

CDO Portfolio

November 17, 2008

Syncora Holdings Ltd.

Q3 2008 CDO Exposure (as of Sept. 30, 2008)



Important Notice

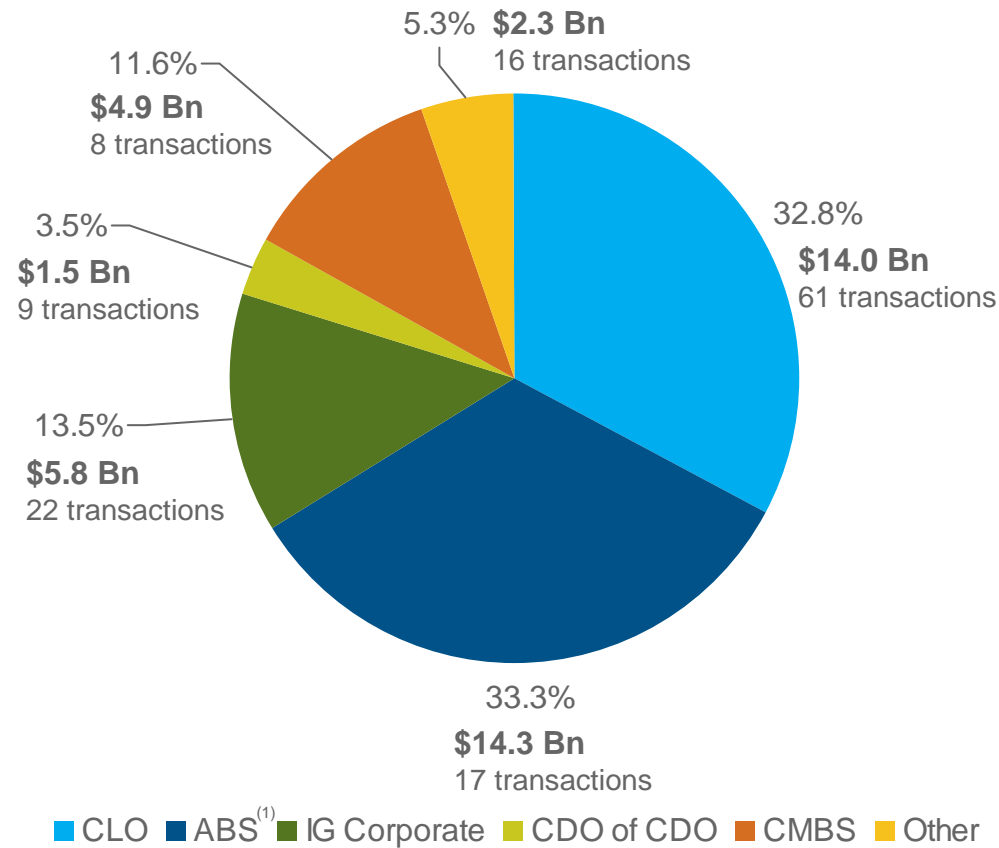


This presentation may contain statements about future results, plans and events that may constitute "forward-looking" statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. You are cautioned that these statements are not guarantees of future 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: our ability to continue as a going concern; 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 bank counterparties concerning the commutation, termination, amendment or otherwise restructuring of their credit default swap ("CDS") contracts and the expiration of their forbearance; the decision by our regulators to take regulatory action with respect to the Company's operating subsidiaries at any time; the availability of capital and liquidity, including risks associated with the Master Transaction Agreement and related transactions and agreements with the New York Insurance Department; 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; delisting from the New York Stock Exchange; limitations on our net operating carry forwards; payment of terminations values under CDS contracts; non-payment of premium and make whole payments by policy holders and counterparties; challenge to the master transaction agreement and related commutations and releases; impact of non-payment of dividends on the Company's Series A Preferences shares on the Company's Board of Directors; the outcome of the efforts to refund Jefferson County, Alabama's outstanding sewer system debt and the outcome of related litigation; the performance of invested assets, losses on credit derivatives or changes in the fair value of CDS contracts, losses on the shares of XL Capital Ltd.; 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; our assumptions concerning the tax treatment of the transactions contemplated by the master transaction agreement and related agreements and related transactions; the impact of provisions in business arrangements and agreements triggered by the ratings downgrades; the impact of other triggers in business arrangements including CDS contracts; 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.

