Financial Results

Fourth Quarter 2015

Safe Harbor Statements

All statements in this report that address events, developments or results that we expect or anticipate may occur in the future are “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, Section 21E of the Exchange Act and the U.S. Private Securities Litigation Reform Act of 1995. In most cases, forward-looking statements may be identified by words such as “anticipate,” “may,” “will,” “could,” “should,” “would,” “expect,” “intend,” “plan,” “goal,” “contemplate,” “believe,” “estimate,” “predict,” “project,” “potential,” “continue,” “seek,” “strategy,” “future,” “likely” or the negative or other variations on these words and other similar expressions. These statements, which may include, without limitation, projections regarding our future performance and financial condition, are made on the basis of management’s current views and assumptions with respect to future events. Any forward-looking statement is not a guarantee of future performance and actual results could differ materially from those contained in the forward-looking statement. These statements speak only as of the date they were made, and we undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. We operate in a changing environment. New risks emerge from time to time and it is not possible for us to predict all risks that may affect us. The forward-looking statements, as well as our prospects as a whole, are subject to risks and uncertainties that could cause actual results to differ materially from those set forth in the forward-looking statements including:

- changes in general economic and political conditions, including in particular but without limitation, unemployment rates and changes in housing markets and mortgage credit markets;
- changes in the way customers, investors, regulators or legislators perceive the strength of private mortgage insurers;
- Radian Guaranty Inc.’s ability to remain eligible under the Private Mortgage Insurer Eligibility Requirements (“PMIERs”) and other applicable requirements imposed by the Federal Housing Finance Agency (“FHFA”) and by Fannie Mae and Freddie Mac (collectively, the “GSEs”) to insure loans purchased by the GSEs;
- our ability to maintain sufficient holding company liquidity to meet our short- and long-term liquidity needs and to successfully execute and implement actions and activities related to our capital plans, including our ability to enter into and receive GSE approval for a reinsurance transaction to reduce exposure to our single premium policies, which we may not be able to do on favorable terms, if at all;
- our ability to successfully execute and implement our business plans and strategies, including in particular but without limitation, plans and strategies that require GSE approval;
- our ability to maintain an adequate level of capital in our insurance subsidiaries to satisfy existing and future state regulatory requirements;
- changes in the charters or business practices of, or rules or regulations imposed by or applicable to the GSEs;
- any disruption in the servicing of mortgages covered by our insurance policies, as well as poor servicer performance;
- a decrease in the persistency rates of our mortgage insurance policies;
- heightened competition in our mortgage insurance business, including in particular but without limitation, increased price competition;
- changes to the current system of housing finance;
- the effect of the Dodd-Frank Wall Street Reform and Consumer Protection Act on the financial services industry in general, and on our businesses in particular;
- the adoption of new laws and regulations, or changes in existing laws and regulations, or the way they are interpreted;
- the amount and timing of potential payments or adjustments associated with federal or other tax examinations, including deficiencies assessed by the Internal Revenue Service (“IRS”) resulting from the examination of our 2000 through 2007 tax years, which we are currently contesting;
- the possibility that we may fail to estimate accurately the likelihood, magnitude and timing of losses in connection with establishing loss reserves for our mortgage insurance business;

Safe Harbor Statements (Continued)

- volatility in our results of operations caused by changes in the fair value of our assets and liabilities, including a significant portion of our investment portfolio;
- changes in “GAAP” (accounting principles generally accepted in the U.S.) or “SAP” (statutory accounting practices including those required or permitted, if applicable, by the insurance departments of the respective states of domicile of our insurance subsidiaries) rules and guidance, or their interpretation;
- legal and other limitations on amounts we may receive from our subsidiaries; and
- the possibility that we may need to impair the estimated fair value of goodwill established in connection with our acquisition of Clayton Holdings LLC.

For more information regarding these risks and uncertainties as well as certain additional risks that we face, you should refer to the Risk Factors detailed in Item 1A of Part I of our Annual Report on Form 10-K for the year ended December 31, 2014, and subsequent reports and registration statements filed from time to time with the U.S. Securities and Exchange Commission. We caution you not to place undue reliance on these forward-looking statements, which are current only as of the date on which we issued this report. We do not intend to, and we disclaim any duty or obligation to, update or revise any forward-looking statements to reflect new information or future events or for any other reason.

