



March 7, 2013

## **Ambac Receives Consent to Extend Period to Satisfy Condition to the Effectiveness of the Reorganization Plan**

NEW YORK--(BUSINESS WIRE)--Mar. 7, 2013-- **Ambac Financial Group, Inc.** ("Ambac") has received consent from the United States Department of Justice on behalf of the Internal Revenue Service (the "IRS") to extend the date by which a condition to the effectiveness of Ambac's Fifth Amended Plan of Reorganization (the "Plan"), as confirmed on March 14, 2012 (the "Confirmation Date"), must be met. Article IX of the Plan provides, in part, that the terms of Ambac's settlement with the IRS shall have been approved by the United States, among others, and that all conditions to the effectiveness of the settlement shall have been satisfied on or before the date that is one (1) year from the Confirmation Date. As this condition has not yet been met and may only be extended with the consent of the IRS, Ambac has requested and received such consent, which shall commence on March 14, 2013 and be effective through and including June 12, 2013.

### **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. Currently, Ambac's common stock trades in the over-the-counter market under ticker symbol ABKFQ. Upon consummation of the plan of reorganization, Ambac's existing common stock will be cancelled and extinguished and the holders thereof will not be entitled to receive, and will not retain, any property or interest on account of such common stock.

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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