



August 2, 2013

Rehabilitation Court Rules on Ambac Supplemental Payments

NEW YORK, Aug. 2, 2013 (GLOBE NEWSWIRE) -- **Ambac Assurance Corporation** ("Ambac") announced that the Circuit Court for Dane County, Wisconsin has today issued an order (the "Order") granting approval of the motion filed on July 11, 2013 by the Wisconsin Commissioner of Insurance, acting as the Rehabilitator of the Segregated Account of Ambac Assurance (the "Segregated Account") to permit the Segregated Account to make cash payments in excess of 25% of permitted policy claims on certain policies ("Supplemental Payments"). The purpose of making such Supplemental Payments is to maximize the cash reimbursements available to the Segregated Account, which will preserve its claims paying resources and benefit all Segregated Account policyholders.

The Order authorizes the payment of Supplemental Payments on 14 RMBS policies and certain other policies identified from time to time, where, absent such Supplemental Payments, cash flow that would have been available to reimburse Ambac had it paid policy claims in full is being diverted to uninsured holders who would not have received such cash flow if claims had been paid in full. The Order permits the Segregated Account to make Supplemental Payments, on a case by case basis, in respect of all or a portion of any outstanding unpaid permitted policy claim, in one lump sum or in varying proportions.

Ambac currently anticipates that the Segregated Account will begin making Supplemental Payments on certain policies in August 2013. Details of the Supplemental Payments to be paid by the Segregated Account in any calendar month will be published on or around the 10th day of each such month in the "Investor Relations" section of Ambac's corporate website at www.ambac.com.

About Ambac

Ambac Financial Group, Inc., headquartered in New York City, is a holding company whose subsidiaries, including its principal operating subsidiary, Ambac Assurance Corporation ("Ambac Assurance"), Everspan Financial Guarantee Corporation, and Ambac Assurance UK Limited, provided 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 Financial Group, Inc. is also exploring opportunities involving the development or acquisition of new financial services businesses. Ambac Financial Group Inc.'s common stock trades on the NASDAQ Global Select Market (Nasdaq:AMBC).

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