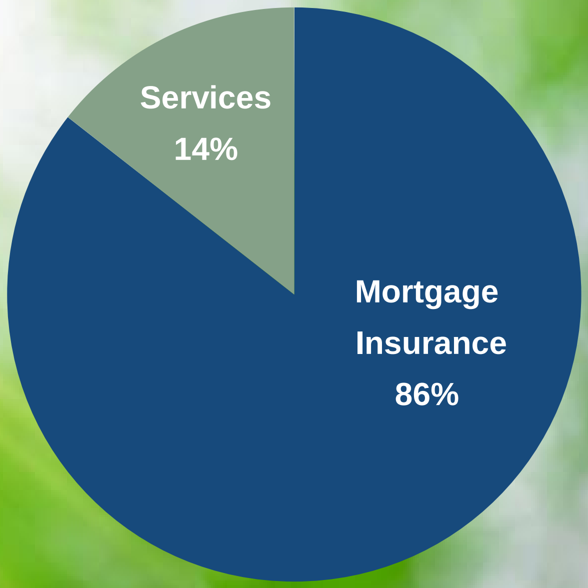
Who Is Radian?

Radian Group Inc., headquartered in Philadelphia, provides private mortgage insurance, risk management products and real estate services to financial institutions through two business segments:

- **Mortgage Insurance**, through its principal mortgage insurance subsidiary Radian Guaranty Inc., protecting lenders from default-related losses, facilitating the sale of low-downpayment mortgages in the secondary market and enabling homebuyers to purchase homes more quickly with downpayments less than 20%.

- **Mortgage and Real Estate Services**, through its principal services subsidiary Clayton, as well as Green River Capital, Red Bell Real Estate and ValuAmerica. Solutions include information and services that financial institutions, investors and government entities use to evaluate, acquire, securitize, service and monitor loans and asset-backed securities.

Revenue By Business Segment (4Q 2015)



Total Segment Revenue(1): $265 million

(1) Includes net premiums earned and services revenue, and excludes net investment income, net gain on investments and other financial instruments and other income.

NYSE: RDN
www.radian.biz

Ensuring the American Dream®

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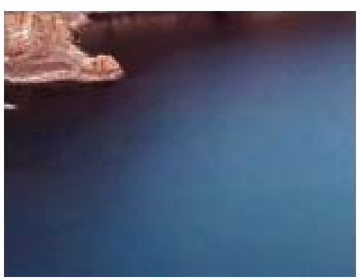
Q4 Highlights

Net income from continuing operations of $75 million or $0.32 diluted net income per share from continuing operations

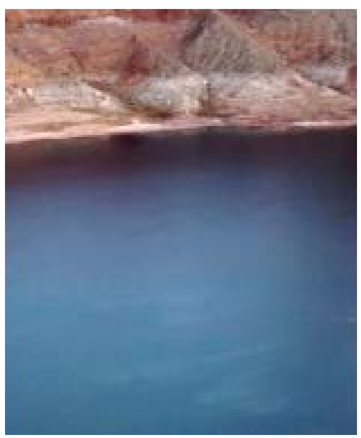
Includes $13.4 million of net losses on investments and other financial instruments

Book value per share of $12.07



Adjusted pretax operating income of $124 million(1)

$0.34 adjusted diluted net operating income per share



Approximately $340 million of currently available holding company liquidity

Radian Guaranty expects to remain PMIERs compliant without requiring any additional holding company capital contributions

Strong share of high-quality new mortgage insurance business

NIW of approximately $9.1 billion in Q4 2015 and $41.4 billion for the full-year 2015. Added 29 new MI customers in the quarter.

100% Prime; 60% with FICO of 740 or above

Services segment total revenue of $38 million

Gross profit of $15.3 million

EBITDA of $4.2 million(1)

(1) Adjusted results, including EBITDA, as used in this presentation, are non-GAAP financial measures. For a reconciliation of the adjusted results to the comparable GAAP measures, see Radian's website. For a definition of adjusted pretax operating income (loss), see Exhibit F to Radian's fourth quarter 2015 earnings press release dated January 28, 2016.

