



**RAM Holdings Ltd.**  
**Quarterly Operating Supplement <sup>(1)</sup>**  
**March 31, 2007**

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<sup>(1)</sup> Information included in this report is unaudited

**RAM Holdings Ltd.**  
**Consolidated Balance Sheets**  
**(unaudited)**  
**As at March 31, 2007 and December 31, 2006**  
**(dollars in thousands)**

	<b>March 31, 2007</b>	<b>December 31, 2006</b>
<b><u>Assets</u></b>		
Investments: Fixed-maturity securities held as available for sale, at fair value (Amortized Cost: \$593,588 and \$574,127)	\$ 589,666	\$ 568,630
Cash and cash equivalents	48,298	51,948
Accrued investment income	4,655	5,227
Premiums receivable	2,627	3,464
Recoverable on paid losses	2,144	916
Deferred policy acquisition costs	76,203	73,838
Prepaid reinsurance premiums	2,063	2,091
Fixed assets	62	73
Deferred expenses	1,876	1,917
Prepaid expenses	1,582	185
Other assets	3,546	3,614
<b>Total Assets</b>	<b>\$ 732,722</b>	<b>\$ 711,903</b>
 <b><u>Liabilities and Shareholders' Equity</u></b>		
<b>Liabilities:</b>		
Loss and loss expense reserve	\$ 13,921	\$ 14,506
Unearned premiums	202,498	194,322
Reinsurance balances payable	0	1,211
Accounts payable and accrued liabilities	2,592	3,458
Long-term debt	40,000	40,000
Redeemable preferred shares: \$1,000 par value; authorized shares - 75,000; issued and outstanding shares - 75,000	75,000	75,000
Accrued interest payable	-	693
Share based compensation liability	-	-
Other liabilities	3,411	3,446
<b>Total Liabilities</b>	<b>337,422</b>	<b>332,636</b>
<b>Shareholders' Equity:</b>		
Common stock: \$0.10 par value; authorized shares - 100,000,000 and 45,000,000; Issued and outstanding shares -27,234,755 shares at March 31, 2007 and December 31, 2006	2,723	2,723
Additional paid-in capital	227,572	227,437
Accumulated other comprehensive income	(3,922)	(5,497)
Retained earnings	168,927	154,604
<b>Total Shareholders' Equity</b>	<b>395,300</b>	<b>379,267</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$ 732,722</b>	<b>\$ 711,903</b>

**RAM Holdings Ltd.**  
**Consolidated Statements of Income**  
**(unaudited)**

**For the three months ended March 31, 2007 and 2006**  
**(dollars in thousands except per share amounts)**

	<b>Three Months Ended March 31</b>	
	<b>2007</b>	<b>2006</b>
<b>Revenues</b>		
Gross premiums written	\$ 22,158	\$ 14,576
Ceded premiums		
Net premiums written	\$ 22,158	\$ 14,576
Change in unearned premiums	(8,204)	(3,870)
Premiums earned	13,954	10,706
Net investment income	7,645	5,395
Net realized gains (losses) on sale of investments	-	(220)
Net unrealized gains (losses) on credit derivatives	(30)	(3)
Total revenues	21,569	15,878
<b>Expenses</b>		
Losses and loss adjustment expenses	(1,014)	1,099
Acquisition expenses	4,857	3,945
Operating expenses	2,720	3,539
Interest expense	682	682
Total expenses	7,245	9,265
Net income	\$ 14,324	\$ 6,613
<b>Net Income available to common shareholders</b>	<b>\$ 14,324</b>	<b>\$ 6,613</b>
Net income per common share:		
<b>Basic</b>	\$ 0.53	\$ 0.26
<b>Diluted</b>	0.52	0.25
Weighted-average number of common shares outstanding:		
Basic	27,234,755	25,884,755
Diluted	27,317,465	25,943,860
<b>Operating Earnings</b>		
Net income	\$ 14,324	\$ 6,613
Less: Realized gains (losses) on investments	-	220
Less: Unrealized gains (losses) on credit derivatives	30	3
<b>Operating Earnings</b>	<b>\$ 14,354</b>	<b>\$ 6,836</b>
Net income per common share	\$ 0.53	\$ 0.25
Less: Realized gains (losses) on investments	0.00	0.01
Less: Unrealized gains (losses) on credit derivatives	0.00	-
Operating earnings per share	<b>\$ 0.53</b>	<b>\$ 0.26</b>

**Summary Financial Information**  
(dollars in thousands except per share amounts)

GAAP Basis *	1st Quarter		Year-to-date	
	2007	2006	2007	2006
<u>Financial Ratios</u>				
Loss and LAE Ratio	-7.3%	10.3%	-7.3%	10.3%
Underwriting Expense Ratio	54.3%	69.9%	54.3%	69.9%
Combined Ratio	47.0%	80.2%	47.0%	80.2%
<u>Per Share Data</u>				
Shareholder's Equity (Book Value)	\$14.51	\$12.42	\$14.51	\$12.42
Unearned premiums	7.44	6.55	7.44	6.55
Prepaid Reinsurance Premiums	(0.08)	0.00	(0.08)	-
Deferred Acquisition Costs	(2.80)	(2.60)	(2.80)	(2.60)
Present Value of Installment Premiums <sup>(1)</sup>	4.14	3.51	4.14	3.51
Unrealized Gains (Losses) on Investments	0.14	0.48	0.14	0.48
Adjusted Book Value	\$23.35	\$20.35	\$23.35	\$20.35
Shares outstanding	27,234,755	25,884,755		
* Based on U.S. GAAP Income Statement Data				

