac UK:			
Fixed maturity securities - available-for-sale :			
U.S. government and agency obligations	$ 43.7	$ 44.4	4.18 %
Municipal, corporate & foreign obligations	542.7	573.4	3.20 %
Mortgage and asset-backed securities	623.4	607.9	7.44 %
Short-term investments	181.2	181.2	5.26 %
Total fixed maturity - available-for-sale securities	**1,391.0**	**1,406.9**	5.33 %
Fixed maturity securities - trading	28.6	28.6	
Other investments			
Alternative fixed income & hedge funds	207.3	207.3	
Equity & equity linked	33.5	33.5	
Total other investments	240.8	240.8	
Total Ambac Assurance and Subsidiaries investments excluding Ambac UK	**$ 1,660.4**	**$ 1,676.3**	**5.33 %**
Ambac UK:			
Fixed maturity securities:			
U.S. government and agency obligations	$ 38.5	$ 41.2	3.29 %
Municipal, corporate and foreign obligations	290.8	303.4	4.03 %
Mortgage and asset-backed securities	22.4	22.5	7.57 %
Short-term investments	14.4	14.4	5.11 %
Total fixed maturity securities	**366.0**	**381.4**	4.20 %

INVESTMENTS BY CATEGORY ($ in millions)	U.S. GAAP Carrying Value	U. S. GAAP [3] Book Value	Pre-tax Yield to Maturity [1]
Ambac UK (continued)			
Other investments			
Real estate	20.0	20.0	
Alternative fixed income & hedge funds	187.2	187.2	
Equity & equity linked	91.7	91.7	
Total other investments	**298.9**	**298.9**	
Total Ambac UK investments	**$ 664.9**	**$ 680.3**	
Specialty Property & Casualty Insurance:			
Fixed maturity securities:			
U.S. government and agency obligation	$ 41.9	$ 42.7	3.32 %
Municipal & corporate obligations	88.0	93.5	2.95 %
Mortgage and asset-backed securities	7.6	7.6	5.82 %
Short-term investments	29.1	29.1	5.24 %
Total Specialty Property & Casualty Insurance investments	**$ 166.6**	**$ 172.8**	3.56 %
Corporate & Other:			
Corporate obligations	$ 14.0	$ 14.0	
Short-term investments	153.1	153.1	
Total fixed maturity securities	**167.1**	**167.1**	
Other investments:	18.8	18.8	
Total Corporate & Other investments	**$ 185.8**	**$ 185.9**	
Insurance Distribution:			
Short-term investments	$ 3.9	$ 3.9	
Total Consolidated Investments	**$ 2,681.6**	**$ 2,719.3**	

Duration of Legacy Financial Guarantee Insurance fixed maturity investment portfolio [2]	3.72
Duration of Specialty Property & Casualty Insurance fixed maturity investment portfolio	2.53

(1) Yield to maturity refers to the rate of interest to be earned over the remaining life of the fixed maturity investment based on book value. For mortgage and other asset-backed securities remaining life is calculated using estimated cash flows. For floating rate positions, yield to maturity is based on the current interest rate and not forward rates.
(2) Excluded from the measure of duration are Ambac insured bonds that have underlying Ambac internal ratings of BIG. These securities represent 17% of the fair value of Ambac Assurance and Subsidiaries' fixed maturity investment portfolio of $1,785.6 at March 31, 2024.
(3) Book value is net of allowance for credit losses.

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Consolidated General & Administrative Expenses

($ in millions)	2023 1Q	2023 2Q	2023 3Q	2023 4Q	Full Year	2024 1Q	2024 2Q	2024 3Q	2024 4Q	Year to-Date
Compensation										
Salaries	$ 8.0	$ 8.1	$ 8.2	$ 8.6	**$ 32.9**	$ 8.5	$ —	$ —	$ —	**$ 8.5**
Incentive Compensation (1)	5.7	8.1	8.2	11.1	**33.1**	5.1	—	—	—	**5.1**
Other (2)	2.8	1.4	1.2	1.4	**6.7**	2.9	—	—	—	**2.9**
Total Compensation	**16.4**	**17.6**	**17.7**	**21.1**	**72.8**	**16.5**	**—**	**—**	**—**	**16.5**
Non-Compensation										
Legal, Consulting & Advisory Services	13.9	11.5	25.5	7.3	**58.2**	12.4	—	—	—	**12.4**
Premises	1.1	1.2	1.2	1.2	**4.7**	1.2	—	—	—	**1.2**
Audit	0.8	0.8	0.8	0.8	**3.2**	0.8	—	—	—	**0.8**
Regulator Advisory Costs	0.4	0.4	0.3	0.4	**1.4**	0.3	—	—	—	**0.3**
Other	3.9	4.6	3.6	4.0	**16.0**	4.5	—	—	—	**4.5**
Total Non-Compensation	**20.0**	**18.4**	**31.5**	**13.6**	**83.5**	**19.2**	**—**	**—**	**—**	**19.2**
Total General and Administrative Expenses	**36.4**	**36.0**	**49.2**	**34.7**	**156.3**	**35.7**	**—**	**—**	**—**	**35.7**

(1) Incentive compensation includes short-term and long-term incentive cash and equity awards.
(2) Other compensation includes severance, payroll taxes, medical and other benefits.