Q4 Highlights

Improved composition of MI portfolio

New business written after 2008 represents 84% of primary risk in force

New business written after 2008, excluding HARP volume, represents 75% of primary risk in force

Mortgage insurance in force of $176 billion

Compared to $171.8 billion as of December 31, 2014, and $161.2 billion as of December 31, 2013

Persistency, the percentage of mortgage insurance in force that remains on books after a 12-month period, was 78.8%. Annualized persistency for Q4 2015 was 81.8%

Continued decline in number of mortgage insurance defaults

Total number of primary delinquent loans decreased by 22% from Q4 2014

Primary mortgage insurance delinquency rate decreased to 4.0% from 5.2% in Q4 2014

Mortgage insurance loss provision of $57 million

Loss reserves of approximately $1 billion – down from $1.6 billion in Q4 2014

Primary reserves (excluding IBNR and other reserves) were $24,019 per primary default vs. $27,683 in Q4 2014

Loss ratio of 25.1% was down compared to 36.9% in Q4 2014

Total mortgage insurance net claims paid of $176 million, including claims paid related to the BofA Settlement Agreement

Expect net claims paid for full-year 2016 of approximately $400 to $450 million

Q3 2015 to Q4 2015 GAAP Earnings Per Share

(1) Includes a benefit of $5.2 million in non-recurring compensation expense from Q3 2015, and a $4.1 million reduction in expense for Q4 2015.

(2) Includes the net impact of the company's update to its default to claim rate for new notices of default from 14% to 13%, partially offset by other provision related items.

(3) Includes additional tax benefit of $10.1 million realized in Q4 2015 related to previously recorded expense on loss on induced conversion and debt extinguishment of $91.9 million.

Q3 2015 to Q4 2015 GAAP Book Value Per Share(1)

(1) Book value per share is calculated based on 206.9 million shares outstanding at December 31, 2015.

(2) Includes additional tax benefit of $10.1 million realized in Q4 related to previously recorded expense on loss on induced conversion and debt extinguishment of $91.9 million.

(3) See Exhibit G to Radian's fourth quarter 2015 earnings press release for detail of items not included in Adjusted Net Operating Income.

(4) Primarily represents the impact of the difference between the statutory and effective tax rates.

Financial Highlights

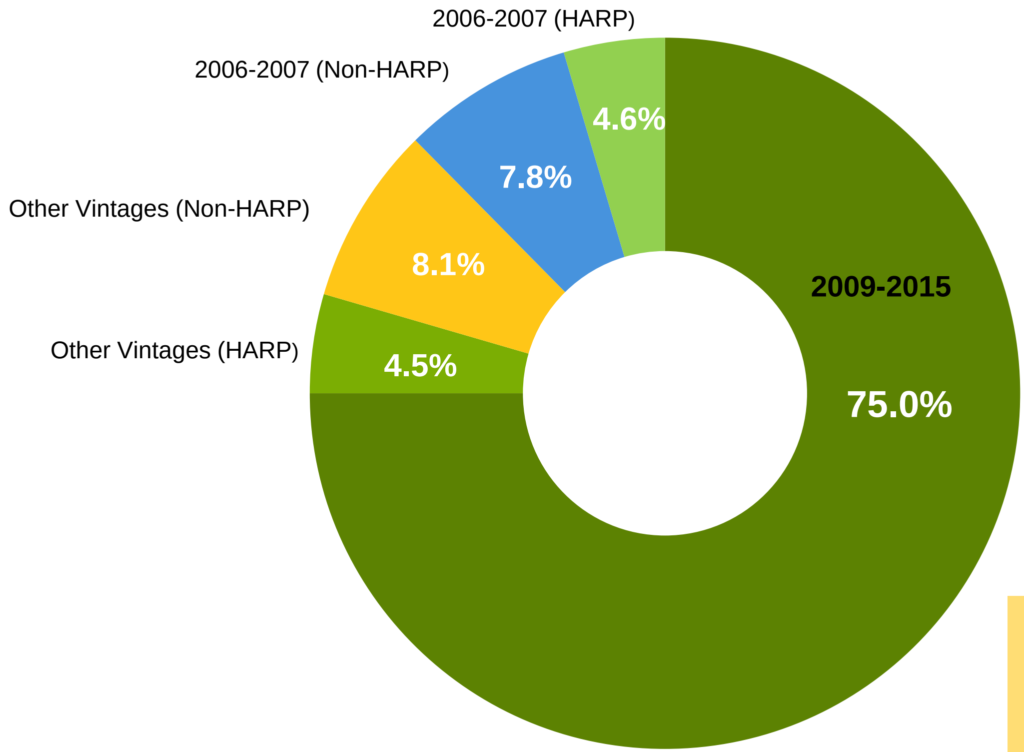
Radian Group Inc. Consolidated
($ in millions, except per share amounts)