Overall CDO Portfolio

\$42.8 Bn Net Insured Par Outstanding

Sector Breakdown of CDO Portfolio by type of Collateral



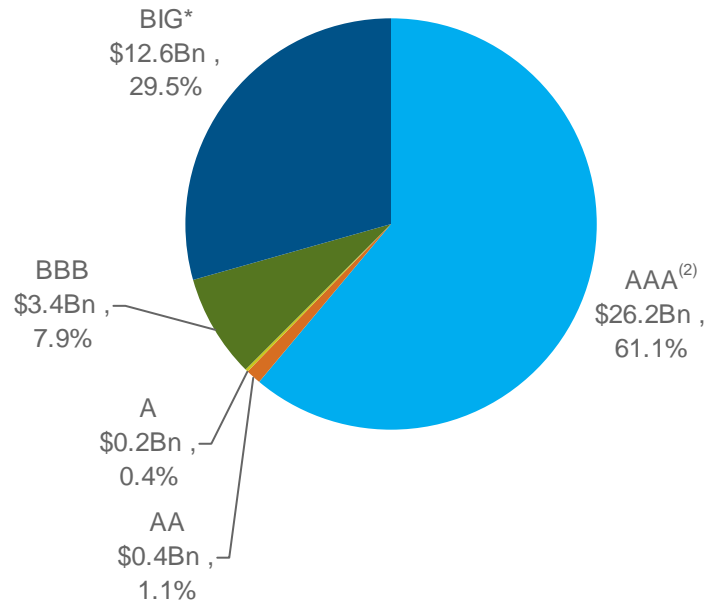
1. CDOs of ABS with >50% RMBS collateral. Syncora has additional exposure to three pre-2003 vintage mezzanine ABS CDOs with collateral pools consisting of <50% RMBS. The aggregate net par insured for these deals totaled \$49.8 million as of 9/30/08.