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Consolidated General & Administrative Expenses[(1)] by Segment

($ in millions)	2023 1Q	2023 2Q	2023 3Q	2023 4Q	Full Year	2024 1Q	2024 2Q	2024 3Q	2024 4Q	YTD
Legacy Financial Guarantee Insurance										
Compensation	$ 9.3	$ 10.0	$ 9.5	$ 11.1	**$ 39.9**	$ 9.0	$ —	$ —	$ —	**$ 9.0**
Non-Compensation	19.2	13.8	26.3	8.4	**67.7**	12.6	—	—	—	**12.6**
Total Legacy Financial Guarantee Insurance	**28.6**	**23.9**	**35.7**	**19.5**	**107.6**	**21.6**	**—**	**—**	**—**	**21.6**
Specialty Property & Casualty Insurance										
Compensation	2.7	2.3	2.6	3.3	**10.9**	1.8	—	—	—	**1.8**
Non-Compensation	1.3	1.5	1.3	1.5	**5.6**	2.2	—	—	—	**2.2**
Total Specialty Property & Casualty Insurance	**4.0**	**3.8**	**3.9**	**4.8**	**16.5**	**3.9**	**—**	**—**	**—**	**3.9**
Insurance Distribution										
Compensation	1.7	1.9	2.0	2.4	**8.0**	2.3	—	—	—	**2.3**
Non-Compensation	0.6	0.6	0.7	0.8	**2.7**	0.8	—	—	—	**0.8**
Total Insurance Distribution	**2.4**	**2.4**	**2.6**	**3.2**	**10.6**	**3.1**	**—**	**—**	**—**	**3.1**
Corporate & Other										
Compensation	2.7	3.4	3.6	4.4	**14.1**	3.5	—	—	—	**3.5**
Non-Compensation [(1)]	(1.1)	2.5	3.2	2.9	**7.5**	3.6	—	—	—	**3.6**
Total Corporate & Other	**1.6**	**5.9**	**6.9**	**7.2**	**21.6**	**7.1**	**—**	**—**	**—**	**7.1**
Gross Operating Expenses										
Compensation	**16.4**	**17.6**	**17.7**	**21.1**	**72.8**	**16.5**	**—**	**—**	**—**	**$ 16.5**
Non-Compensation	**20.0**	**18.4**	**31.5**	**13.6**	**83.5**	**19.2**	**—**	**—**	**—**	**19.2**
Total General and Administrative Expenses	**$ 36.4**	**$ 36.0**	**$ 49.2**	**$ 34.7**	**$ 156.3**	**$ 35.7**	**$ —**	**$ —**	**$ —**	**35.7**

(1) 1Q 2023 includes a reimbursement of $4 million from Legacy Financial Guarantee Insurance to Corporate & Other for a portion of certain operating costs and expenses as approved by OCI. 2024 reimbursement has been approved by OCI and will be settled in 2Q 2024.

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Net Operating Losses — By Company and Year-of-Expiration

(in millions)

Ambac Financial Group, Inc. - Consolidated			Ambac Financial Group, Inc. - Standalone			Ambac Assurance Corporation		
Origination Year	Expiration Year	NOL Net of IRC 163(j)	Origination Year	Expiration Year	NOL Net of IRC 163(j)	Origination Year	Expiration Year	NOL Net of IRC 163(j)
2009	2030	$ 354	2009	2030	$ 354	2009	2030	$ —
2010	2031	1,440	2010	2031	744	2010	2031	696
2011	2032	1,037	2011	2032	395	2011	2032	642
2012	2033	226	2012	2033	24	2012	2033	202
2020	2041	276	2020	2041	—	2020	2041	276
2021	2042	124	2021	2042	124	2021	2042	—
2024	2045	60	2024	2045	5	2024	2045	55
Total NOL Carryforwards		3,516			1,645			1,871
IRS 163(j) Interest Expense Limitation [1]		202			(16)			218
Total NOL & Interest Expense Limitation		$ 3,718			$ 1,629			$ 2,089

(1) NOLs related to the Interest Expense Limitation of IRC Section 163(j) have an indefinite carryforward period and are available to offset future taxable income, subject to certain provisions.

Ambac

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Specialty Property & Casualty Insurance Information

Specialty Property & Casualty Insurance Segment Quarterly Information

As of March 31, 2024

($ in millions)	1Q2024	4Q2023	3Q2023	2Q2023	1Q2023	Year ended December 31, 2023	Year ended December 31, 2022
Gross written premiums by line of business:							
Commercial auto liability	$ 30.4	$ 36.0	$ 25.7	$ 28.8	$ 31.4	$ 121.9	$ 117.2
Non-standard auto	10.8	20.1	—	—	—	20.1	—
General liability	11.8	11.2	6.4	4.9	4.6	27.1	6.0
Excess liability	16.5	8.2	18.2	9.1	5.1	40.5	4.8
Surety	7.7	6.2	10.0	5.1	4.9	26.3	4.4
Workers Compensation	6.4	5.1	14.4	—	—	19.5	—
Commercial auto physical damage	(0.1)	0.8	2.3	4.2	4.8	12.1	12.6
Other	12.8	3.2	0.5	1.1	1.0	5.7	1.3
Gross written premiums	**$ 96.4**	**$ 90.7**	**$ 77.5**	**$ 53.2**	**$ 51.8**	**$ 273.3**	**$ 146.4**
Net written premiums by line of business							
Commercial auto liability	2.2	7.0	5.3	5.9	6.4	24.6	23.9
Non-standard auto	10.8	20.1	—	—	—	20.1	—
General liability	2.9	2.8	1.6	1.2	1.2	6.8	1.5
Excess liability	2.7	1.2	3.0	1.1	0.6	6.0	0.5
Surety	—	—	—	—	—	—	—
Workers Compensation	6.4	5.1	14.4	—	—	19.5	—
Commercial auto physical damage	—	0.2	0.5	0.9	1.0	2.5	2.6
Other	1.3	0.3	—	—	—	0.2	—
Net written premiums	**$ 26.2**	**$ 36.7**	**$ 24.8**	**$ 9.1**	**$ 9.2**	**$ 79.7**	**$ 28.6**