Statutory Basis (estimated)	1st Quarter		Year-to-date	
	2007	2006	2007	2006
<u>Financial Ratios</u>				
Loss and LAE Ratio	(8.7)%	0.4%	(8.7)%	0.4%
Underwriting Expense Ratio	51.0%	67.3%	51.0%	67.3%
Combined Ratio	42.3%	67.7%	42.3%	67.7%
<u>Balance Sheet</u>				
	<u>3/31/2007</u>	<u>12/31/2006</u>		
Capital and Surplus	\$335,905	\$332,788		
Contingency Reserve	73,473	70,610		
Capital Base	\$409,378	\$403,398		
Unearned Premium Reserve	234,721	222,558		
Present Value of Installment Premiums <sup>(1)</sup>	112,673	109,303		
Premium Resources	347,394	331,861		
Loss and LAE Reserves	421	2,094		
Soft Capital Credit Facilities	180,000	180,000		
Total Claims-Paying Resources	\$937,193	\$917,353		
Debt Service Outstanding	\$51,647,006	\$50,944,252		
Capital Ratio <sup>(2)</sup>	126:1	126:1		
Claims-Paying Ratio <sup>(3)</sup>	55:1	56:1		

(1) Present value of future installments, net of ceding commissions, are current estimates and may differ from premium amounts ultimately written and earned. March 31, 2007 and December 31, 2006, the discount rate was 4.68% and 4.56%, respectively.

(2) Net Debt service outstanding divided by the capital base.

(3) Net Debt service outstanding divided by total claims-paying resources.