Overall CDO Portfolio

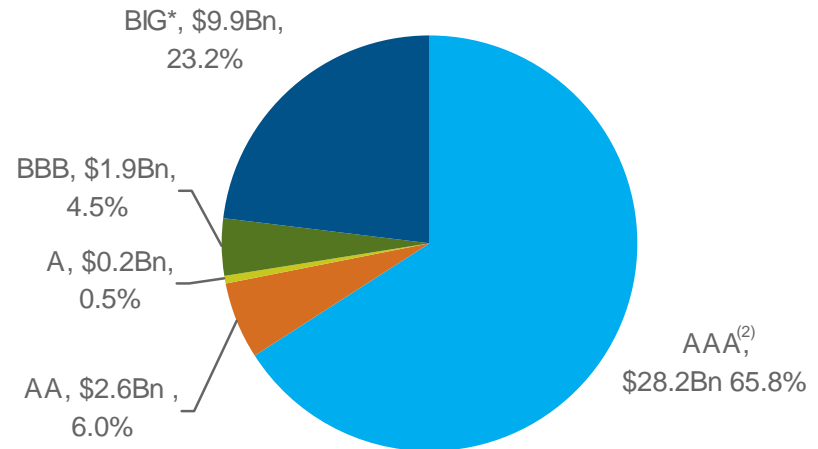
\$42.8 Bn Net Insured Par Outstanding

Distribution of Ratings of CDO Exposure⁽¹⁾

Internal Ratings



S&P Ratings



1. Ratings as of 09/30/08.

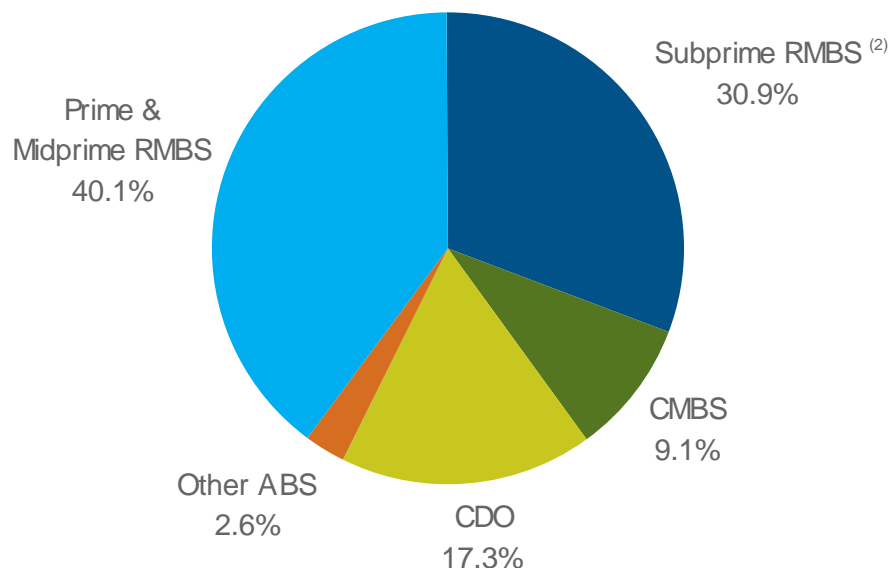
2. Also includes exposure considered to be "super senior" where the underlying deal credit support exceeds the triple-A guidelines set by Moody's and Standard & Poor's.

* Below investment grade.

CDOs of ABS⁽¹⁾ Analysis

\$14.3 Bn Net Par Outstanding

Distribution of collateral by asset type

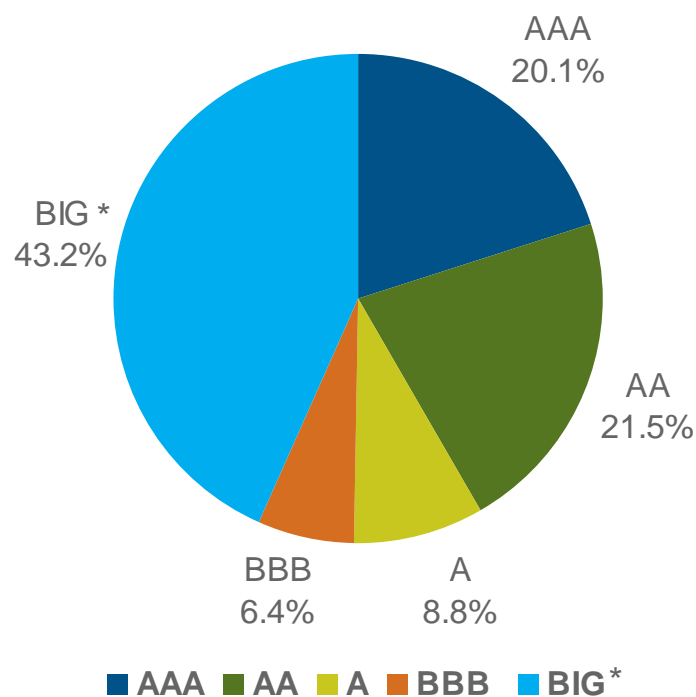


1. CDOs of ABS with >50% RMBS collateral. Syncora has additional exposure to three pre-2003 vintage mezzanine ABS CDOs with collateral pools consisting of <50% RMBS. The aggregate net par insured for these deals totaled \$49.8 million as of 9/30/08.
2. Subprime RMBS includes securities with a weighted average FICO score of 640 or below per third party data sources.

CDOs of ABS⁽¹⁾ analysis

\$14.3 Bn Net Par Outstanding

Distribution of collateral by ratings⁽²⁾



1. CDOs of ABS with >50% RMBS collateral. Syncora has additional exposure to three pre-2003 vintage mezzanine ABS CDOs with collateral pools consisting of <50% RMBS. The aggregate net par insured for these deals totaled \$49.8 million as of 9/30/08.
2. The ratings used in this analysis are the lower of S&P or Moody's ratings as of 9/30/2008. However, for Moody's ratings the S&P equivalent of the Moody's rating is included in this chart.

* Below investment grade.