Ambac

Specialty Property & Casualty Insurance Segment Quarterly Information

As of March 31, 2024

($ in millions)	1Q2024	4Q2023	3Q2023	2Q2023	1Q2023	Year ended December 31, 2023	2022
Net premiums earned	$ 25.6	$ 24.9	$ 12.2	$ 7.8	$ 7.0	$ 51.9	$ 13.9
Net investment income	1.4	1.2	1.0	0.8	0.8	3.8	1.6
Net investment gains (losses), including impairments	—	—	—	—	—	—	—
Program fees	2.6	2.5	2.4	2.1	1.5	8.4	3.1
Total revenues	**29.5**	**28.6**	**15.5**	**10.7**	**9.2**	**64.1**	**18.5**
Expenses:							
Loss and loss expenses	19.4	16.8	9.5	5.7	4.7	36.7	9.1
Amortization of deferred acquisition costs, net	4.4	5.9	2.0	1.4	1.4	10.6	2.5
General and administrative expenses	3.9	4.8	3.9	3.8	4.0	16.5	13.2
Total expenses	**27.7**	**27.5**	**15.4**	**10.8**	**10.0**	**63.7**	**24.8**
GAAP pretax income (loss)	**1.8**	**1.1**	**0.1**	**(0.1)**	**(0.8)**	**0.4**	**(6.3)**
Net Income (loss)	**$ 1.7**	**$ 1.1**	**$ 0.1**	**$ (0.1)**	**$ (0.8)**	**$ 0.3**	**$ (6.3)**
EBITDA	**$ 1.8**	**$ 1.1**	**$ 0.1**	**$ (0.1)**	**$ (0.8)**	**$ 0.4**	**$ (6.3)**

Ambac

Specialty Property & Casualty Insurance Segment Quarterly Information

As of March 31, 2024

($ in millions)	1Q2024	4Q2023	3Q2023	2Q2023	1Q2023	Year ended December 31, 2023	Year ended December 31, 2022
NWP / GWP	27.2 %	40.5 %	32.0 %	17.1 %	17.7 %	29.2 %	19.5 %
AY loss ratio	71.3 %	67.4 %	79.8 %	69.5 %	66.0 %	70.4 %	65.2 %
Prior accident years development	4.4 %	— %	(1.8)%	4.2 %	0.6 %	0.3 %	0.2 %
Loss ratio	75.7 %	67.4 %	78.0 %	73.7 %	66.6 %	70.7 %	65.4 %
Net acquisition cost	23.4 %	24.6 %	24.2 %	21.5 %	20.5 %	23.5 %	19.6 %
Expense ratio slide commission percentage	(6.1)%	(1.2)%	(8.1)%	(4.2)%	(0.6)%	(3.2)%	(1.3)%
G&A expense ratio	5.4 %	9.4 %	12.4 %	21.6 %	35.3 %	15.4 %	72.8 %
Expense ratio [1]	22.7 %	32.9 %	28.5 %	39.0 %	55.3 %	35.8 %	91.1 %
Combined ratio	98.4 %	100.3 %	106.5 %	112.7 %	121.9 %	106.5 %	156.5 %
Program fees written	$ 3.4	$ 3.1	$ 2.7	$ 2.6	$ 2.2	$ 10.5	$ 6.2
Program fees deferred	6.4	5.6	5.0	4.7	4.2	19.4	9.4
Ambac stockholders' equity [2]	$ 121.9	$ 121.7	$ 116.1	$ 111.5	$ 111.2	$ 121.7	$ 110.4
Number of programs	22	23	20	16	15	23	14
Statutory net income	$ 1.1	$ (1.7)	$ (3.7)	$ (0.4)	$ (1.3)	$ (7.1)	$ (8.0)
Statutory surplus	$ 107.5	$ 108.1	$ 108.8	$ 107.1	$ 106.3	$ 108.1	$ 107.5

(1) Expense Ratio is defined as acquisition costs and general and administrative expenses, reduced by program fees divided by net premiums earned
(2) Represents Ambac's stockholders equity in the Specialty Property and Casualty Insurance segment, including intercompany eliminations

