



November 20, 2014

Ambac Redeems a Portion of Surplus Notes as Planned

NEW YORK, Nov. 20, 2014 (GLOBE NEWSWIRE) -- Ambac Financial Group, Inc. (Nasdaq:AMBC) ("Ambac" or the "Company"), a holding company whose subsidiaries, including Ambac Assurance Corporation ("Ambac Assurance"), provide financial guarantees and other financial services, announced today that Ambac Assurance and the Segregated Account of Ambac Assurance redeemed a portion of the Surplus Notes (excluding junior surplus notes) issued by each of them, in each case, at a redemption amount equal to 26.67% of the outstanding principal and accrued interest on such issuer's Surplus Notes as of July 20, 2014. The combined redemption amount paid to third parties was \$413.6 million. Immediately after the partial redemption, \$932.4 million principal amount of the Surplus Notes shall remain outstanding.

The redemption was made approximately one month earlier than initially anticipated in order to avoid approximately \$1.8 million of interest costs which would have otherwise been incurred on the Surplus Notes.

About Ambac

Ambac Financial Group, Inc. ("Ambac"), headquartered in New York City, is a holding company whose subsidiaries, including its principal operating subsidiary, Ambac Assurance Corporation ("Ambac Assurance"), Everspan Financial Guarantee Corp., and Ambac Assurance UK Limited, provide financial guarantees and other financial services to clients in both the public and private sectors globally. Ambac Assurance, including the Segregated Account of Ambac Assurance (in rehabilitation), is a guarantor of public finance and structured finance obligations. Ambac is also exploring opportunities involving the acquisition and/or development of new businesses. Ambac's common stock trades on the NASDAQ Global Select Market. 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. 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, and the posting of updates to the status of certain primary representation & warranty litigations. For more information, please go to www.ambac.com.

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