**RAM Holdings Ltd.**  
**Annual Financial and Statistical Data**  
(dollars in thousands except per share amounts)

	Q1								
	2007	2006	2005	2004	2003	2002	2001	2000	
<b>GAAP Summary Income Statement Data</b>									
Insurance									
Gross Premiums Written	\$ 22,158	\$ 77,632	\$ 68,147	\$ 66,057	\$ 67,880	\$ 36,205	\$ 26,544	\$ 21,346	
Net Premiums Written	22,158	75,486	68,147	66,057	67,880	36,205	26,544	21,346	
Premiums Earned	13,954	48,835	42,609	34,721	25,543	17,561	12,898	9,327	
Net Investment Income	7,645	24,236	18,202	16,824	13,373	11,209	11,121	10,021	
Realized Gains/(Losses)	-	(1,002)	(1,584)	536	1,097	2,927	535	252	
Unrealized Gains/(Losses) on									
Credit Derivatives	(30)	(14)	(2,526)	2,757	456	(613)	-	-	
Loss and Loss Adjustment									
Expenses	(1,014)	(2,781)	7,204	3,579	3,994	6,110	910	653	
Acquisition Expenses	4,857	17,654	15,628	13,387	10,223	7,363	5,688	3,927	
Operating Expenses	2,720	13,379	11,531	11,032	5,042	3,360	2,926	3,087	
Interest Expense	682	2,750	2,750	2,106	-	-	-	-	
Net Income available to common shareholders	14,324	41,053	19,588	24,734	21,210	14,251	15,030	11,933	
ROE <sup>(2)</sup> *	3.70%	11.70%	6.18%	8.23%	8.93%	8.04%	9.41%	8.48%	
Operating ROE <sup>(3)</sup> *	3.66%	11.82%	7.45%	7.23%	8.56%	7.04%	9.24%	8.14%	
<b>GAAP Summary Balance Sheet Data</b>									
Total Investments	\$ 589,666	\$ 568,630	\$ 469,908	\$ 404,906	\$ 345,837	\$ 219,330	\$ 188,978	\$ 163,578	
Deferred Acquisition Costs	76,203	73,838	66,220	58,653	53,017	38,712	30,387	22,976	
Total Assets	732,722	711,903	553,572	511,824	426,260	277,121	234,646	201,253	
Unearned Premiums	202,498	194,322	165,580	140,043	120,182	77,845	59,201	45,555	
Loss and Loss Expense Reserves	13,921	14,506	16,595	15,493	13,821	10,394	4,382	3,529	
Long-term Debt	40,000	40,000	40,000	40,000	-	-	-	-	
Preferred Shares	75,000	75,000							
Total Liabilities	337,422	332,636	230,916	200,319	137,005	91,530	65,603	50,977	
Shares outstanding	27,235	27,235	25,885	25,917	25,891	16,774	17,146	17,146	
Shareholders' Equity	395,300	379,267	322,656	311,505	289,255	185,590	169,042	150,276	
<b>Statutory Data</b>									
Net Income	\$ 7,216	\$ 30,552	\$ 14,127	\$ 9,035	\$ 5,971	\$ 7,047	\$ 7,456	\$ 3,138	
Capital and Surplus	335,905	332,788	221,192	171,742	151,757	74,678	87,354	92,072	
Contingency Reserve	73,473	70,610	63,617	102,880	78,537	60,587	44,065	30,929	
Capital Base	409,378	403,398	284,809	274,622	230,294	135,265	131,419	123,002	
Unearned Premium Reserve	234,721	222,558	189,135	160,308	131,429	85,575	64,267	49,535	
Present Value of									
Installment Premiums <sup>(1)</sup>	112,673	109,303	84,839	59,546	55,607	34,541	24,214	14,800	
Premium Resources	347,394	331,861	273,974	219,854	187,036	120,116	88,481	64,335	
Loss and LAE Reserves	421	2,094	4,978	3,982	1,326	601	-	-	
Soft Capital Credit Facilities	180,000	180,000	140,000	140,000	90,000	70,000	70,000	70,000	
Total Claims-Paying Resources	937,193	917,353	703,761	638,458	508,656	325,982	289,900	257,337	
<b>Financial Ratios</b>									
<u>GAAP</u>									
Loss and LAE Ratio	-7.3%	-5.7%	16.9%	10.3%	15.6%	34.8%	7.1%	7.0%	
Underwriting Expense Ratio	54.3%	63.5%	63.7%	70.3%	59.8%	61.1%	66.8%	75.2%	
Combined Ratio	47.0%	57.9%	80.6%	80.6%	75.4%	95.9%	73.8%	82.2%	
<u>Statutory</u>									
Loss and LAE Ratio	-8.7%	-9.4%	18.3%	15.9%	5.8%	18.1%	0.5%	0.0%	
Underwriting Expense Ratio	51.0%	50.7%	50.8%	45.3%	43.7%	53.1%	60.5%	64.9%	
Combined Ratio	42.3%	41.3%	69.1%	61.2%	49.6%	71.2%	61.0%	64.9%	
<b>Other Financial Information</b>									
Net Par Amount Outstanding	\$ 32,455,359	\$ 31,118,714	\$ 27,054,260	\$ 22,154,050	\$ 19,775,000	\$ 15,860,000	\$ 12,803,180	\$ 9,864,360	
<u>Adjusted Book Value</u>									
Book Value Per Share	\$ 14.51	\$ 13.93	\$ 12.47	\$ 12.02	\$ 11.17	\$ 11.06	\$ 9.86	\$ 8.76	
Shareholder's Equity (Book Value)	395,300	379,267	322,656	311,505	289,255	185,590	169,042	150,276	
Unearned premiums	202,498	194,322	165,580	140,043	120,182	77,845	59,201	45,555	
Prepaid reinsurance premiums	2,063	2,091	-	-	-	-	-	-	
Deferred Acquisition Costs	76,203	73,838	66,220	58,653	53,017	38,712	30,387	22,976	
Present Value of									
Installment Premiums (1)	112,673	109,303	84,839	59,546	55,607	34,541	24,214	14,800	
Unrealized Gains (Losses) on Investments	(3,922)	(5,497)	(4,540)	2,787	4,659	11,002	4,733	998	
Adjusted Book Value Per Share	\$ 23.35	\$ 22.49	\$ 19.76	\$ 17.35	\$ 15.73	\$ 14.80	\$ 12.68	\$ 10.89	

(1) Present value of future installments, net of ceding commissions, are current estimates and may differ from ultimate actual premiums due to additions of new business, changes in prepayment speeds, early terminations or refundings. At March 31, 2007 and December 31, 2006, the discount rate was 4.68% and 4.56%, respectively.

(2) Net income divided by average shareholders' equity

(3) Operating earnings divided by average shareholders' equity, excluding accumulated other comprehensive income

\* ROE and Operating ROE is annualized if period is less than 12 months

**RAM Holdings Ltd.**  
**Estimated Net Debt Service Amortization <sup>(1)</sup>**

(dollars in thousands)

	Scheduled Net Debt Service Amortization	Ending Net Debt Service Outstanding
4th Quarter 2006		\$ 51,647,006
1st Quarter 2007	646,184	\$ 51,000,823
2nd Quarter 2007	704,566	\$ 50,296,256
3rd Quarter 2007	745,720	\$ 49,550,536
4th Quarter 2007	900,796	\$ 48,649,740
2008	2,770,241	\$ 45,879,499
2009	2,987,199	\$ 42,892,300
2010	2,741,632	\$ 40,150,668
2011	2,760,830	\$ 37,389,837
2012-2016	11,848,724	\$ 25,541,113
2017-2021	8,831,133	\$ 16,709,980
2022-2026	6,511,343	\$ 10,198,637
2027 and thereafter	<u>10,198,637</u>	\$ -
Total	\$ 51,647,006	