Ambac

Ambac

Insurance Distribution Information

Insurance Distribution Segment Quarterly Information

As of March 31, 2024

($ in millions)	1Q2024	4Q2023	3Q2023	2Q2023	1Q2023	Year ended December31, 2023	2022
Gross premiums placed by line of business:							
Employee stop loss	$ 36.9	$ 11.1	$ 17.1	$ 10.1	$ 37.9	$ 76.3	$ 72.4
Limited & Short-term medical	13.0	14.1	14.1	13.5	12.6	54.3	48.1
Specialty commercial auto	21.8	12.3	21.1	11.2	17.9	62.4	10.6
Marine	7.5	4.4	3.5	4.2	7.4	19.4	0.8
Professional liability	8.9	8.1	4.4	—	—	12.5	—
Other	2.0	0.2	2.1	1.9	1.3	5.7	3.6
Total	**$ 90.1**	**$ 50.2**	**$ 62.2**	**$ 40.9**	**$ 77.1**	**$ 230.6**	**$ 135.5**
Gross commission income	$ 17.7	$ 12.2	$ 14.6	$ 10.0	$ 14.5	$ 51.3	$ 30.7
Other income	0.1	0.1	0.1	—	—	0.2	0.7
Total revenues	**17.9**	**12.3**	**14.6**	**10.1**	**14.5**	**51.5**	**31.4**
Commission expense	9.8	7.4	8.5	6.0	7.6	29.5	17.6
General and administrative expenses	3.1	3.2	2.6	2.4	2.4	10.6	6.3
Total expenses included for EBITDA	**12.9**	**10.6**	**11.1**	**8.4**	**10.0**	**40.1**	**23.9**
EBITDA	**5.0**	**1.8**	**3.5**	**1.6**	**4.5**	**11.5**	**7.5**
EBITDA margin [1]	27.9 %	14.3 %	24.1 %	16.3 %	31.3 %	22.3 %	23.8 %
Intangible amortization	1.1	1.1	1.1	1.0	1.0	4.2	2.9
Depreciation	—	—	—	—	—	—	—
GAAP Pretax income	$ 3.8	$ 0.6	$ 2.4	$ 0.7	$ 3.6	$ 7.3	$ 4.5
Pretax income margin [2]	21.5 %	4.9 %	16.7 %	6.6 %	24.6 %	14.1 %	14.4 %
Net income	**$ 3.7**	**$ 0.6**	**$ 2.4**	**$ 0.6**	**$ 3.5**	**$ 7.1**	**$ 4.5**
Ambac stockholders' equity [3]	$ 105.6	$ 105.4	$ 102.8	$ 92.4	$ 93.8	$ 105.4	$ 92.8

(1) EBITDA Margin calculated as EBITDA/Total (Segment) Revenue
(2) Pretax Income Margin calculated as GAAP Pretax Income/Total (Segment) Revenue
(3) Represents Ambac's stockholders equity in the Insurance Distribution segment, including intercompany eliminations

Ambac

Ambac

Legacy Financial Guarantee Insurance Information

Legacy Financial Guarantee Segment Quarterly Information

As of March 31, 2024

($ in millions)	1Q2024	4Q2023	3Q2023	2Q2023	1Q2023	Year ended December31, 2023	2022
Gross premiums written	$ 1.7	$ 2.3	$ 2.1	$ 1.5	$ 8.9	$ 14.8	$ (19.5)
Net premiums written	1.5	7.3	2.5	(54.0)	8.8	(35.5)	(5.9)
Net premiums earned	$ 7.5	$ 5.6	$ 6.1	$ 7.5	$ 6.9	$ 26.0	$ 42.4
Net investment income	38.0	36.9	26.7	32.2	31.2	127.0	12.3
Net investment gains (losses), including impairments	0.6	(15.5)	0.8	(3.4)	(4.5)	(22.5)	31.5
Net gains (losses) on derivative contracts	1.8	(2.3)	4.4	0.6	(3.4)	(0.7)	127.6
Net realized gains on extinguishment of debt	—	—	—	—	—	—	81.3
Other income	5.2	7.5	3.0	2.4	1.6	14.5	30.3
Litigation recoveries	—	—	—	—	—	—	125.9
Total revenues	**53.1**	**32.2**	**40.9**	**39.4**	**31.8**	**144.3**	**451.3**
Expenses							
Loss and loss expenses (benefit)	(20.7)	1.9	(85.8)	1.6	13.0	(69.3)	(405.5)
Amortization of deferred acquisition costs, net	—	—	—	0.1	—	—	0.4
General and administrative expenses	21.4	19.2	35.5	23.5	28.1	106.3	102.4
Total expenses included for EBITDA	**0.7**	**21.1**	**(50.4)**	**25.2**	**41.1**	**37.0**	**(302.7)**
EBITDA	**52.4**	**11.1**	**91.3**	**14.2**	**(9.3)**	**107.3**	**754.0**
Interest expense	16.0	15.9	15.8	16.0	16.4	64.0	168.2
Depreciation expense	0.2	0.3	0.3	0.4	0.4	1.3	1.8
Intangible amortization	11.3	7.1	6.1	5.5	5.9	24.7	43.9
Total expenses	**28.2**	**44.4**	**(28.2)**	**47.1**	**63.9**	**127.1**	**(88.8)**
GAAP pretax income (loss)	**$ 24.8**	**$ (12.2)**	**$ 69.2**	**$ (7.7)**	**$ (32.1)**	**$ 17.2**	**$ 540.1**
Ambac GAAP Stockholders' Equity [1]	**$ 928.3**	**$ 923.2**	**$ 835.9**	**$ 823.4**	**$ 824.2**	**$ 923.2**	**$ 825.9**

(1) Represents Ambac stockholders equity in the Legacy Financial Guarantee segment, including intercompany eliminations and insurance intangible assets.