	December 31, 2015	December 31, 2014	December 31, 2013
Total assets	$ 5,651.8	$ 6,842.3	$ 5,606.0
Loss reserves	$ 976.4	$ 1,560.0	$ 2,164.4
Unearned premiums	$ 680.3	$ 644.5	$ 567.1
Long-term debt	$ 1,219.5	$ 1,192.3	$ 914.3
Stockholders' equity	$ 2,496.9	$ 2,097.1	$ 939.6
Book value per share	$ 12.07	$ 10.98	$ 5.43
Available holding company liquidity	$ 342.9	$ 669.5	$ 615.3
Statutory capital (Radian Guaranty)	$ 2,546.6	$ 1,714.6	$ 1,340.8

MORTGAGE INSURANCE

Improved Composition of MI Portfolio[1]

NIW since 2009 and HARP volume combined **now represents 84%** of Radian's mortgage insurance primary risk in force as of Q4 2015

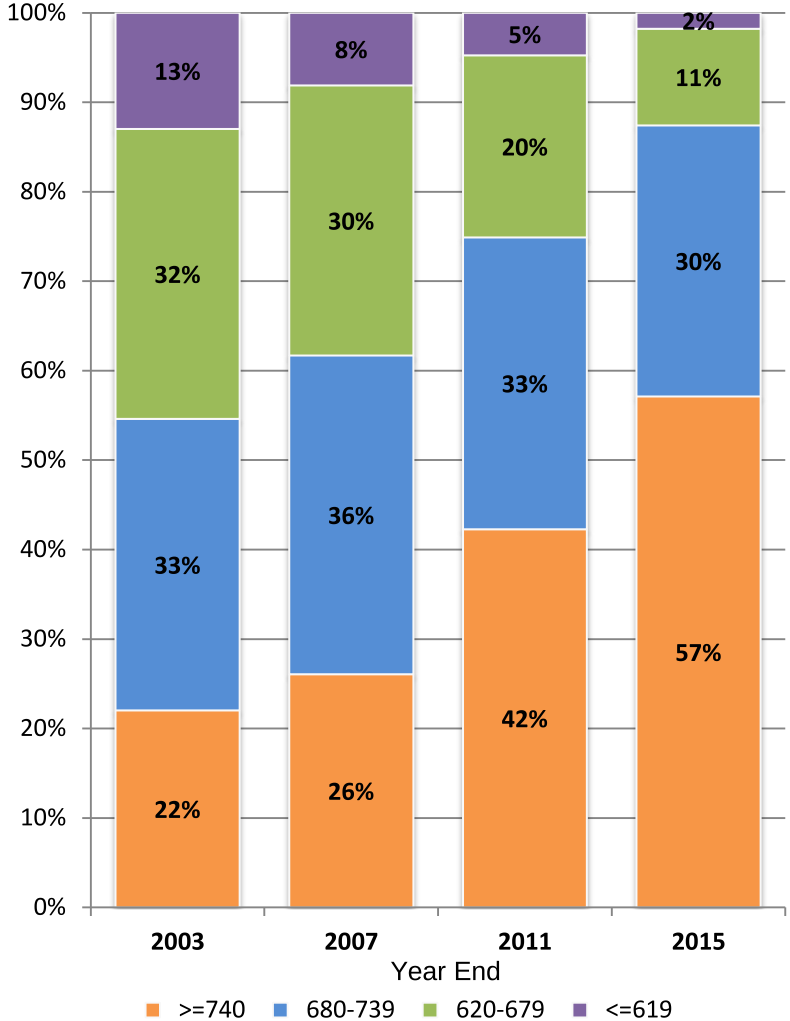


Approximately 65% of Radian's performing mortgage insurance risk in force from the 2005 - 2008 vintage years has never been in default.

