



FOR IMMEDIATE RELEASE

Contact: Brian Moore
Investor & Public Relations
T: 212-312-2776
E: brian.moore@fgic.com

**FINANCIAL GUARANTY INSURANCE COMPANY
HIRES INDUSTRY VETERANS**

December 22, 2003 - New York, NY - Financial Guaranty Insurance Company (“FGIC”) announced today that it has hired four financial guaranty industry veterans to support its current underwriting and management team—Howard C. Pfeffer, Timothy S. Travers, Thomas J. Adams and Jeffrey R. Fried.

Howard Pfeffer has joined FGIC as President and Chief Underwriting Officer. Mr. Pfeffer will be responsible for FGIC’s new business production for both the public and structured finance businesses. He comes to FGIC from Ambac Assurance Corporation where he was Vice Chairman. During his tenure there, Mr. Pfeffer was responsible for many areas including the public finance, mortgage-backed and financial services businesses.

Tim Travers has been selected to lead all of FGIC’s non-U.S. activities. He will also provide relationship support for FGIC’s global utilities business. Most recently, Mr. Travers was head of Ambac’s European structured finance business. He has extensive experience in the utilities industry, most particularly, investor-owned utilities.

Tom Adams will head FGIC’s consumer asset-backed business, including all mortgage-backed and auto loan transactions. For the past several years Mr. Adams ran Ambac’s mortgage-backed business.

Jeffrey Fried will establish a structured public finance presence at FGIC, focusing on deals such as municipal project finance and tax-exempt student loan and housing transactions. He was formerly general counsel for Ambac’s public finance division.

Commenting on the appointments, Frank J. Bivona, FGIC’s CEO noted, “These individuals provide a depth of experience that will greatly enhance FGIC’s underwriting capabilities. They also understand the risk parameters of the financial guaranty industry, which will ensure that while we expand our business we will not take undue risk. With these appointments, we are taking a quality team and making it even better.”

Established in 1983, FGIC is a leading monoline financial guaranty insurance company, primarily engaged in the business of providing credit enhancement on public finance and structured finance securities. FGIC typically guarantees the scheduled payments of principal and interest on an issuer's obligation. FGIC's financial strength is rated triple-A by Moody's Investors Service, Standard & Poor's Rating Services and Fitch, Inc.