

Residential Mortgage-backed Securities in the Insured Portfolio

Syncora Holdings Ltd.

Q2 2008 RMBS Exposure (as of June 30, 2008) and
Updated RMBS Exposure (as of August 5, 2008)

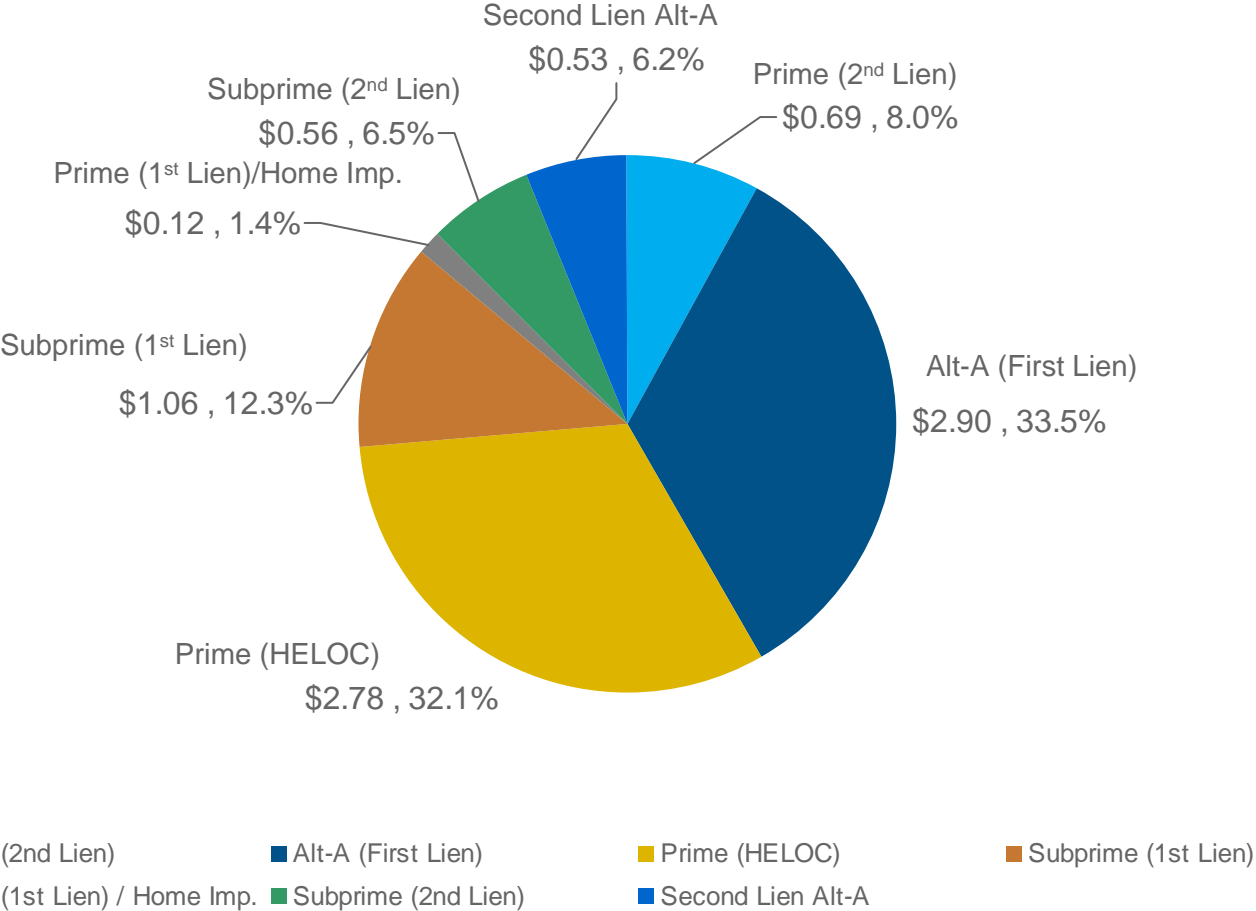


Important notice

This presentation contains statements about future results, plans and events that may constitute "forward-looking" statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. You are cautioned that these statements are not guarantees of future results, plans or events and such statements involve risks and uncertainties that may cause actual results to differ materially from those set forth in these statements. Forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond the Company's control. These factors include, but are not limited to: higher risk of loss in connection with obligations guaranteed by the Company due to deterioration in the credit markets stemming from the poor performance of subprime residential mortgage loans; the outcome of our negotiations with the Financial Counterparties concerning the commutation, termination, amendment or otherwise restructuring of their credit default swap contracts; the decision by our regulators to take regulatory action with respect to Syncora Holdings' operating subsidiaries at any time; the availability of capital and liquidity; our assumptions concerning the tax treatment of the transactions contemplated by the [Agreements] and related transactions; the outcome of the efforts to refund Jefferson County, Alabama's outstanding sewer system debt; the performance of invested assets, losses on credit derivatives or changes in the fair value of credit derivatives; recent and future rating agency statements and ratings actions; the suspension of writing substantially all new business and the Company's ability to continue to operate its business in its historic form; the outcome of litigation; the timing of claims payments and the receipt of reinsurance recoverables; greater frequency or severity of claims and loss activity including in excess of the Company's loss reserves; the impact of provisions in business arrangements and agreements triggered by the ratings downgrades; the impact of other triggers in business arrangements including credit default swap contracts; developments in the world's financial and capital markets that adversely affect the performance of the Company's investments and its access to such markets; changes in regulation, tax laws, legislation or accounting policies or practices; changes in officers and key employees; general economic conditions; [changes in the availability, cost or quality of reinsurance or retrocessions]; [possible downgrade of the Company's reinsurers]; [possible default by the counterparties to the Company's reinsurance arrangements]; the Company's ability to compete; changes that may occur in Company operations and ownership as the Company matures; and other additional factors, risks or uncertainties described in Company filings with the Securities and Exchange Commission, including in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2007, and also disclosed from time to time in subsequent reports on Form 10-Q and Form 8-K. Readers are cautioned not to place undue reliance on forward-looking statements which speak only as of the date they are made. The Company does not undertake to update forward-looking statements to reflect the impact of circumstances or events that arise after the date the forward-looking statements are made.