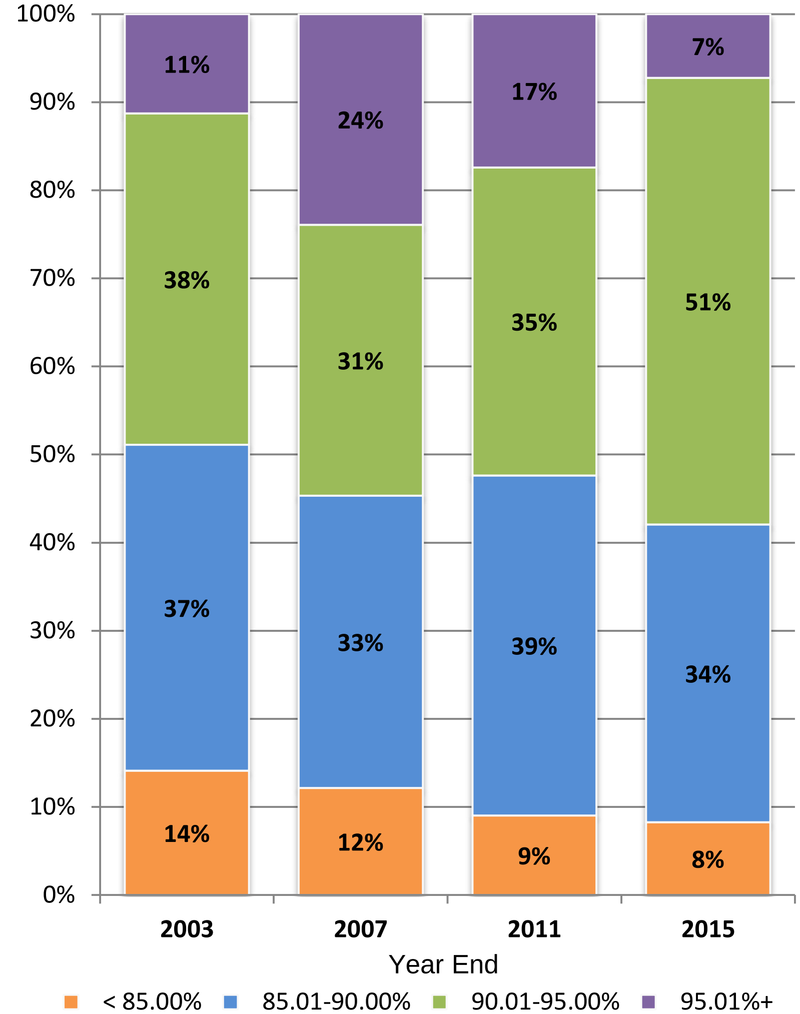
(1) Includes amounts subject to the Freddie Mac Agreement.