Ambac

Statutory Data for Ambac Assurance Corporation

As of March 31, 2024

($ in millions)	1Q2024	4Q2023	3Q2023	2Q2023	1Q2023
Statutory Invested assets	**$ 1,674.5**	$ 1,658.3	$ 1,599.0	$ 1,581.8	$ 1,607.7
Statutory loss and loss expense reserves [1]	462.2	477.7	490.4	439.9	438.0
Statutory Net Income [2]	(25.3)	13.7	5.3	(10.0)	(9.2)
Statutory Policyholders' Surplus [3]	877.6	897.2	574.9	574.5	595.4
Qualified statutory capital	1,181.1	1,200.8	1,176.4	1,174.1	1,192.6
Surplus Notes [4]	519.2	519.2	519.2	519.2	519.2
Surplus Notes Accrued and Unpaid Interest	487.1	474.7	462.4	450.1	438.2
Auction Market Preferred Shares (AMPS) Liquidation Preference [3]	114.9	114.9	114.9	114.9	114.9

(1) Loss and loss expense reserves and total claims-paying resources present loss and loss expense reserves gross of the recorded statutory benefit for expected subrogation receipts.
(2) Statutory net income (loss) for the year ended December 31, 2023 was $(0.2).
(3) Effective December 31, 2023, Ambac Assurance received regulatory approval from OCI to release contingency reserves in the amount of $298 million.
(4) Amounts are included in Statutory Policyholders' Surplus.

Ambac

Financial Guarantee Insurance Claims Paying Ratio

($ in millions, except ratios)	March 31, 2024	December 31, 2023
Ambac Assurance Corporation Policyholders' surplus [1]	$ 877.6	$ 897.2
Contingency reserve	303.5	303.5
Qualified statutory capital	1,181.1	1,200.8
Unearned premiums	59.0	65.4
Loss and loss adjustment expenses [2]	462.2	477.7
Present value of future installment premiums [3]	83.5	87.2
Ambac Assurance claims-paying resources	**1,785.8**	**1,831.1**
Ambac UK claims-paying resources [4]	846.1	846.0
Total claims-paying resources	**$ 2,632.0**	**$ 2,677.1**
Net financial guarantees in force [5]		
Ambac Assurance	$ 17,799.4	$ 18,351.8
Ambac UK	10,536.5	10,769.4
Total net financial guarantees in force	**$ 28,335.9**	**$ 29,121.2**

	March 31, 2024	December 31, 2023
Claims-paying ratio [6]		
Ambac Assurance	10 : 1	10 : 1
Ambac UK	12 : 1	13 : 1
Total claims-paying ratio	**11 : 1**	**11 : 1**

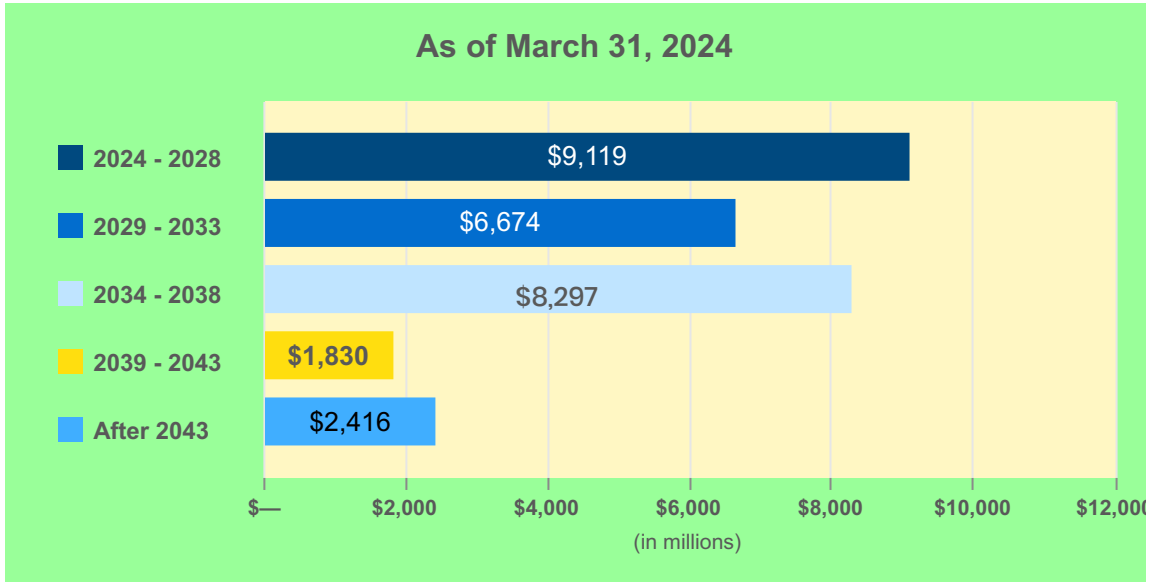
(1) Surplus notes with an aggregate par value of $519.2 and $519.2 as of March 31, 2024 and December 31, 2023, respectively, are included in policyholders' surplus.
(2) Loss and loss expense reserves are presented gross of the recorded statutory benefit for expected subrogation receipts of $162.3 and $164.1 at March 31, 2024 and December 31, 2023, respectively.
(3) Present value of future installment premiums includes premiums on installment financial guarantee insurance contracts (excluding Ambac UK). Present value calculations are discounted at 5.1%.
(4) Ambac UK's claims paying resources will become available to Ambac Assurance to the extent Ambac UK receives approval from its regulator to dividend monies to Ambac Assurance. Components of Ambac UK's claims paying resources are discounted at Ambac UK's projected investment rate of return. Ambac UK's claims-paying resources includes the present value of future installment premiums of approximately $150.3 at March 31, 2024.
(5) Financial guarantees in force represents the amount of principal and interest outstanding on a guaranteed obligation.
(6) Claims-paying ratio is net financial guarantees in force divided by claims-paying resources.