RMBS Analysis

\$8.6 Billion Net Insured Par Outstanding as of 6/30/08¹

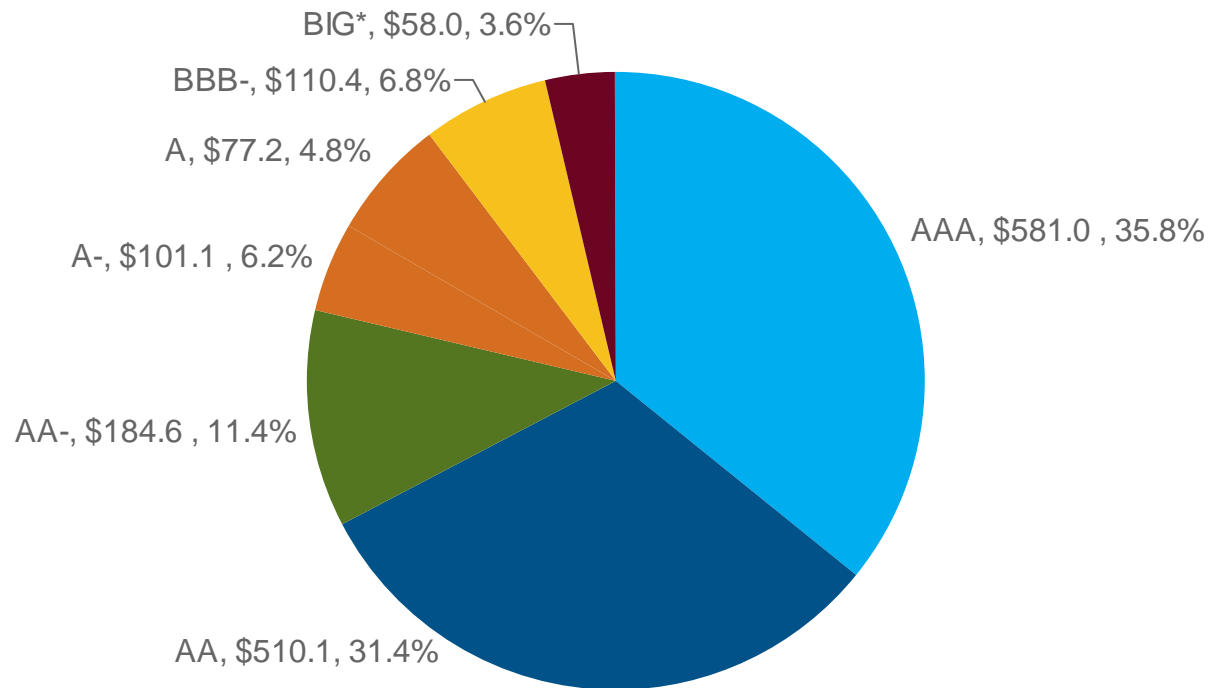


1. Amounts shown in billions

RMBS Portfolio

\$8.6 Billion Net Insured Par Outstanding as of 6/30/08¹

U.S. Subprime RMBS by attachment point
(\$1.6 billion representing 16 deals insured)