Improved Composition of MI Portfolio: Risk in Force by FICO and LTV

Primary RIF Distribution by FICO score



Primary RIF Distribution by LTV



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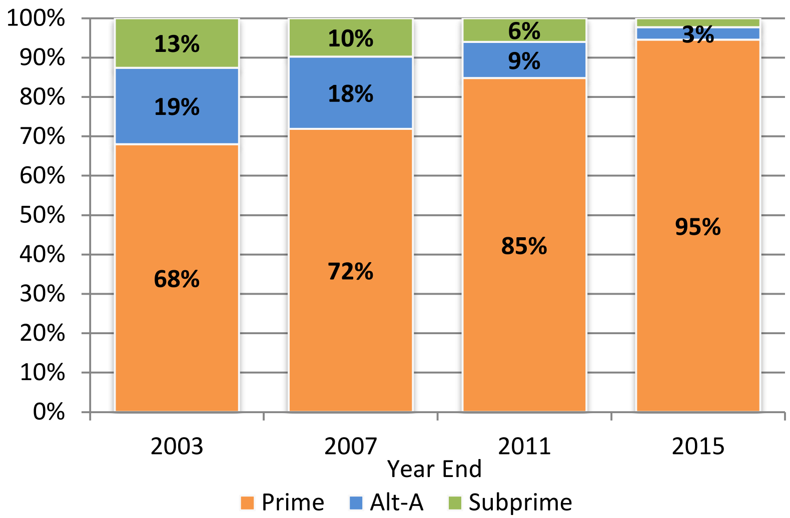
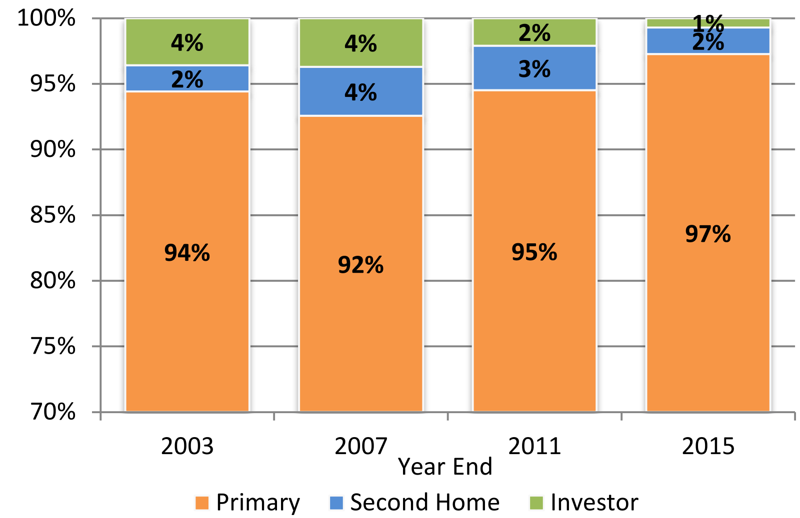
Improved Composition of MI Portfolio: Other Risk in Force Characteristics