**Estimated Net Unearned Premium Amortization and Estimated  
Future Installment Premiums <sup>(1)</sup>**

	Net Unearned Premiums <sup>(2)</sup>	Net Unearned Premium Amortization		Total Premium Earnings <sup>(4)</sup>
		Upfront	Installments <sup>(3)</sup>	
1st Quarter 2007	\$ 188,075			
2nd Quarter 2007	\$ 184,340	\$ 3,735	\$ 6,228	\$ 9,963
3rd Quarter 2007	\$ 180,645	\$ 3,695	\$ 6,299	\$ 9,993
4th Quarter 2007	\$ 177,017	\$ 3,628	\$ 6,187	\$ 9,815
2008	\$ 163,080	\$ 13,937	\$ 22,373	\$ 36,310
2009	\$ 149,870	\$ 13,210	\$ 18,499	\$ 31,709
2010	\$ 137,388	\$ 12,482	\$ 16,090	\$ 28,571
2011	\$ 125,492	\$ 11,896	\$ 13,380	\$ 25,276
2012-2016	\$ 76,537	\$ 48,955	\$ 45,380	\$ 94,335
2017-2021	\$ 43,067	\$ 33,470	\$ 26,605	\$ 60,075
2022-2026	\$ 21,826	\$ 21,241	\$ 19,932	\$ 41,173
2027 and thereafter	\$ -	<u>\$ 21,826</u>	<u>\$ 26,813</u>	<u>\$ 48,639</u>
Total		<u>\$ 188,075</u>	<u>\$ 207,785</u>	<u>\$ 395,860</u>

(1) Represents the amortization and future installments from March 31, 2007 based on existing insured issues as of the December 31, 2006.

(2) Equals deferred premium revenue for upfront policies only.

(3) Represents future installment premiums undiscounted.

(4) Actual future premium earnings will differ from the current projection due to the addition of new business, changes in prepayment speeds, early terminations and refundings.

**RAM Holdings Ltd.**  
**Net Premiums Earned Analysis**  
(dollars in thousands)

2007	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year-to-Date
<b>Public Finance</b>	\$ 6,973	-	-	-	\$ 6,973
<b>Structured Finance</b>	6,981	-	-	-	\$ 6,981
Total	\$ 13,954	-	-	-	\$ 13,954
<b>Refundings included in total</b>	\$ 1,914	-	-	-	\$ 1,914

2006	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year-to-Date
<b>Public Finance</b>	\$ 4,369	\$ 5,403	\$ 8,714	7,468	\$ 25,954
<b>Structured Finance</b>	6,337	6,199	6,343	4,002	\$ 22,881
Total	\$ 10,706	\$ 11,602	\$ 15,057	11,470	\$ 48,835
<b>Refundings included in total</b>	\$ 621	\$ 1,938	\$ 2,847	\$ 866	\$ 6,272

**Par Value and Adjusted Premiums <sup>(1)</sup>**  
(dollars in thousands)

	1st Quarter		Year-to-Date	
	2007	2006	2007	2006
<b>Net Par Written</b>	\$ 2,334,267	\$ 2,099,601	\$ 2,334,267	\$ 2,099,601
<b>GAAP Net Premiums Written</b>	\$ 22,158	\$ 14,576	\$ 22,158	\$ 14,576
Less: Net Installment Premiums Written	\$ 7,689	\$ 6,835	\$ 7,689	\$ 6,835
Net Upfront Premiums Written	\$ 14,469	\$ 7,741	\$ 14,469	\$ 7,741
Plus: PV of Installment Net Premiums Written	\$ 12,410	\$ 12,684	\$ 12,410	\$ 12,684
<b>Net Adjusted Premiums Written</b>	\$ 26,879	\$ 20,425	\$ 26,879	\$ 20,425
U.S. Public Finance	\$ 9,629	\$ 6,977	\$ 9,629	\$ 6,977
U.S. Structured Finance	\$ 5,011	\$ 4,170	\$ 5,011	\$ 4,170
U.S. Total	\$ 14,640	\$ 11,147	\$ 14,640	\$ 11,147
International Public Finance	\$ 7,025	\$ 4,358	\$ 7,025	\$ 4,358
International Structured Finance	\$ 5,214	\$ 4,920	\$ 5,214	\$ 4,920
International Total	\$ 12,239	\$ 9,278	\$ 12,239	\$ 9,278
<b>Net Adjusted Premiums Written</b>	\$ 26,879	\$ 20,425	\$ 26,879	\$ 20,425

(1) Adjusted premiums represent upfront premiums in the period and the estimated present value of installment premiums for new policies issued as reported at a quarter lag.