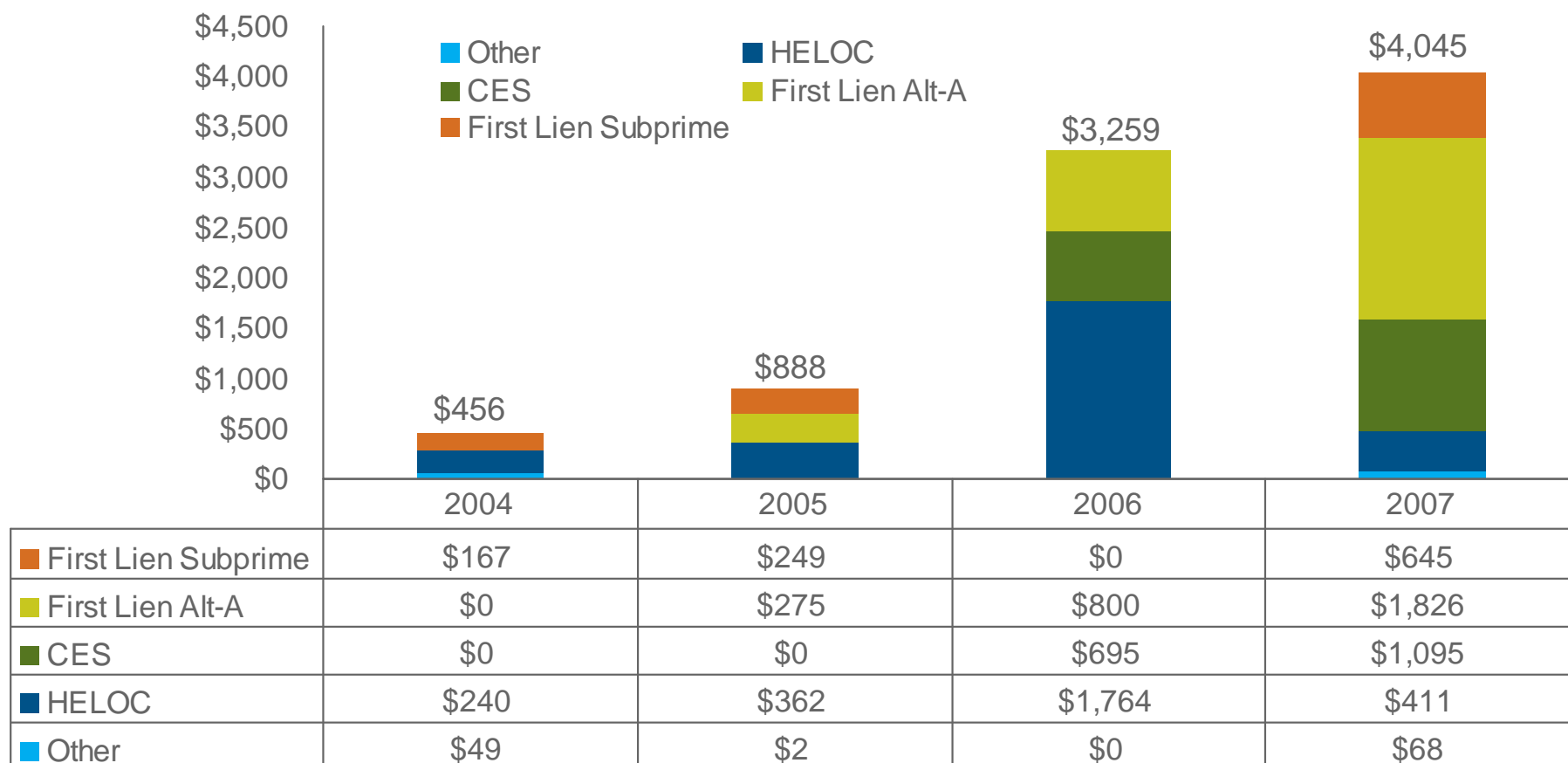


Ratings breakdown by S&P
Weighted average credit rating: AA+ / AA

1. Amounts shown in millions

* Below investment grade.

RMBS Portfolio Breakdown by Origination Vintage as of 6/30/08¹



1. Amounts shown in millions

Subprime RMBS Portfolio – Collateral Vintage Analysis

Vintage Year	Percent of Subprime Collateral	Principal Amount (in millions)	Weighted Average Credit Rating
2002	0.8%	\$12.9	AAA
2003	4.8%	\$72.1	AAA/AA+
2004	14.3%	\$222.5	AAA/AA+
2005	29.0%	\$471.7	AAA/AA+
2006	36.8%	\$604.0	AA/AA-
2007	14.3%	\$239.3	A/A-
	100.0%	\$1,622.6	

1. Based on S&P ratings if available and internal Syncora ratings if no S&P rating is available

RMBS Portfolio Breakdown by Originator as of 6/30/08

Ten Largest Originators	Vintage	Net Exposure (in millions)	% of Total RMBS
Countrywide	2004, 2005, 2006, 2007	\$2.7 billion	31.5%
Greenpoint	2006, 2007	\$1.0 billion	11.5%
IndyMac	2006, 2007	\$1.0 billion	11.5%
OptionOne	2006, 2007	\$0.5 billion	5.9%
Ameriquest	2004, 2005	\$0.3 billion	3.6%
Washington Mutual	2007	\$0.3 billion	3.4%
Sovereign Bank	2007	\$0.3 billion	3.1%
First Franklin	2007	\$0.3 billion	2.8%
Lehman Brothers Bank	2007	\$0.2 billion	2.3%
American Home Mortgage	2007	\$0.2 billion	1.8%
		Total	77.5%

