



March 27, 2013

Ambac Reminds Investors That Its Common Stock Will Be Cancelled upon Emergence from Bankruptcy

NEW YORK--(BUSINESS WIRE)--Mar. 27, 2013-- **Ambac Financial Group, Inc.** ("Ambac") (ticker symbol: ABKFQ) seeks to remind investors, as previously reported, including on page 4 and elsewhere in Ambac's Annual Report on Form 10-K for the year ended December 31, 2012, that our Fifth Amended Plan of Reorganization, which was confirmed by the United States Bankruptcy Court for the Southern District of New York on March 14, 2012, provides for our common stock to be cancelled. Accordingly, holders of our common stock will not receive any distribution with respect to, or be able to recover any portion of, their investment in such securities. As such, all of our currently outstanding equity securities will be cancelled and have no value upon our emergence from bankruptcy.

About Ambac

On November 8, 2010, Ambac Financial Group, Inc. ("Ambac") filed for a voluntary petition for relief under Chapter 11 of the United States Bankruptcy Code ("Bankruptcy Code") in the United States Bankruptcy Court for the Southern District of New York ("Bankruptcy Court"). The Bankruptcy Court entered an order confirming Ambac's plan of reorganization on March 14, 2012, however, Ambac is not currently able to estimate when it will be able to consummate such reorganization. Until the plan of reorganization is consummated and Ambac emerges from bankruptcy, it will continue to operate in the ordinary course of business as "debtor-in-possession" in accordance with the applicable provisions of the Bankruptcy Code and the orders of the Bankruptcy Court.

Ambac's principal operating subsidiary, Ambac Assurance Corporation, is a guarantor of public finance and structured finance obligations.

Source: Ambac Financial Group, Inc.

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