Ambac

Net Unearned Premium Amortization and Estimated Future Installment Premiums

($ in millions)	Net Unearned Premium Amortization (GAAP) [1]	Estimated Net Future Installments [2]	Consolidated VIE [3]
2024 (nine months)	$ 11.8	$ 14.8	$ 8.3
2025	15.4	20.1	9.3
2026	15.5	19.4	8.5
2027	14.7	18.7	7.8
Thereafter	13.8	18.0	6.9
2024 (nine months) - 2029	71.1	90.9	40.8
2030 - 2035	54.4	72.7	27.9
2036 - 2041	27.2	38.6	9.8
2042 - 2047	9.2	15.6	0.1
After 2047	4.8	7.7	—
Total	**$ 166.7**	**$ 225.5**	**$ 78.5**

Future Amortization of Net Financial Guarantees in Force [4]



(1) Represents unearned premium amounts for both upfront and installment paying policies, net of deferred ceded premiums, which is reported separately as an asset on Ambac's Consolidated Balance Sheet. Depicts amortization of existing guaranteed portfolio, assuming no advance refunding as of March 31, 2024. The unearned premium amortization disclosed in the above table considers the use of contractual lives for many bond types that do not have homogeneous pools of underlying collateral, which may result in different unearned premium balances and earned premiums than if expected lives were considered. Actual future installments, and therefore earned premiums, may differ from estimated because borrowers may have the right to call or terminate a transaction or the guaranteed obligation may be subject to prepayment. If installment paying policies are retired early, premium earnings may be negative in the period of call or refinancing.

(2) Represents management's estimate of future installment premium collections, net of reinsurance. Actual premium collections may differ from estimated because borrowers may have the right to call or terminate a transaction or the guaranteed obligation may be subject to prepayment. Estimated net future installments exclude amounts eliminated as a result of consolidating variable interest entities ("Consolidated VIE") as required under the Consolidations Accounting Standard.

(3) Estimated net future installment amounts eliminated under the U.S. GAAP Consolidations Accounting Standard; not included in Estimated Net Future Installments.

(4) Depicts amortization of existing guaranteed portfolio (principal and interest), assuming no advance refundings, as of March 31, 2024. Expected maturities will differ from contractual maturities because borrowers may have the right to call or prepay guaranteed obligations.

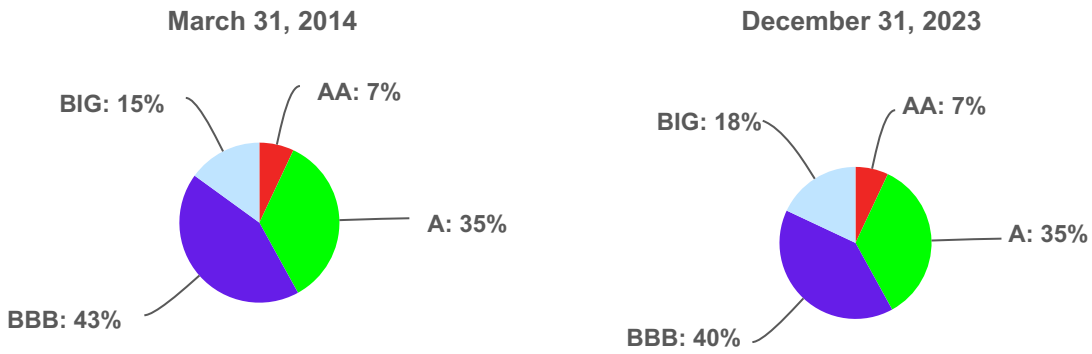
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Historical Net Financial Guarantee Insurance Exposures Outstanding[1]

($ in millions net par value)	March 31, 2024	December 31, 2023	2022	2021
Public Finance [2]:				
Housing revenue	$ 3,395	$ 3,443	$ 5,491	$ 5,610
Lease and tax-backed revenue	1,523	1,542	1,979	3,196
General obligation	1,047	1,051	1,301	1,612
Transportation revenue	403	426	535	555
Utility revenue	402	421	508	583
Other	653	679	733	804
Total Public Finance	7,423	7,562	10,547	12,360
Structured Finance:				
Mortgage-backed and home equity	1,641	1,712	1,930	2,724
Investor-owned utilities	1,025	1,077	1,103	1,556
Other	430	526	579	624
Total Structured Finance	3,096	3,315	3,612	4,904
International Finance [3]:				
Sovereign/sub-sovereign	4,119	4,221	4,077	5,141
Investor-owned and public utilities	2,854	2,855	2,583	3,283
Asset-backed and other	835	862	1,083	1,276
Transportation	704	726	711	1,056
Total International Finance	8,512	8,664	8,454	10,756
Total	**$ 19,031**	**$ 19,541**	**$ 22,613**	**$ 28,020**

	March 31, 2024	December 31, 2023	2022	2021
Percent of Total Net Par Outstanding				
Public Finance	39 %	39 %	47 %	44 %
Structured Finance	16 %	17 %	16 %	18 %
International Finance	45 %	44 %	37 %	38 %
Total Net Par Outstanding	100 %	100 %	100 %	100 %

Rating Distribution of Net Financial Guarantee Exposures Outstanding [4] [5]



(1) Includes net par exposures insured by Ambac UK of $8,256, $8,397, $8,194 and $10,292 at March 31, 2024, December 31, 2023, December 31, 2022 and December 31, 2021, respectively.

