

# Syncora Portfolio Overview Update as of March 31, 2015

July 6, 2015



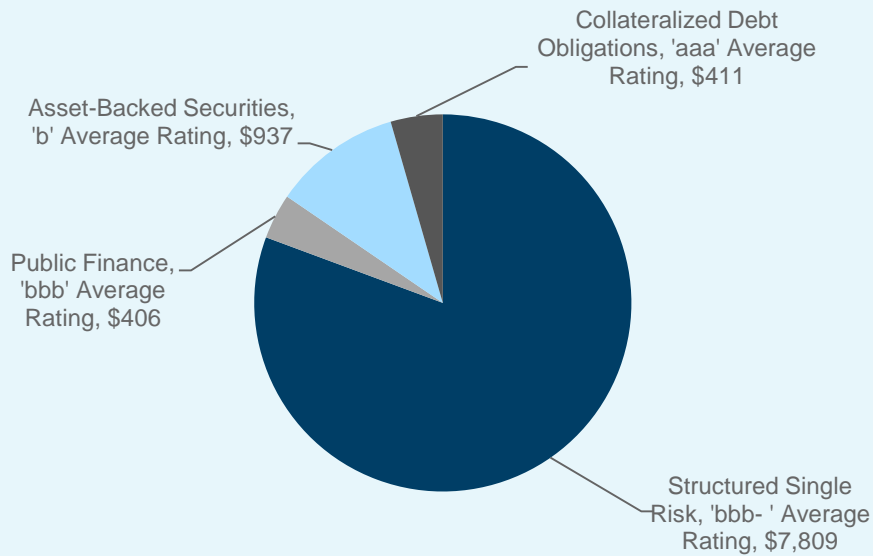
# Insured Portfolio Overview: SGI and SCAI

**SGI's** portfolio consists of 90 credits totaling \$9.6BN in net par exposure. Average internal rating<sup>1</sup> of the SGI portfolio is 'bbb-'. 30.0% of the \$2.9BN of SGI's portfolio is internally rated Below Investment Grade (BIG).

**SCAI's** portfolio consists of 1,525 credits totaling \$29.7BN in net par exposure. Average internal rating<sup>1</sup> of the SCAI portfolio is 'a-'. 5.0% or \$1.5BN of SCAI's portfolio is internally rated Below Investment Grade (BIG).

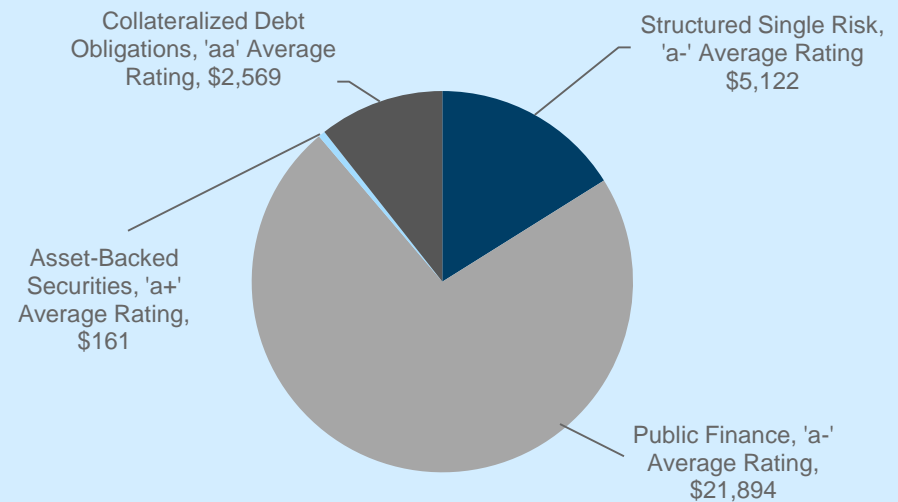
## SGI Net Par Outstanding by Sector

as of March 31, 2015 (in \$MM)



## SCAI Net Par Outstanding by Sector

as of March 31, 2015 (in \$MM)



<sup>1</sup> All average ratings reflect Syncora's internal ratings.