**RAM Holdings Ltd**  
**Investment Portfolio**  
**As of March 31, 2007**  
**(dollars in thousands)**

**Investments**

Fixed Income Securities

U.S.Treasuries

Agencies

Corporate

Municipal

Mortgage and Asset Backed

Total Investments

	<u>Market Value</u>	<u>% of Market Value</u>	<u>Amortized Cost</u>	<u>Book Yield</u>	<u>Annualized Income</u>
	\$ 69,331	11.8%	\$ 70,407	4.5%	\$ 3,194
	92,517	15.7%	92,807	4.8%	4,488
	113,143	19.2%	114,379	4.6%	5,307
	12,405	2.1%	11,715	7.1%	828
	<u>302,270</u>	<u>51.3%</u>	<u>304,280</u>	5.3%	<u>16,121</u>
	<u>\$ 589,666</u>	<u>100.0%</u>	<u>\$ 593,588</u>		<u>\$ 29,938</u>

**Maturity**

Within 1 Year

1 to 5 Years

5 to 10 Years

More than 10 Years

Total Investment Income

	<u>Market Value</u>	<u>% of Market Value</u>
	\$ 36,715	6.2%
	134,742	22.9%
	101,452	17.2%
	<u>316,757</u>	<u>53.7%</u>
	<u>\$ 589,666</u>	<u>100.0%</u>

*Average life: 5.99 years*

*Duration: 3.96 years*

**Quality Distribution  
of Fixed  
Income Investments**

	<u>% of Market Value</u>
<u>Rating</u>	
Aaa	76.2%
Aa	7.7%
A	8.6%
Baa	0.0%
Cash	<u>7.5%</u>
	<u>100.0%</u>

**RAM Holdings Ltd.**  
**Loss and Loss Adjustment Expense (LAE) Reserves**  
(dollars in thousands)

	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.
<b>2007</b>				
Case Reserves	\$ 2,566	\$ -	\$ -	\$ -
Unallocated Reserves	<u>11,355</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Reserves	<u>\$ 13,921</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>2006</b>				
Case Reserves	\$ 7,574	\$ 2,969	\$ 3,131	\$ 3,010
Unallocated Reserves	<u>11,409</u>	<u>11,419</u>	<u>11,392</u>	<u>11,496</u>
Total Reserves	<u>\$ 18,983</u>	<u>\$ 14,388</u>	<u>\$ 14,523</u>	<u>\$ 14,506</u>

**RAM Holdings Ltd.**  
**Insurance Expense Analysis**  
(dollars in thousands)

2007	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year-to-Date
<b>Acquisition and Operating Expenses:</b>					
Operating expenses	3,251	-	-	-	\$ 3,251
Gross acquisition expenses	<u>6,615</u>	-	-	-	<u>\$ 6,615</u>
Gross acquisition and operating expenses	\$ 9,866	\$ -	\$ -	\$ -	\$ 9,866
<b>Deferred Expenses:</b>					
Acquisition expenses	(6,495)	-	-	-	(6,495)
Operating expenses	<u>(608)</u>	-	-	-	<u>\$ (608)</u>
<b>Total deferred expenses</b>	(7,103)	-	-	-	(7,103)
Change in deferred acquisition expenses	<u>4,814</u>	-	-	-	<u>\$ 4,814</u>
<b>Total acquisition and operating expense, net of deferred expenses</b>	<u>\$ 7,577</u>	\$ -	\$ -	\$ -	<u>\$ 7,577</u>

2006	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Year-to-Date
<b>Acquisition and Operating Expenses:</b>					
Operating expenses	4,208	4,447	3,450	3,325	\$ 15,429
Gross acquisition expenses	<u>4,247</u>	<u>5,379</u>	<u>7,092</u>	<u>6,094</u>	<u>\$ 22,812</u>
Gross acquisition and operating expenses	\$ 8,455	\$ 9,826	\$ 10,542	\$ 9,419	\$ 38,241
<b>Deferred Expenses:</b>					
Acquisition expenses	(4,135)	(5,251)	(6,919)	(5,975)	(22,280)
Operating expenses	<u>(669)</u>	<u>(557)</u>	<u>(530)</u>	<u>(708)</u>	<u>\$ (2,464)</u>
<b>Total deferred expenses</b>	(4,804)	(5,808)	(7,449)	(6,683)	(24,744)
Change in deferred acquisition expenses	<u>3,833</u>	<u>4,098</u>	<u>5,208</u>	<u>3,984</u>	<u>\$ 17,124</u>
<b>Total acquisition and operating expense, net of deferred expenses</b>	<u>\$ 7,484</u>	<u>\$ 8,116</u>	<u>\$ 8,301</u>	<u>\$ 6,720</u>	<u>\$ 30,621</u>

**Deferred Expenses to Deferred Premiums Ratio**  
(dollars in thousands)

	2005	2006	1st Qtr. 2007	2nd Qtr. 2007	3rd Qtr. 2007	4th Qtr. 2007
Deferred Acquisition Costs	\$ 66,220	\$ 73,838	\$ 76,203	\$ -	\$ -	\$ -
Unearned Premiums	165,580	194,322	202,498	-	-	-
Present Value of Future Installment Premiums	<u>84,839</u>	<u>109,303</u>	<u>112,673</u>	-	-	-
Adjusted Deferred Premiums	<u>\$ 250,419</u>	<u>\$ 303,625</u>	<u>\$ 315,171</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Ratio	26.4%	24.3%	24.2%			