(2) Net par exposures within the U.S. public finance market include capital appreciation bonds which are reported at the par amount at the time of issuance of the insurance policy as opposed to the current accreted value of the bonds.

(3) International transactions include components of domestic exposure.

(4) Based upon internal Ambac ratings. See Note 1 on the Table of Contents page.

(5) AAA is less than 1% is both periods.

Ambac

Adversely Classified Credit Exposures Outstanding [1][2] As of March 31, 2024

($ in millions)	Market Type	Net Par Outstanding	% of Total Net Par Outstanding
RMBS Exposures	Structured Finance	$ 1,605	8.4 %
Military Housing	Public Finance	360	1.9 %
International Infrastructure Exposures[3]	International Finance	301	1.6 %
Student Loans Exposures	Structured Finance	196	1.0 %
Other		314	1.6 %
Total		**$ 2,776**	**14.6 %**

(1) Adversely classified credits are assigned a rating of Class IA through Class V. See below and for a complete description of credit classifications refer to Ambac's 2023 Form 10-K

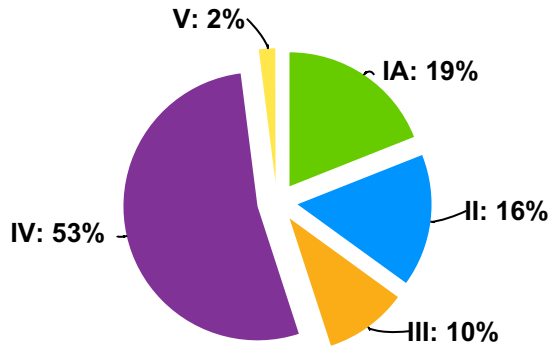
(2) Net Par includes capital appreciation bonds, which are reported at the par amount at the time of issuance of the insurance policy as opposed to the current accreted value of the bonds

(3) All or a portion of these exposures are guaranteed by Ambac UK

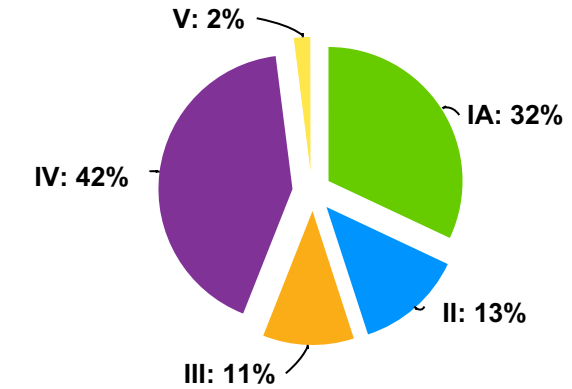
	Classification	Description
Adversely Classified Credits	Class IA	Potential Problem with Risks to be Dimensioned
	Class II	Substandard Requiring Intervention
	Class III	Doubtful with Clear Potential for Loss
	Class IV	Imminent Default or Defaulted
	Class V	Fully Reserved

Adversely Classified Distribution of Exposures Outstanding [1]

March 31, 2024



December 31, 2023



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Appendix

Other Consolidated Non-GAAP Financial Measures[1]

Adjusted Net Income (Loss):	1Q2024		4Q2023		3Q2023		2Q2023		1Q2023		Full Year 2023		Full Year 2022	
	$ Amount	P.D.S. [2] [3]	$ Amount	P.D.S. [2] [3]	$ Amount	P.D.S. [2] [3]	$ Amount	P.D.S. [2] [3]	$ Amount	P.D.S. [2] [3]	$ Amount	P.D.S. [2] [3]	$ Amount	P.D.S. [2] [3]
Net income (loss) attributable to common stockholders	$ 20.1	$ 0.43	$ (15.7)	$ (0.24)	$ 65.9	$ 1.41	$ (13.1)	$ (0.29)	$ (33.4)	$ (0.73)	$ 3.6	$ 0.18	$ 522.4	$ 11.31
Adjustments:														
Net investment (gains) losses, including impairments	(0.6)	(0.01)	15.5	0.34	(0.8)	(0.02)	3.4	0.07	4.4	0.10	22.5	0.49	(31.5)	(0.68)
Intangible amortization	12.5	0.26	8.3	0.18	7.2	0.15	6.5	0.14	6.9	0.15	28.9	0.62	46.8	1.01
Litigation costs	6.3	0.13	3.5	0.07	20.6	0.44	7.6	0.17	8.8	0.19	40.6	0.87	33.1	0.71
Foreign exchange (gains) losses	0.4	0.01	(0.9)	(0.02)	0.5	0.01	(0.1)	—	(0.3)	(0.01)	(0.8)	(0.02)	2.7	0.06
Workforce change costs	0.1	—	0.2	—	0.2	—	(0.1)	—	0.8	0.02	1.1	0.02	1.3	0.03
Net (gain) loss on extinguishment of debt	—	—	—	—	—	—	—	—	—	—	—	—	(81.3)	(1.75)
Pretax adjusted net income (loss)	$ 38.8	$ 0.82	$ 10.8	$ 0.33	$ 93.6	$ 1.99	$ 4.3	$ 0.09	$ (12.8)	$ (0.28)	$ 95.8	$ 2.16	$ 493.6	$ 10.69
Income tax effects	(0.1)	—	(0.4)	(0.01)	0.3	0.01	(0.7)	(0.02)	(0.8)	(0.02)	(1.6)	(0.03)	2.0	0.04
Net (gains) attributable to noncontrolling interests	(0.2)	—	(0.2)	—	(0.2)	—	(0.2)	—	(0.2)	—	(0.8)	(0.02)	(0.6)	(0.01)
Adjusted Net Income (Loss)	$ 38.5	$ 0.82	$ 10.2	$ 0.32	$ 93.6	$ 2.00	$ 3.4	$ 0.07	$ (13.8)	$ (0.30)	$ 93.4	$ 2.11	$ 495.0	$ 10.72