# Below Investment Grade (BIG) Credits as of March 31, 2015

## SGI Net Par Outstanding by BIG Category<sup>1</sup>

as of March 31, 2015 (in \$MM)

	1Q 2015	4Q 2014
<b>Loss List</b>		
<b>Business Area</b>		
Asset-Backed Securities	484	500
Collateralized Debt Obligations	2	2
Public Finance	20	20
Structured Single Risk	545	662
<b>Total Loss List:</b>	<b>1,051</b>	<b>1,184</b>
<b>Red Flag</b>		
<b>Business Area</b>		
Asset-Backed Securities	125	128
Collateralized Debt Obligations	-	-
Public Finance	131	131
Structured Single Risk	969	1,036
<b>Total Red Flag List:</b>	<b>1,225</b>	<b>1,295</b>
<b>Yellow Flag</b>		
<b>Business Area</b>		
Asset-Backed Securities	255	232
Collateralized Debt Obligations	-	-
Public Finance	-	-
Structured Single Risk	371	384
<b>Total Yellow Flag List:</b>	<b>596</b>	<b>616</b>
<b>Total:</b>	<b>2,872</b>	<b>3,095</b>

## SCAI Net Par Outstanding by BIG Category<sup>1</sup>

as of March 31, 2015 (in \$MM)

	1Q 2015	4Q 2014
<b>Loss List</b>		
<b>Business Area</b>		
Asset-Backed Securities	-	-
Collateralized Debt Obligations	-	-
Public Finance	208	213
Structured Single Risk	-	-
<b>Total Loss List:</b>	<b>208</b>	<b>213</b>
<b>Red Flag</b>		
<b>Business Area</b>		
Asset-Backed Securities	-	-
Collateralized Debt Obligations	-	-
Public Finance	137	143
Structured Single Risk	-	-
<b>Total Red Flag List:</b>	<b>137</b>	<b>143</b>
<b>Yellow Flag</b>		
<b>Business Area</b>		
Asset-Backed Securities	-	-
Collateralized Debt Obligations	-	-
Public Finance	835	1,095
Structured Single Risk	331	353
<b>Total Yellow Flag List:</b>	<b>1,165</b>	<b>1,447</b>
<b>Total:</b>	<b>1,510</b>	<b>1,803</b>

### <sup>1</sup> BIG Categories

- Loss List - credits where a loss is probable and reasonably estimable and a case reserve has been established.
- Red Flag List - credits where a loss is possible but not probable and reasonably estimable, including credits where claims may have been paid or may be paid but full recovery is in doubt.
- Yellow Flag List - credits that we determine to be below investment grade, including credits where claims may have been paid or may be paid but reimbursement is likely.

# BIG Credits > \$100 MM in Net Par

## SGI BIG Credits

as of March 31, 2015 (\$MM)

Business Area	Business Type	Net Par Outstanding	1Q 2015 Internal Rating <sup>1</sup>	Flag List <sup>1</sup>
SSR	Global Infrastructure <sup>2</sup>	853	b-, b+	Red Flag
SSR	Global Infrastructure	545	c	Loss List
SSR	Specialized Risk	266	bb	Yellow Flag
ABS	RMBS	202	bb	Yellow Flag
ABS	RMBS	150	c	Loss List
SSR	Global Infrastructure	116	b	Red Flag
ABS	RMBS	109	b	Red Flag
<b>Total:</b>		<b>2,241</b>		

## SCAI BIG Credits

as of March 31, 2015 (\$MM)