Syncora-guaranteed ABS CDOs

with collateral pools consisting of >50% RMBS

Collateral Composition as a % of the Deal																
Deal #	Vintage	Deal Type	Net Par Outstanding as of Sept 30, 2008 (\$MM)	Notes Wrapped	Original Subord.	Current Subord. ⁽¹⁾	(A)			(B)		(C)	(D)	(E)	(F)	Total (A+B+C+D+E+F)
							Total RMBS	Subprime RMBS ⁽²⁾	2nd Lien RMBS ⁽³⁾	Mezz ABS CDO	High Grade ABS CDO	Other CDO	CMBS	Other ABS		
High Grade ABS CDOs (RMBS >50%)																
1	2004	CDO of High Grade ABS	\$ 826.2	A1A, A1B	11.0%	11.9%	56.8	23.0	12.7	9.0	4.9	1.3	13.7	14.2	100.0	
2	2005	CDO of High Grade ABS	251.8	B	4.1%	19.6%	100.0	70.1	0.5	-	-	-	-	-	100.0	
3	2005	CDO of High Grade ABS	661.8	A1M, A1Q	19.2%	19.0%	73.0	44.1	4.6	14.1	7.4	4.9	-	0.5	100.0	
4	2006	CDO of High Grade ABS	1,312.7	A1	11.8%	7.7%	72.8	32.1	7.5	11.1	16.2	-	-	-	100.0	
5	2006	CDO of High Grade ABS	974.7	-	11.5%	10.7%	69.2	13.0	1.1	8.5	-	2.5	11.9	7.9	100.0	
6	2006	CDO of High Grade ABS	1,324.6	A1M, A1Q	11.1%	9.8%	66.2	25.7	11.4	23.0	1.4	2.4	7.0	-	100.0	
7	2006	CDO of High Grade ABS	1,191.5	A1A, A1B	5.8%	1.8%	73.3	25.2	9.7	11.2	3.0	1.0	10.5	1.0	100.0	
8	2006	CDO of High Grade ABS	1,034.3	A1	13.9%	15.1%	74.3	12.0	0.4	6.7	8.9	10.1	-	-	100.0	
9	2006	CDO of High Grade ABS	953.4	A1(A,B,C,D)	6.0%	2.3%	82.0	22.2	4.0	6.8	2.6	6.9	1.7	-	100.0	
10	2007	CDO of High Grade ABS	1,262.3	-	14.0%	8.8%	55.6	-	0.0	0.9	2.6	3.1	28.3	9.5	100.0	
11	2007	CDO of High Grade ABS	1,795.2	A1B	9.8%	7.0%	49.8	36.9	0.7	13.5	3.4	10.8	22.3	0.1	100.0	
12	2007	CDO of High Grade ABS	823.6	A1LA	17.0%	13.6%	88.0	40.6	1.5	6.4	0.9	4.2	-	0.4	100.0	
13	2007	CDO of High Grade ABS	832.9	A1	15.0%	14.1%	86.6	65.5	5.4	-	2.9	3.1	7.4	-	100.0	
14	2007	CDO of High Grade ABS	780.5	A1S	20.0%	20.7%	98.5	77.7	3.1	-	-	-	1.5	-	100.0	
Subtotal High Grade ABS CDOs			\$ 14,025.5	Wt. Avg.	12.0%	10.2%	70.9	30.9	4.6	9.1	4.3	4.1	9.2	2.4	100.0	
Mezzanine ABS CDOs (RMBS >50%)																
15	2002	CDO of Mezz ABS	86.5	A1	25.0%	30.8%	65.6	35.7	1.2	-	-	3.2	0.1	31.1	100.0	
16	2003	CDO of Mezz ABS ⁽⁴⁾	78.0	A1	20.1%	30.3%	91.0	31.1	3.9	-	-	-	-	9.0	100.0	
17	2004	CDO of Mezz ABS	84.7	A1	30.0%	37.7%	67.1	30.9	0.3	18.4	-	2.7	7.8	4.1	100.0	
Subtotal Mezz ABS CDOs			\$ 249.2	Wt. Avg.	25.2%	32.6%	74.1	32.6	1.7	6.3	-	2.0	2.7	15.0	100.0	
Grand Total ABS CDOs			\$ 14,274.7													

(1) Subordination is calculated based on the par value of the CDO's assets including cash in the principal account per September 2008 trustee report.

(2) Subprime RMBS includes securities with a weighted average FICO score of 640 or below per third party data sources.