**RAM Holdings Ltd.**  
**Insured Portfolio Profile by Bond Type**  
**Net Par Outstanding\***  
*(dollars in millions)*

	Insured YTD, March 31, 2007		Outstanding as of March 31, 2007	
	Net Amount	%	Net Amount	%
<b>US Public Finance</b>				
General Obligation and Lease	\$ 430	18.4%	\$ 5,979	18.4%
Tax backed	24	1.0%	2,282	7.0%
Transportation	265	11.4%	2,656	8.2%
Healthcare	24	1.0%	2,208	6.8%
Utility	65	2.8%	2,910	9.0%
Investor Owned Utilities	20	0.9%	575	1.8%
Higher Education	19	0.8%	396	1.2%
Housing	30	1.3%	386	1.2%
Other	7	0.3%	156	0.5%
<b>Total Public Finance</b>	<b>\$ 884</b>	<b>37.9%</b>	<b>\$ 17,547</b>	<b>54.1%</b>
<b>US Structured Finance</b>				
Commercial ABS	\$ 314	13.4%	\$ 4,874	15.0%
Home Equity	263	11.3%	1,460	4.5%
Autos	80	3.4%	548	1.7%
Mortgage Backed Securities	29	1.2%	256	0.8%
Banks and Other Corporate	50	2.1%	122	0.4%
Other Consumer ABS	10	0.4%	360	1.1%
<b>Total Structured Finance</b>	<b>\$ 745</b>	<b>31.9%</b>	<b>\$ 7,620</b>	<b>23.5%</b>
<b>International</b>				
Asset Backed	\$ 300	12.8%	\$ 3,655	11.3%
Public Finance	200	8.6%	2,422	7.5%
Investor Owned Utilities and Other	205	8.8%	1,211	3.7%
<b>Total International</b>	<b>\$ 705</b>	<b>30.2%</b>	<b>\$ 7,288</b>	<b>22.5%</b>
<b>Total</b>	<b>\$ 2,334</b>	<b>100.0%</b>	<b>\$ 32,455</b>	<b>100.0%</b>

\* All net par outstanding reported herein is based on a one-quarter lag.

**RAM Holdings Ltd.**  
**Insured Portfolio Profile by Geographic Distribution**  
**Net Par Outstanding**  
*(dollars in millions)*

	Insured YTD, March 31, 2007		Outstanding as of March 31, 2007	
	Net Amount	%	Net Amount	%
<b>Geographic Distribution</b>				
<b>United States</b>				
California	\$ 276	11.8%	\$ 2,492	7.7%
New York	199	8.5%	2,020	6.2%
Florida	(21)	-0.9%	1,281	3.9%
Texas	(1)	0.0%	1,057	3.3%
Illinois	9	0.4%	1,038	3.2%
Washington	27	1.1%	706	2.2%
Pennsylvania	78	3.4%	679	2.1%
Massachusetts	57	2.4%	666	2.1%
Michigan	(4)	-0.2%	631	1.9%
Puerto Rico	32	1.4%	597	1.8%
Other States	334	14.3%	6,446	19.9%
Multi-State	644	27.6%	7,553	23.3%
<b>US Sub-total</b>	<b>\$ 1,630</b>	<b>69.8%</b>	<b>\$ 25,167</b>	<b>77.5%</b>
<b>International</b>				
United Kingdom	\$ 265	11.4%	\$ 2,377	7.3%
Australia	124	5.3%	755	2.3%
Germany	-	0.0%	427	1.3%
Italy	10	0.4%	408	1.3%
Canada	-	0.0%	178	0.5%
Turkey	43	1.8%	133	0.4%
Japan	31	1.3%	131	0.4%
France	-	0.0%	121	0.4%
Chile	-	0.0%	113	0.3%
Mexico	8	0.3%	102	0.3%
Other Countries	102	4.4%	481	1.5%
Multinational	120	5.1%	2,061	6.4%
<b>Int. Sub-total</b>	<b>\$ 705</b>	<b>30.2%</b>	<b>\$ 7,288</b>	<b>22.5%</b>
<b>Total Par</b>	<b>\$ 2,334</b>	<b>100.0%</b>	<b>\$ 32,455</b>	<b>100.0%</b>

**RAM Holdings Ltd.**  
**Largest Exposures**  
**Net Par Outstanding**  
**as of March 31, 2007**  
*(dollars in millions)*

<b>Top 10 Largest Public Finance Exposures:</b>	Country	NPO	RAM Re Rating <sup>1</sup>
1 New York City, NY	US	\$ 220	A+
2 California (State of) - GO/Appropriation	US	215	A+
3 New Jersey (State of) GO / Appropriation	US	214	AA-
4 MASSACHUSETTS (State of) - GO Appropriation	US	211	AA-
5 WASHINGTON (State of) - GO/Appropriation	US	204	AA
6 NEW YORK ST THRUWAY AUTH, NY - Gasoline Tax Statewide	US	200	AA-
7 Region of Lazio, Italy	IT	184	BBB+
8 San Francisco Airport, CA	US	183	A
9 Chicago, IL	US	174	A
10 Detroit (City of), MI GO	US	<u>171</u>	BBB-
<b>Total</b>		<b>\$ 1,977</b>	

