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## Ambac Responds to Canyon's Release

NEW YORK, March 14, 2016 (GLOBE NEWSWIRE) -- Ambac Financial Group, Inc. (Nasdaq:AMBC) ("Ambac"), a holding company whose subsidiaries, including Ambac Assurance Corporation ("Ambac Assurance") provide financial guarantees and other financial services, today issued the following statement in response to the release issued by hedge fund Canyon Capital announcing its intention to nominate three directors to the Board of Ambac.

An infographic accompanying this announcement is available at <http://resource.globenewswire.com/Resource/Download/75beb57f-04c4-46ca-9606-85dc9610d6c3?size=0>

"We believe Canyon has a fundamental conflict of interest - its economic interests are aligned with certain creditors, not with shareholders. The estimated market value of Canyon's credit exposure to Ambac's obligations is approximately \$376 million, more than ten times its roughly \$36 million equity stake in Ambac, based on Canyon's filing with the SEC last week. We think Canyon's campaign to place its hand-picked candidates on the Ambac Board is a thinly veiled maneuver designed to accelerate payments on its own creditor position, regardless of the consequences for the company, other creditors and shareholders.

"Ambac is committed to strong corporate governance practices. As announced this morning, the company will be adding up to two new independent directors, having received constructive input from various shareholders on this matter. The board is well along in the process of vetting highly qualified candidates and expects to announce the outcome shortly."

### Important Information

Ambac Financial Group, Inc., ("Ambac"), will file with the Securities and Exchange Commission ("SEC") and provide to its stockholders a proxy statement in connection with its 2016 annual meeting. STOCKHOLDERS ARE URGED TO READ THIS PROXY STATEMENT, THE ACCOMPANYING WHITE PROXY CARD AND OTHER RELEVANT DOCUMENTS FILED BY AMBAC WITH THE SEC IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION. Stockholders will be able to obtain free copies of these documents through the website maintained by the SEC at <http://www.sec.gov> and through the website maintained by Ambac at <http://ir.ambac.com>.

### Certain Information Regarding Participants

Ambac, its directors and certain of its officers and other employees may be deemed to be participants in the solicitation of Ambac's stockholders in connection with its 2016 annual meeting. Information regarding the names, affiliations and direct and indirect interests (by security holdings or otherwise) of these persons can be found in Ambac's proxy statement for its 2015 annual meeting, which was filed with the SEC on April 3, 2015. To the extent holdings of Ambac's securities by such persons have changed since the amounts printed in the 2015 proxy statement, such changes have been or will be reflected on Initial Statements of Beneficial Ownership on Form 3 or on Statements of Change in Ownership on Form 4 filed with the SEC. More detailed information regarding the identity of potential participants, and their direct or indirect interests, by security holdings or otherwise, will be set forth in the proxy statement and other materials to be filed with the SEC in connection with Ambac's 2016 Annual Meeting. Stockholders will be able to obtain a free copy of the proxy statement and other documents filed by Ambac with the SEC from the sources listed above.

### 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 selectively exploring opportunities involving the acquisition and/or development of new businesses. Ambac's common stock trades on the NASDAQ Global Select Market under the symbol "AMBC". 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 residential mortgage backed securities litigations. For more information, please go to [www.ambac.com](http://www.ambac.com).

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