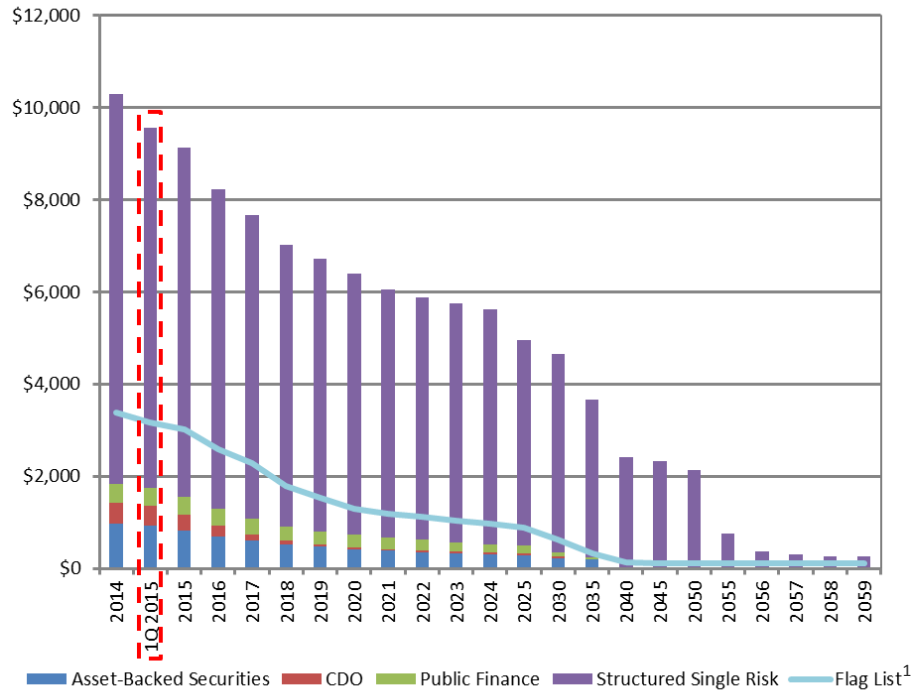
Business Area	Business Type	Net Par Outstanding	1Q 2015 Internal Rating <sup>1</sup>	Flag List <sup>1</sup>
SSR	Global Infrastructure	331	bb	Yellow Flag
PF	Special Revenue	252	bb+	Yellow Flag
PF	Municipal	180	c	Loss List
PF	Municipal	129	bb	Yellow Flag
PF	Municipal	127	b	Yellow Flag
PF	Municipal	117	bb+	Yellow Flag
PF	Municipal	111	bb-	Yellow Flag
<b>Total:</b>		<b>1,246</b>		

<sup>1</sup> A 'c' internally rated credit is where case reserve has been established but claim has not yet been paid.

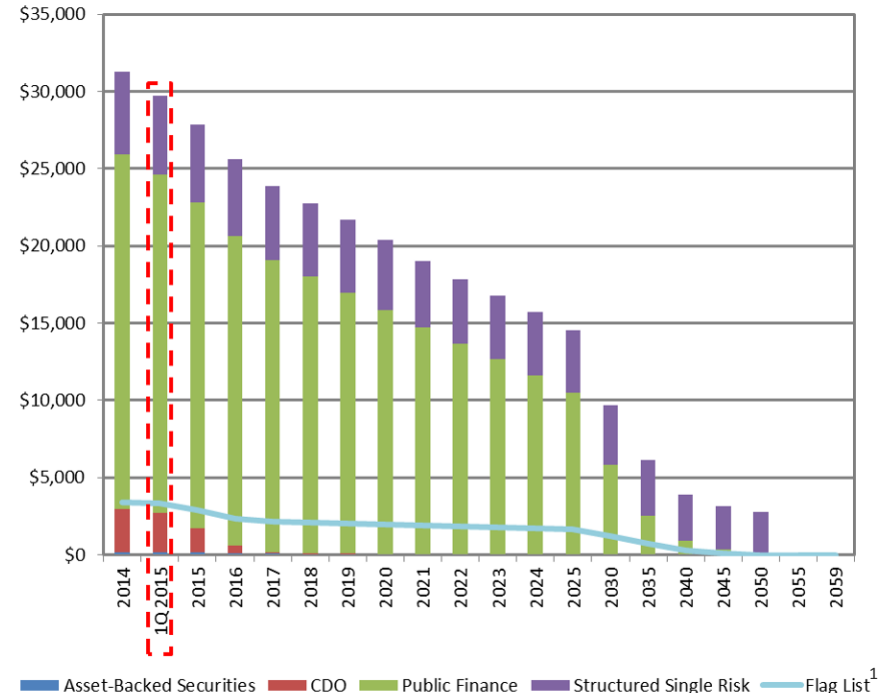
<sup>2</sup> Total exposure consists of a small junior lien tranche and a large senior lien tranche. Rating differential reflects the different lien status.