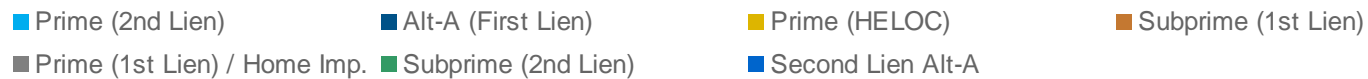
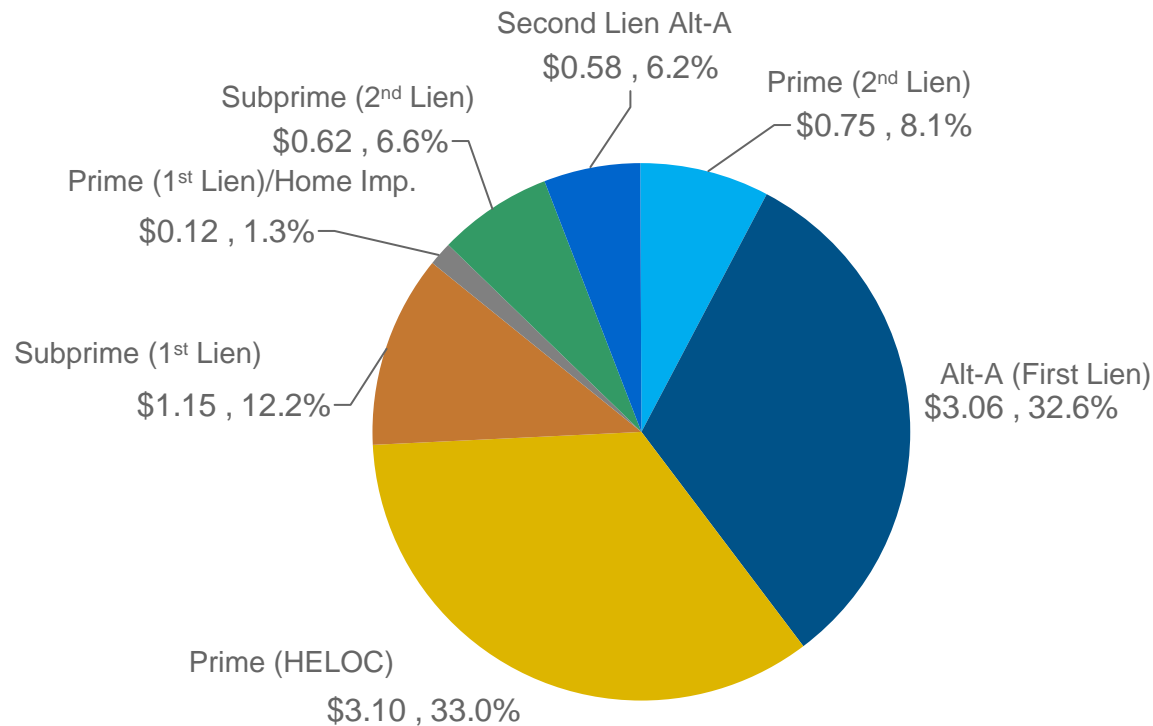
Updated Exposure



The following slides represent the pro-forma impact of the closing of the Company's previously announced transactions with XL Capital Ltd and Merrill Lynch & Co. Inc. and Merrill Lynch International, as well as other related transactions that closed on or before August 5, 2008.

