



FOR IMMEDIATE RELEASE

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**FGIC GUARANTEES FIRST UK DEAL SINCE REOPENING
LONDON OFFICE**

March 22, 2005 - New York, NY – Financial Guaranty Insurance Company (FGIC) announced that it has guaranteed its first new issue UK bond offering since reopening its London office in October 2004. The £107 million bond deal for Premier Transmission Financing PLC (PTF) is secured on the Scotland to Northern Ireland gas pipeline. This pipeline provides 100% of the gas used for cooking and heating, as well as fuel for 70% of the electricity generated in Northern Ireland.

Barclays Capital and Royal Bank of Canada Europe Limited were joint lead underwriters for the deal, and DWPF and Royal Bank of Canada Europe Limited were joint financial arrangers. McGrigors acted as legal advisor to the issuer and Linklaters acted as legal advisor to FGIC, the joint lead managers, the bond trustee and the security trustee. The offering closed on March 18. The transaction has underlying ratings of 'A1' from Moody's Investors Service and 'A' from Standard & Poor's.

"We're obviously very excited about this transaction," said Timothy S. Travers, Chief Executive Officer of FGIC UK Limited. "It feels right that our first new issue transaction should be for a project that received such strong bipartisan political support and such clear regulatory support, and that will really save money for the end users. It's a high quality deal with healthy liquidity. The strong pricing reinforces the market acceptance of the FGIC risk and their desire for our paper. This is the beginning of what I believe will be a very productive year for FGIC UK."

Company Profile

FGIC UK Limited is a wholly owned subsidiary of 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.