(1) In addition to reporting the Company's quarterly financial results in accordance with GAAP, the Company is reporting non-GAAP financial measures: EBITDA, Adjusted Net Income and Adjusted Book Value. These amounts are derived from our consolidated financial information, but are not presented in our consolidated financial statements prepared in accordance with GAAP. We present non-GAAP supplemental financial information because we believe such information is of interest to the investment community, and that it provides greater transparency and enhanced visibility into the underlying drivers and performance of our businesses on a basis that may not be otherwise apparent on a GAAP basis. We view these non-GAAP financial measures as important indicators when assessing and evaluating our performance on a segmented and consolidated basis and they are presented to improve the comparability of our results between periods by eliminating the impact of the items that may not be representative of our core operating performance. These non-GAAP financial measures are not substitutes for the Company's GAAP reporting, should not be viewed in isolation and may differ from similar reporting provided by other companies, which may define non-GAAP measures differently.

(2) Per diluted share ("P.D.S.").

(3) Per Diluted Share includes the impact of adjusting redeemable noncontrolling interest to it's redemption value.

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Other Consolidated Non-GAAP Financial Measures[1] (Continued)

Adjusted Book Value:	March 31, 2024 $	March 31, 2024 P.S. [2]	December 31, 2023 $	December 31, 2023 P.S. [2]	September 30, 2023 $	September 30, 2023 P.S. [2]	June 30, 2023 $	June 30, 2023 P.S. [2]	March 31, 2023 $	March 31, 2023 P.S. [2]
Total Ambac Financial Group, Inc. stockholders' equity	$ 1,365.2	$ 30.19	$ 1,361.7	$ 30.13	$ 1,265.2	$ 28.00	$ 1,249.9	$ 27.59	$ 1,253.6	$ 27.66
Adjustments:										
Insurance intangible asset	(233.1)	(5.16)	(245.1)	(5.43)	(249.1)	(5.51)	(258.2)	(5.70)	(261.5)	(5.77)
Net unearned premiums and fees in excess of expected losses	153.7	3.40	162.1	3.59	154.5	3.42	163.6	3.61	218.2	4.81
Net unrealized investment (gains) losses in Accumulated Other Comprehensive Income	27.2	0.60	20.2	0.45	89.9	1.99	66.6	1.47	54.0	1.19
Adjusted book value	$ 1,313.1	$ 29.03	$ 1,298.9	$ 28.74	$ 1,260.5	$ 27.90	$ 1,222.0	$ 26.97	$ 1,264.2	$ 27.89

Adjusted Book Value:	December 31, 2022 $	December 31, 2022 P.S. [2] [3]	December 31, 2021 $	December 31, 2021 P.S. [2] [3]	December 31, 2020 $	December 31, 2020 P.S. [2][3]
Total Ambac Financial Group, Inc. stockholders' equity	$ 1,252.3	$ 27.85	$ 1,038.1	$ 22.42	$ 1,079.8	$ 23.57
Adjustments:						
Non-credit impairment fair value losses on credit derivatives	—	—	0.4	0.01	0.4	0.01
Insurance intangible asset	(265.7)	(5.91)	(320.0)	(6.91)	(373.2)	(8.14)
Net unearned premiums and fees in excess of expected losses	214.1	4.76	309.5	6.68	377.7	8.24
Net unrealized investment (gains) losses in Accumulated Other Comprehensive Income	71.4	1.59	(154.0)	(3.32)	(166.1)	(3.63)
Adjusted book value	$ 1,272.1	$ 28.29	$ 874.0	$ 18.88	$ 918.5	$ 20.05

(1) In addition to reporting the Company's quarterly financial results in accordance with GAAP, the Company is reporting non-GAAP financial measures: EBITDA, Adjusted Net Income and Adjusted Book Value. These amounts are derived from our consolidated financial information, but are not presented in our consolidated financial statements prepared in accordance with GAAP. We present non-GAAP supplemental financial information because we believe such information is of interest to the investment community, and that it provides greater transparency and enhanced visibility into the underlying drivers and performance of our businesses on a basis that may not be otherwise apparent on a GAAP basis. We view these non-GAAP financial measures as important indicators when assessing and evaluating our performance on a segmented and consolidated basis and they are presented to improve the comparability of our results between periods by eliminating the impact of the items that may not be representative of our core operating performance. These non-GAAP financial measures are not substitutes for the Company's GAAP reporting, should not be viewed in isolation and may differ from similar reporting provided by other companies, which may define non-GAAP measures differently.

(2) Per share outstanding at balance sheet date ("P.S.").

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