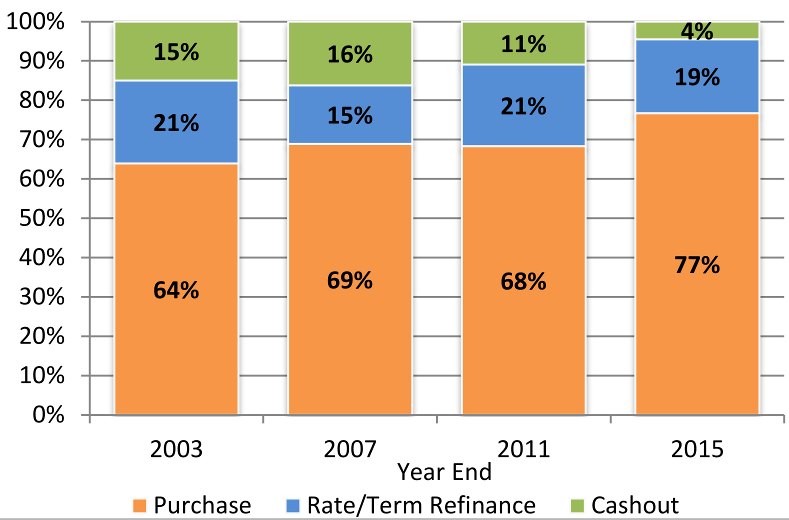
Primary RIF Distribution by Loan Grade



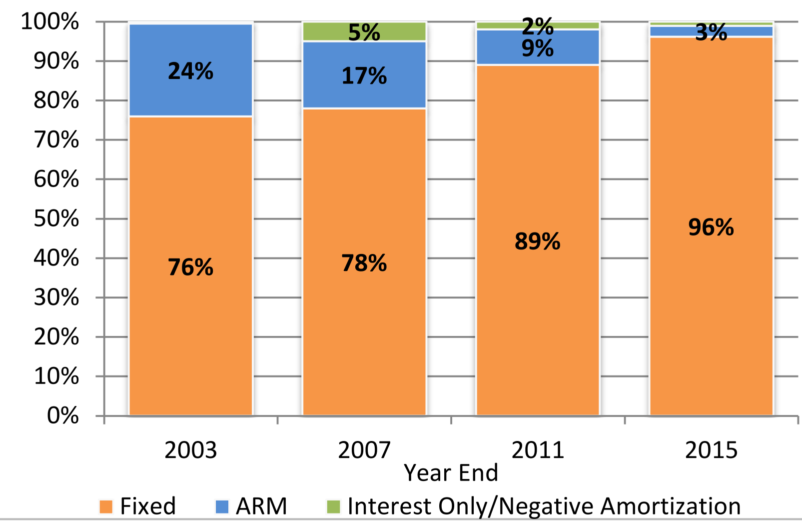
Primary RIF Distribution by Occupancy Status



Primary RIF Distribution by Loan Purpose



Primary RIF Distribution by Loan Type

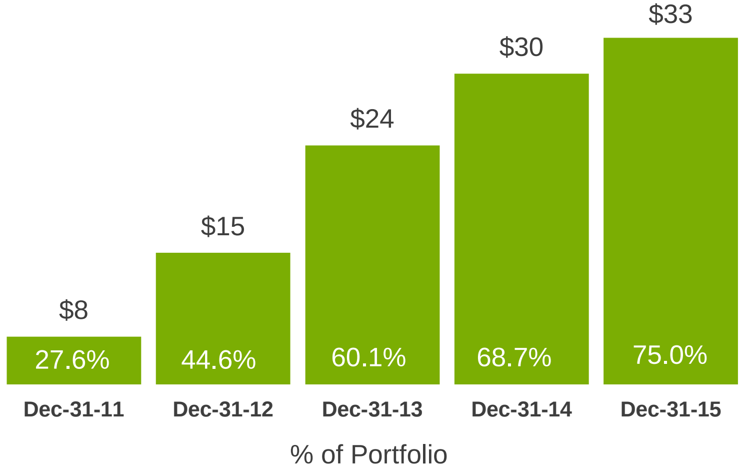


Profitability of Newer Vintages Improving Performance of MI Portfolio

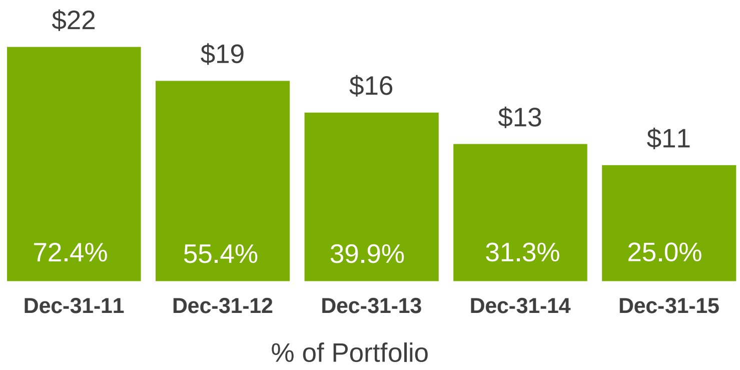
Gross Primary Risk in Force
($ in billions)

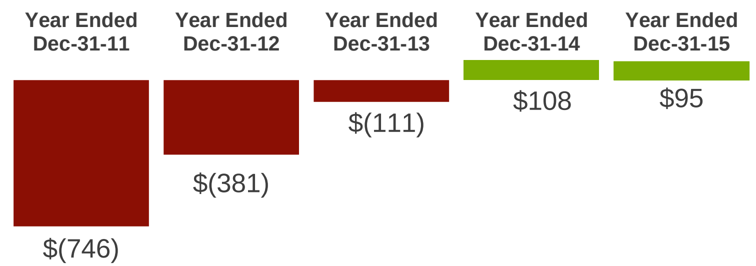
Earned Premiums Less Incurred Losses
($ in millions)[1]

2009 and Later Vintages



2008 and Prior Vintages





(1) Represents premiums earned and incurred losses on first-lien portfolio including the impact of ceded premiums and losses related to the 2012 Quota Share Reinsurance transactions, but excluding any reduction for ceded premiums and losses recoverable through our other reinsurance transactions.