<b>Top 10 Largest Structured Finance Exposures:</b>	Country	NPO	RAM Re Rating <sup>1</sup>
1 Super Senior Synthetic Static CDO of IG CMBS	US	\$ 125	AAA
2 Super Senior Synthetic Managed CDO of Corporates and ABS	MULTI	125	AAA
3 Super Senior Synthetic CDO of IG Corporates	MULTI	120	AAA
4 ARG Funding Corp 2005-1 (Vanguard Car Rental)	US	119	BBB
5 Hertz Vehicle Financing LLC	US	118	BBB
6 Pooled Actuarial Insurance Policy Securitization - Reg XXX	US	113	BBB
7 Super Senior Synthetic CDO of IG Corporates	MULTI	110	AAA
8 Pooled Actuarial Insurance Policy Securitization - Reg XXX	US	108	AA
9 Senior Synthetic CLO	US	106	AA
10 Super Senior Synthetic Managed IG Balance Sheet CLO	MULTI	<u>105</u>	AAA
<b>Total</b>		<b>\$ 1,148</b>	

1. Rating assigned by RAM Re, which takes into consideration ratings assigned by the primaries and the rating agencies.

**RAM Holdings Ltd.**  
**Insured Portfolio Profile by Credit Quality Distribution**  
**Net Par Outstanding**  
*(dollars in millions)*

	<b>Insured YTD, March 31, 2007</b>		<b>Outstanding as of March 31, 2007</b>	
	<b>Net Amount</b>	<b>%</b>	<b>Net Amount</b>	<b>%</b>
<b>Public Finance<sup>1</sup></b>				
AAA	\$ 64	4.9%	\$ 297	1.4%
AA	467	36.2%	7,442	35.1%
A	479	37.1%	9,157	43.2%
BBB	280	21.7%	4,166	19.7%
Below Investment Grade	-	0.0%	120	0.6%
<b>Total</b>	<b>\$ 1,289</b>	<b>100.0%</b>	<b>\$ 21,181</b>	<b>100.0%</b>

	<b>Insured YTD, March 31, 2007</b>		<b>Outstanding as of March 31, 2007</b>	
	<b>Net Amount</b>	<b>%</b>	<b>Net Amount</b>	<b>%</b>
<b>Structured Finance<sup>1</sup></b>				
AAA	\$ 574	54.9%	\$ 5,974	53.0%
AA	53	5.1%	873	7.7%
A	51	4.9%	1,465	13.0%
BBB	367	35.2%	2,863	25.4%
Below Investment Grade	0	0.0%	100	0.9%
<b>Total</b>	<b>\$ 1,045</b>	<b>100.0%</b>	<b>\$ 11,275</b>	<b>100.0%</b>

	<b>Insured YTD, March 31, 2007</b>		<b>Outstanding as of March 31, 2007</b>	
	<b>Net Amount</b>	<b>%</b>	<b>Net Amount</b>	<b>%</b>
<b>Total<sup>1</sup></b>				
AAA	\$ 637	27.3%	\$ 6,270	19.3%
AA	520	22.3%	8,315	25.6%
A	530	22.7%	10,621	32.7%
BBB	647	27.7%	7,029	21.7%
Below Investment Grade	0	0.0%	220	0.7%
<b>Total</b>	<b>\$ 2,334</b>	<b>100.0%</b>	<b>\$ 32,455</b>	<b>100.0%</b>

1. Rating assigned by RAM Re, which takes into consideration ratings assigned by the primaries and the rating agencies.

**RAM Holdings Ltd.**  
**Non-Investment Grade Exposures**  
**Net Par Outstanding**  
**as of March 31, 2007**  
*(dollars in millions)*

<b>Non-Investment Grade Exposures by:</b>	<u>Net Par Outstanding</u>	<u>Average RAM Re Rating <sup>1*</sup></u>
<b><u>Asset Type</u></b>		
<b>Public Finance</b>		
General Obligation and Lease	\$ 5	BB
Tax backed	5	BB
Transportation	32	CCC
Healthcare	2	B+
Utility	0	BB
Investor Owned Utilities	-	NA
Higher Education	3	BB+
Housing	1	B
Other	1	BB-
<b>Total Public Finance</b>	<b>\$ 48</b>	<b>NA</b>
<b>Structured Finance</b>		
Commercial ABS	\$ 60	BB
Home Equity	26	CCC-
Autos	1	BB
Mortgage Backed Securities	11	BB
Banks and Other Corporate	-	NA
Other Consumer ABS	1	D
<b>Total Structured Finance</b>	<b>\$ 99</b>	<b>NA</b>
<b>International</b>		
Public Finance	\$ 71	CCC
Asset Backed	1	B-
<b>Total International</b>	<b>\$ 73</b>	<b>NA</b>
<b>Total</b>	<b>\$ 220</b>	<b>NA</b>