RMBS Analysis – Pro forma ¹

\$9.4 Billion Net Insured Par Outstanding

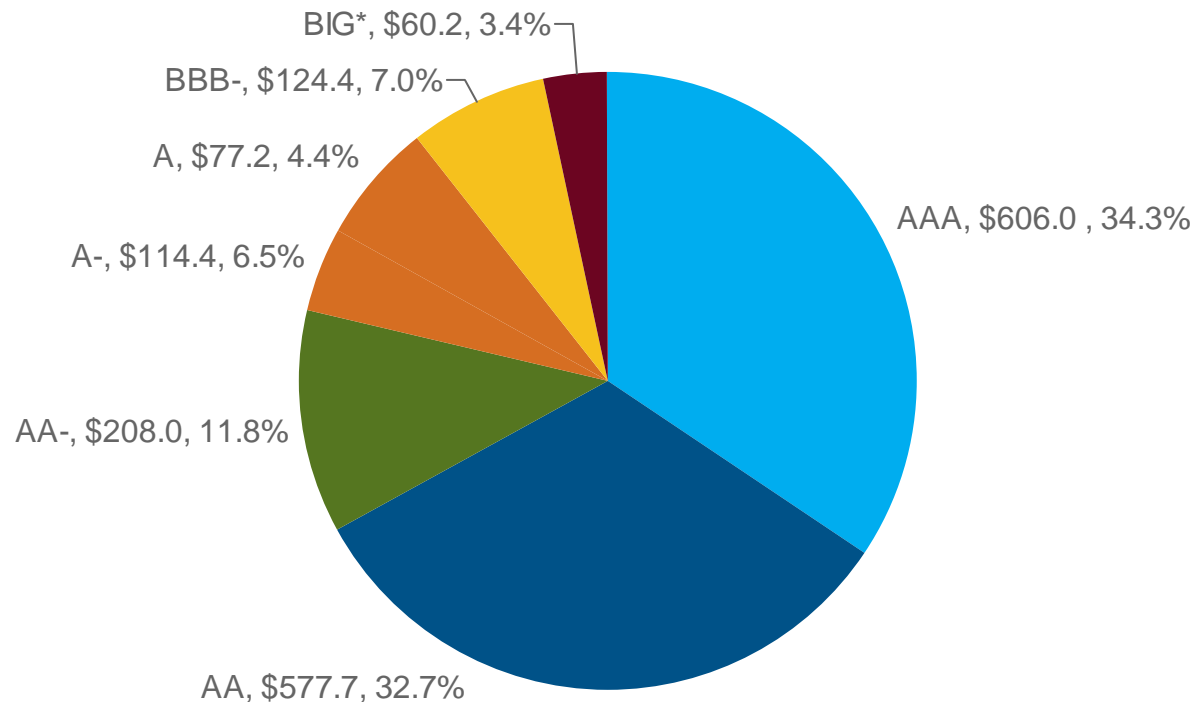


1. Amounts shown in billions

RMBS Portfolio – Pro forma¹

\$9.4 Billion Net Insured Par Outstanding

U.S. Subprime RMBS by attachment point
(\$1.8 billion representing 17 deals insured)