(3) Second lien RMBS figures reflect the weighted average percentage of second lien loans within the CDO's direct RMBS holdings.

(4) Transaction is reinsured - SCA wraps over a third party monoline wrap.

Note: Syncora has additional exposure to three pre-2003 vintage mezzanine ABS CDOs with collateral pools consisting of < 50% RMBS. The aggregate net par insured for these deals totaled \$49.8 million as of 9/30/08.

Ratings of Syncora-guaranteed ABS CDOs

with collateral pools consisting of >50% RMBS

Deal #	Vintage	Deal Type	Net Par Outstanding as of Sept 30, 2008 (\$MM)	Notes Wrapped	Original Subord.	Current Subord. ⁽¹⁾	CDO Event of Default Declared? ⁽²⁾	S&P ⁽³⁾		Moody's ⁽³⁾		Fitch ⁽³⁾		Internal Rating ⁽³⁾	
								Original Rating	Current Rating	Original Rating	Current Rating	Original Rating	Current Rating	Original Rating	Current Rating
<i>High Grade ABS CDOs (RMBS >50%)</i>															
1	2004	CDO of High Grade ABS	\$ 826.2	A1A, A1B	11.0%	11.9%	no	AAA	AA-/*-	Aaa	Baa3/*-	-	-	aaa	BIG
2	2005	CDO of High Grade ABS	251.8	B	4.1%	19.6%	no	AAA	AAA	-	-	-	-	aaa	aaa
3	2005	CDO of High Grade ABS	661.8	A1M, A1Q	19.2%	19.0%	yes	AAA	AA/*-	Aaa	Aa1 /*-	-	-	aaa	BIG
4	2006	CDO of High Grade ABS	1,312.7	A1	11.8%	0.1%	yes	AAA	B-/*-	Aaa	Ca	-	-	aaa	BIG
5	2006	CDO of High Grade ABS	974.7	-	11.5%	10.7%	no	AAA	BB+/*-,CCC-/*	Aaa	See Below	-	-	aaa	BIG/bbb
6	2006	CDO of High Grade ABS	1,324.6	A1M, A1Q	11.1%	9.8%	yes	AAA	CCC/*-	Aaa	Caa3/*-	-	-	aaa	BIG
7	2006	CDO of High Grade ABS	1,191.5	A1A, A1B	5.8%	1.8%	no	AAA	BB+/*-,B/*-	Aaa	Ba3/*-	-	-	aaa	BIG
8	2006	CDO of High Grade ABS	1,034.3	A1	13.9%	15.1%	no	AAA	BB /*-	Aaa	B1/*-	-	-	aaa	BIG
9	2006	CDO of High Grade ABS	953.4	A1A-D	6.0%	2.3%	yes	A-1+/AAA	CCC+ /*-	P-1/Aaa	Ca	-	-	aaa	BIG
10	2007	CDO of High Grade ABS	1,262.3	-	14.0%	8.8%	no	AAA	AA/*-,CC	Aaa	Aa3/*-,B1/*-	-	-	aaa	BIG/bbb
11	2007	CDO of High Grade ABS	1,795.2	A1B	9.8%	7.0%	yes	A-1+	CCC/*-	P-1	Ca	-	-	aaa	BIG
12	2007	CDO of High Grade ABS	823.6	A1LA	17.0%	13.6%	yes	AAA	BB-/*-	Aaa	B1 /*-	-	-	aaa	BIG
13	2007	CDO of High Grade ABS	832.9	A1	15.0%	14.1%	yes	AAA	CCC-/*-	Aaa	Baa2 /*-	-	-	aaa	BIG
14	2007	CDO of High Grade ABS	780.5	A1S	20.0%	20.7%	yes	AAA	BB+ /*-	Aaa	A2 /*-	-	-	aaa	bbb
<i>Subtotal High Grade ABS CDOs</i>			\$ 14,025.5												
<i>Mezzanine ABS CDOs (RMBS >50%)</i>															
15	2002	CDO of Mezz ABS	86.5	A1	25.0%	30.8%	no	AAA	AA-/*-	Aaa	Aa2 /*-	-	-	aaa	BIG
16	2003	CDO of Mezz ABS ⁽⁵⁾	78.0	A1	20.1%	30.3%	no	AAA	B/*	Aaa	Baa3 /*-	-	-	aaa	BIG
17	2004	CDO of Mezz ABS	84.7	A1	30.0%	37.7%	no	AAA	AAA	Aaa	Aaa	-	-	aaa	bbb
<i>Subtotal Mezz ABS CDOs</i>			\$ 249.2												
<i>Grand Total ABS CDOs</i>			\$ 14,274.7												

(1) Subordination is calculated based on the par value of the CDO's assets including cash in the principal account per September 2008 trustee report.