**Top Ten Non-Investment Grade Exposures as of March 31, 2007<sup>1</sup>:**

<b><u>Name or Description</u></b>	<b><u>Net Par Outstanding</u></b>
1 Fixed-Link Finance B.V. (Eurotunnel)	\$ 36
2 Fixed-Link Finance 2 B.V. (Eurotunnel)	35
3 Delta Airlines Inc (2002-1)	19
4 San Joaquin Hills Transportation Corridor Agency, CA	17
5 Massport Delta Logan Terminal A	15
6 America West Airlines 1999-1	13
7 Northwest Airlines Inc. Pass-Through Trust 2000-1	9
8 IMC Home Equity 1998-3	7
9 CONSECO Finance Mfg'd Housing	7
10 America West Airlines 2000-1	7
<b>Total Top Ten Non-Investment Grade Exposures</b>	<b>\$ 164</b>

\* Average RAM Re rating is the weighted average RAM Re rating within each asset type.

1. Rating assigned by RAM Re, which takes into consideration ratings assigned by the primaries and the rating agencies.

**RAM Holdings Ltd.**  
**Quarterly Operating Supplement**

Introductory Notes

This operating supplement presents financial information for RAM Holdings Ltd. and its consolidated subsidiary, RAM Reinsurance Company Ltd. (together the "Company") on a U.S. GAAP basis unless otherwise indicated and includes selected information for RAM Reinsurance Company Ltd. as estimated by management to approximate a U.S. statutory accounting basis. RAM Reinsurance Company Ltd. files Bermuda statutory financial statements and does not file or prepare U.S. statutory financial statements.

This supplement should be read in conjunction with documents filed by RAM Holdings Ltd. with the Securities and Exchange Commission, including our 10Q's and 10K's, and financial information posted on our website at [www.ramre.com](http://www.ramre.com). The financial statements included herein do not include all of the information and disclosures required by generally accepted accounting principles.

This supplement should also be read in conjunction with various footnotes and explanatory notes contained herein, including notes regarding non-GAAP measures. Certain measures reported in this Supplement are not in conformity with U.S. GAAP and should not be considered as a substitute for GAAP measures. They are provided with the intent of enhancing information available to analysts and investors. In particular:

1. Adjusted book value (ABV) and ABV per share is reported because it is used by management, analysts, rating agencies and investors as a measure of the estimated net present value of the Company's in-force premium and capital base or the intrinsic value of the Company assuming no new business production. We derive adjusted book value by beginning with shareholders' equity (book value) and then adding or subtracting the value of:
  - a. Net unearned premium reserve;
  - b. Deferred acquisition costs; and
  - c. The present value of estimated future installment premiums net of ceding commissions (discounted at 4.68% at March 31, 2007 and 4.56% at December 31, 2006).

The definition of ABV used by RAM Re may differ from definitions of ABV used by other financial guaranty companies. The adjustments described above will be realized in future periods and may differ materially from amounts used in determining estimated ABV.

2. Adjusted premiums written (APW) are reported because it is used by management, analysts, rating agencies and investors as a measure of new business production. APW is defined as the gross up-front premiums plus the present value of estimated installment premiums from business written during the current period (discounted at 4.68%). APW as defined by RAM Re may differ from definitions used by other financial guaranty companies.
3. Operating income is reported because it is used by management, analysts, rating agencies and investors as a measure to highlight insurance results. We define operating income as net income excluding (a) realized gains (losses) on investments and (b) unrealized gains (losses) on derivatives. Operating income provides a view of insurance results because realized gains (losses) on investments and unrealized gains (losses) on derivatives are substantially influenced by and fluctuate with factors that generally cannot be controlled or reasonably predicted by management, including interest rates and spreads. Operating return on equity is a useful measure of financial performance

because it excludes the impact of unrealized gains or losses on investments from earnings as well as from shareholders' equity.

Due to the timing of receipt of reports prepared by our ceding companies, par written, par outstanding and associated exposure data, and present value of future installment premiums and estimated future installment premiums are reported on a one quarter lag.

#### Safe Harbor Statement

Any forward-looking statements made in this supplement reflect the Company's current views and assumptions with respect to future events and financial performance and are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such statements involve risks and uncertainties that may cause actual results to differ materially from those set forth in these statements. For example, the Company's forward-looking statements regarding future installment premiums and present value of future installment premiums could be affected by a significant reduction in the amount of reinsurance ceded by ceding companies, rating agency action such as a ratings downgrade, general economic conditions, losses in excess of amounts anticipated in the Company's loss reserving, changes in accounting policies or practices, developments in the financial guaranty industry, as well as management's responses to these factors, and other risk factors identified in the Company's filings with the Securities and Exchange Commission. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the dates on which they are made or on which estimates were prepared. The Company undertakes no obligation to publicly update or revise any forward looking statements, whether as a result of new information, future events, or otherwise.