# SGI & SCAI Portfolio Net Par Reduction by Business Area as of March 31, 2015

## SGI Portfolio Net Par Runoff (in \$MM)



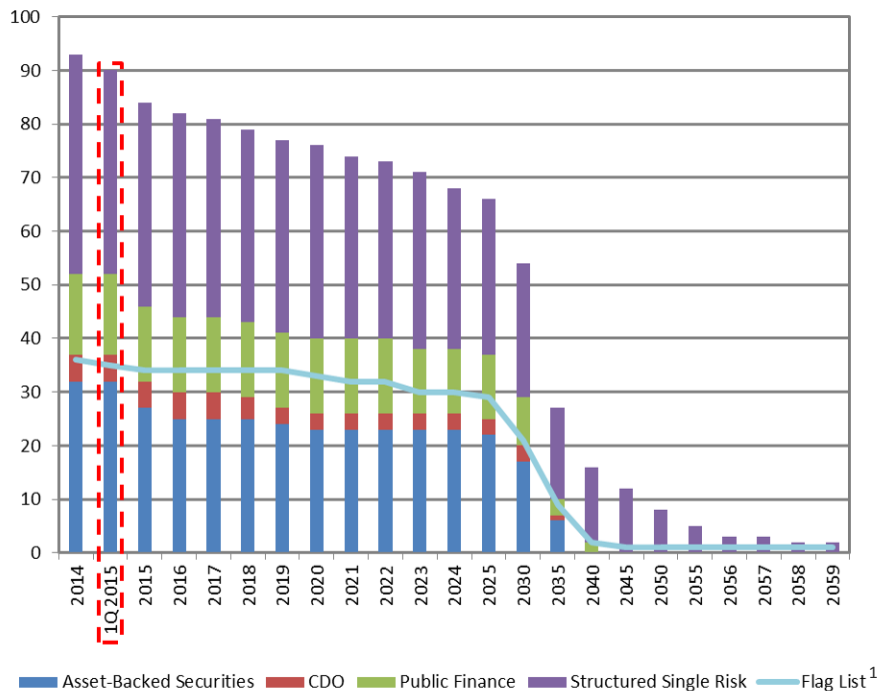
## SCAI Portfolio Net Par Runoff (in \$MM)



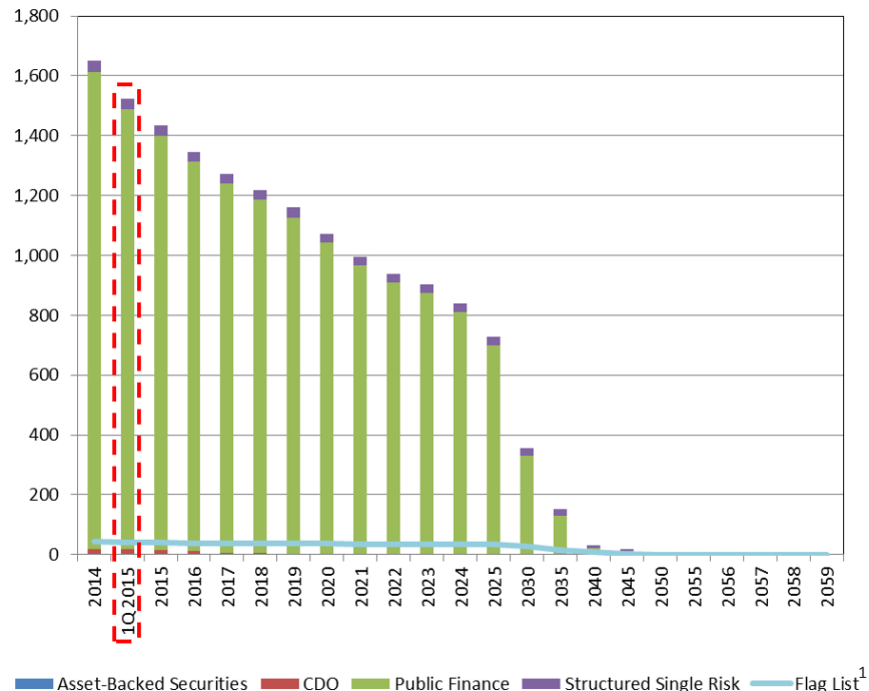
<sup>1</sup> Syncora's Flag List consists of all BIG credits plus credits on Syncora's Special Monitoring List. The Special Monitoring List is defined as those credits that are viewed as low investment grade where a material covenant or trigger may be breached and increased surveillance is warranted.

# SGI & SCAI Credit Count Reduction by Business Area as of March 31, 2015

## SGI Portfolio Credit Count Runoff



## SCAI Portfolio Credit Count Runoff



<sup>1</sup> Syncora's Flag List consists of all BIG credits plus credits on Syncora's Special Monitoring List. The Special Monitoring List is defined as those credits that are viewed as low investment grade where material breach of a covenant or trigger may be breached and increased surveillance is warranted.