(2) Event of Default determination current as of October 30, 2008.

(3) S&P, Moody's, Fitch and SCA internal ratings current as of October 23, 2008. "/*-" indicates rating is on review for downgrade.

(4) SCA wraps three tranches of the transaction with Moody's ratings of Baa1 /*-, B3 /*- and Caa3 /*- as of October 23, 2008.

(5) Transaction is preinsured - SCA wraps over a third party monoline wrap.

Note: Syncora has additional exposure to three pre-2003 vintage mezzanine ABS CDOs with collateral pools consisting of < 50% RMBS. The aggregate net par insured for these deals totaled \$49.8 million as of 9/30/08.

Syncora-guaranteed CDO of CDO exposure

CDO Collateral Composition as a % of the Deal																
Vintage	Deal Name	Net Par Outstanding as of Sept 30, 2008 (\$MM)	Current Subord. ⁽¹⁾	Ratings (Moody's/S&P) ⁽²⁾	Internal Rating ⁽³⁾	% CDO Collateral	% ABS Collateral	% Corp. Collateral	High Grade ABS CDO	Mezz ABS CDO	CLO	CBO	CDO of CDO	EM CDO	Trups	CRE CDO
2006	CDO of CDOs	\$ 150.0	39.7%	- ⁽⁴⁾	bbb	100.0%	0.0%	0.0%	4.8%	6.7%	88.4%	0.0%	0.0%	0.0%	0.0%	0.0%
2005	CDO of CDOs	135.2	38.2%	Aaa/AAA	bbb	96.1%	3.9%	0.0%	6.2%	2.6%	75.6%	2.3%	3.0%	4.1%	0.0%	2.4%
2005	CDO of CDOs	454.5	37.7%	Aaa/AAA	BIG	80.8%	19.2%	0.0%	4.1%	26.0%	31.5%	6.8%	2.7%	0.0%	8.0%	1.4%
2005	CDO of CDOs	151.9	40.8%	A1/*- /BBB-	BIG	100.0%	0.0%	0.0%	25.4%	13.0%	41.3%	3.9%	5.0%	5.4%	6.0%	0.0%
2004	CDO of CDOs	107.0	28.3%	Aaa/AAA	bbb	100.0%	0.0%	0.0%	0.0%	2.3%	84.6%	11.3%	0.0%	1.8%	0.0%	0.0%
2003	CDO of CDOs	248.0	23.7%	Aaa/AAA	aaa	99.7%	0.0%	0.3%	0.0%	0.1%	75.1%	24.6%	0.0%	0.0%	0.0%	0.0%
2002	CDO of CDOs	210.9	10.6%	NR /AAA	aaa	100.0%	0.0%	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
2002	CDO of CDOs	23.1	75.5%	Aa1/AAA	aa-	100.0%	0.0%	0.0%	0.0%	15.9%	55.2%	18.6%	0.0%	10.3%	0.0%	0.0%
2000	CDO of CDOs	4.6	83.9%	Aaa/AAA	aaa	100.0%	0.0%	0.0%	0.0%	0.0%	24.8%	75.2%	0.0%	0.0%	0.0%	0.0%
Total Net Par Exposure		\$ 1,485.2	32.1%	Weighted Averages		93.7%	6.2%	0.0%	4.9%	10.6%	63.4%	8.1%	1.6%	1.2%	3.1%	0.6%

(1) Subordination is calculated based on the par value of the CDO's assets including cash in the principal account per September 2008 trustee report.

(2) Moody's and S&P ratings as of October 30, 2008. "/*-" indicates rating is on review for downgrade.

(3) Syncora internal ratings as of October 30, 2008.

(4) Ratings not shown for confidentiality reasons.