



Press Release
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For Immediate Distribution

CIFG Responds To S&P Rating Action

Hamilton, Bermuda—CIFG Holding, Ltd., the holding company for CIFG's financial guaranty subsidiaries, commented today on S&P's decision to lower the firm's credit rating to A+ with a Negative Outlook, after having reaffirmed CIFG as Triple-A just two weeks ago.

"We are continuing to work with all of the rating agencies, including S&P, to quickly address their concerns to upgrade our ratings as soon as possible. However, it is difficult to work within a process in which the agencies continue to modify their methodologies and capital requirements," said John Pizzarelli, Chief Executive Officer of CIFG. "We are committed to maintaining CIFG as an ongoing concern and are exploring all of our options that protect our policyholders, enhance shareholder value and build CIFG's franchise."

Currently, CIFG is rated A1 with a Stable Outlook by Moody's, AA- Negative Watch by Fitch and now A+ Negative Outlook by S&P.

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CIFG Holding, Ltd. is the holding company for CIFG Guaranty, Ltd., CIFG Assurance North America, Inc. and CIFG Europe, its financial guaranty insurance and reinsurance subsidiaries. CIFG is capitalized with almost \$3 billion in claims-paying resources. CIFG provides financial guarantees for investment grade transactions in the structured finance, public finance and project finance markets in the U.S. and Europe.