



**FOR IMMEDIATE RELEASE**

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**FGIC RECEIVES AUTHORIZATION FOR UK INSURANCE SUBSIDIARY**

**December 16, 2004 - New York, NY** – FGIC Corporation, the parent of Financial Guaranty Insurance Company (FGIC), announced that the UK’s Financial Services Authority has authorized FGIC UK Limited to write financial guaranty insurance in the United Kingdom, effective November 26, 2004. The subsidiary license also gives FGIC the ability to obtain passport privileges for the entire European Economic Area. FGIC UK Limited, a wholly owned subsidiary of FGIC, will offer credit enhancement solutions to a broad range of markets, including infrastructure, securitizations and utilities.

“We have the people, we have the platform and now we have the full authorization,” said Timothy S. Travers, Chief Executive Officer of FGIC UK Limited. “It’s such an exciting time to be at FGIC, to watch a 20-year U.S. franchise become a more global enterprise. We’ve had tremendous success growing our business in the U.S., and now we are actively seeking to replicate that success in the UK and Europe.”

FGIC has entered into reinsurance and net worth maintenance arrangements with FGIC UK Limited. As a result of these arrangements, FGIC UK Limited has received triple-A financial strength ratings from Moody’s Investors Service, Standard & Poor’s and Fitch Ratings.

**Company Profile**

FGIC Corporation is an insurance holding company whose direct, wholly owned subsidiary is FGIC. Established in 1983, FGIC is one of the four leading monoline financial guarantors, primarily engaged in the business of providing credit enhancement on public finance and structured finance securities in the U.S. and internationally. 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 and Fitch Ratings.