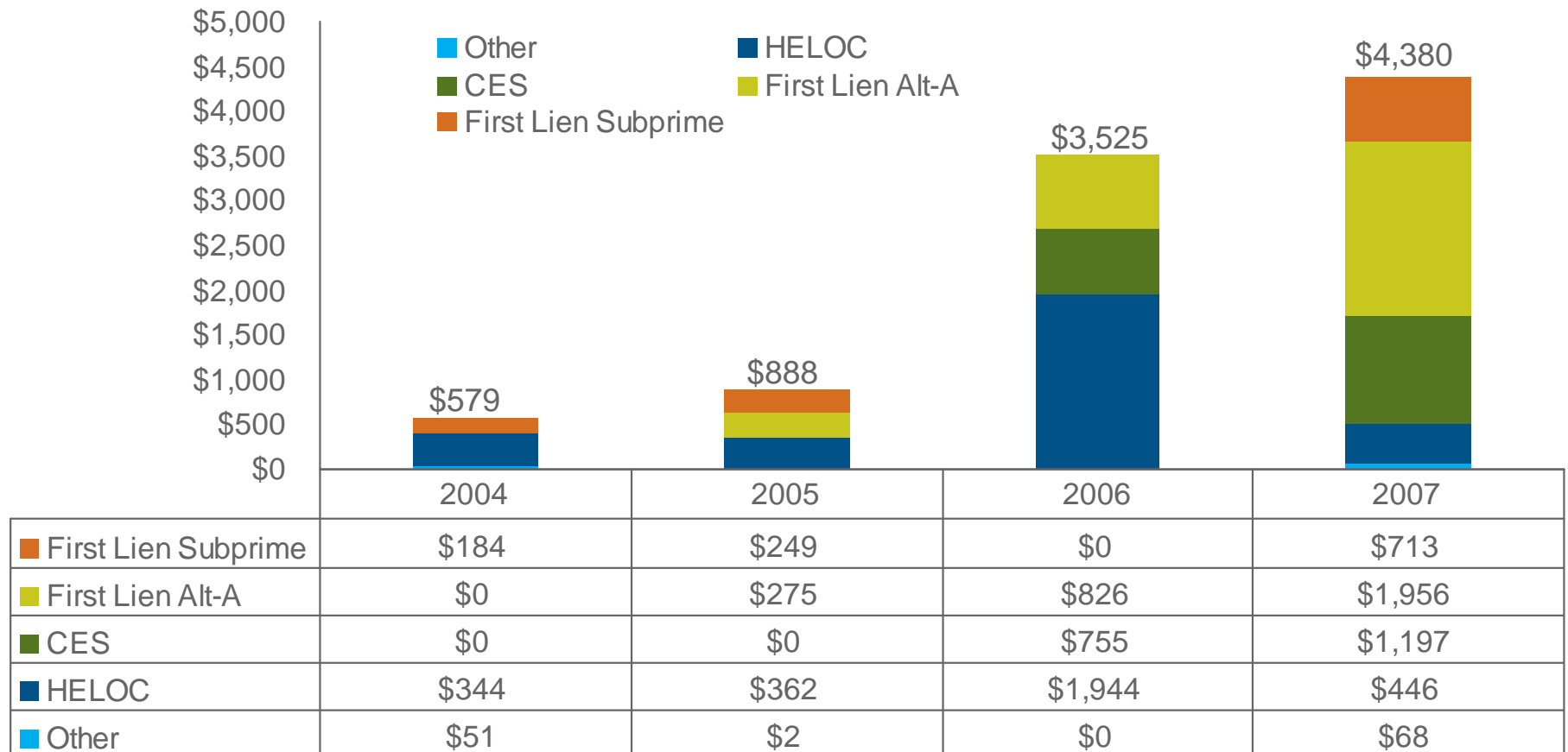


Ratings breakdown by S&P
Weighted average credit rating: AA+

1. Amounts shown in millions

* Below investment grade.

RMBS Portfolio Breakdown by Origination Vintage – Pro forma¹



1. Amounts shown in millions

Subprime RMBS Portfolio – Collateral Vintage Analysis (Pro forma)

Vintage Year	Percent of Subprime Collateral	Principal Amount (in millions)	Weighted Average Credit Rating ¹
1999	0.1%	\$2.2	BIG*
2002	0.8%	\$13.8	AAA
2003	4.5%	\$80.2	AAA/AA+
2004	13.7%	\$241.8	AAA/AA+
2005	28.0%	\$494.6	AAA/AA+
2006	38.6%	\$681.8	AA/AA-
2007	14.5%	\$253.5	A/A-
	100.0%	\$1,765.7	

1. Based on S&P ratings if available and internal Syncora ratings if no S&P rating is available

* Below investment grade.

RMBS Portfolio Breakdown by Originator – Pro forma

Ten Largest Originators	Vintage	Net Exposure (in millions)	% of Total RMBS
Countrywide	2004, 2005, 2006, 2007	\$2.9 billion	31.4%
Greenpoint	2006, 2007	\$1.2 billion	12.4%
IndyMac	2006, 2007	\$1.0 billion	10.6%
OptionOne	2006, 2007	\$0.6 billion	6.2%
Ameriquest	2004, 2005	\$0.3 billion	3.5%
Washington Mutual	2007	\$0.3 billion	3.3%
Sovereign Bank	2007	\$0.3 billion	3.1%
First Franklin	2007	\$0.3 billion	2.8%
Lehman Brothers Bank	2007	\$0.2 billion	2.1%
American Home Mortgage	2007	\$0.2 billion	1.8%
		Total	80.9%