First-Lien Mortgage Insurance: 2015 Performance by Vintage

($ in millions)

	Year Ended December 31, 2015			Three Months Ended December 31, 2015
Vintage	**Premiums Earned[(1)]**	**Incurred Losses[(1)]**	**Net**	**Net**
2005 and Prior	$ 75.0	$ 17.6	$ 57.4	$ 3.8
2006	52.7	44.5	8.2	0.4
2007	94.4	92.6	1.8	2.0
2008	54.3	26.6	27.7	6.8
2009	22.7	1.7	21.0	4.4
2010	19.7	0.7	19.0	3.3
2011	35.6	0.5	35.1	6.4
2012	114.0	0.3	113.7	23.3
2013	199.0	4.9	194.1	43.0
2014	177.9	8.3	169.6	40.3
2015	79.6	1.7	77.9	37.9

(1) Represents premiums earned and incurred losses on first-lien portfolio including the impact of ceded premiums and losses related to the 2012 Quota Share Reinsurance transactions, but excluding any reduction for ceded premiums and losses recoverable through our other reinsurance transactions.

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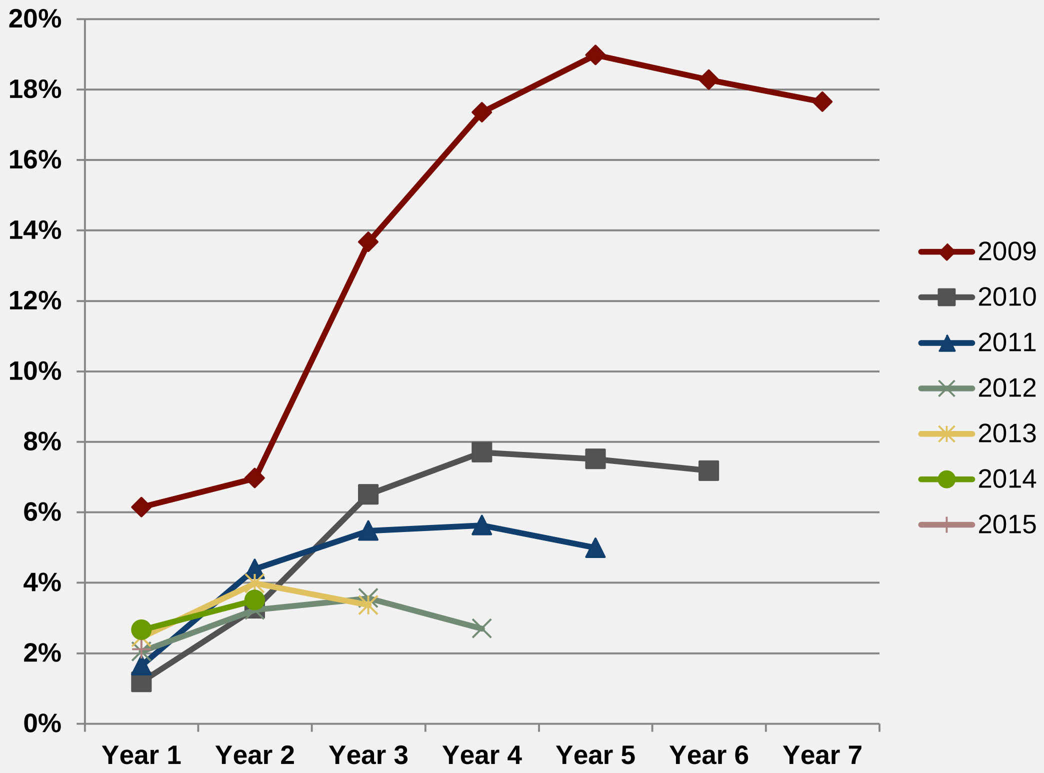
Primary Mortgage Insurance: Cumulative Incurred Loss Ratio by Development Year(1)

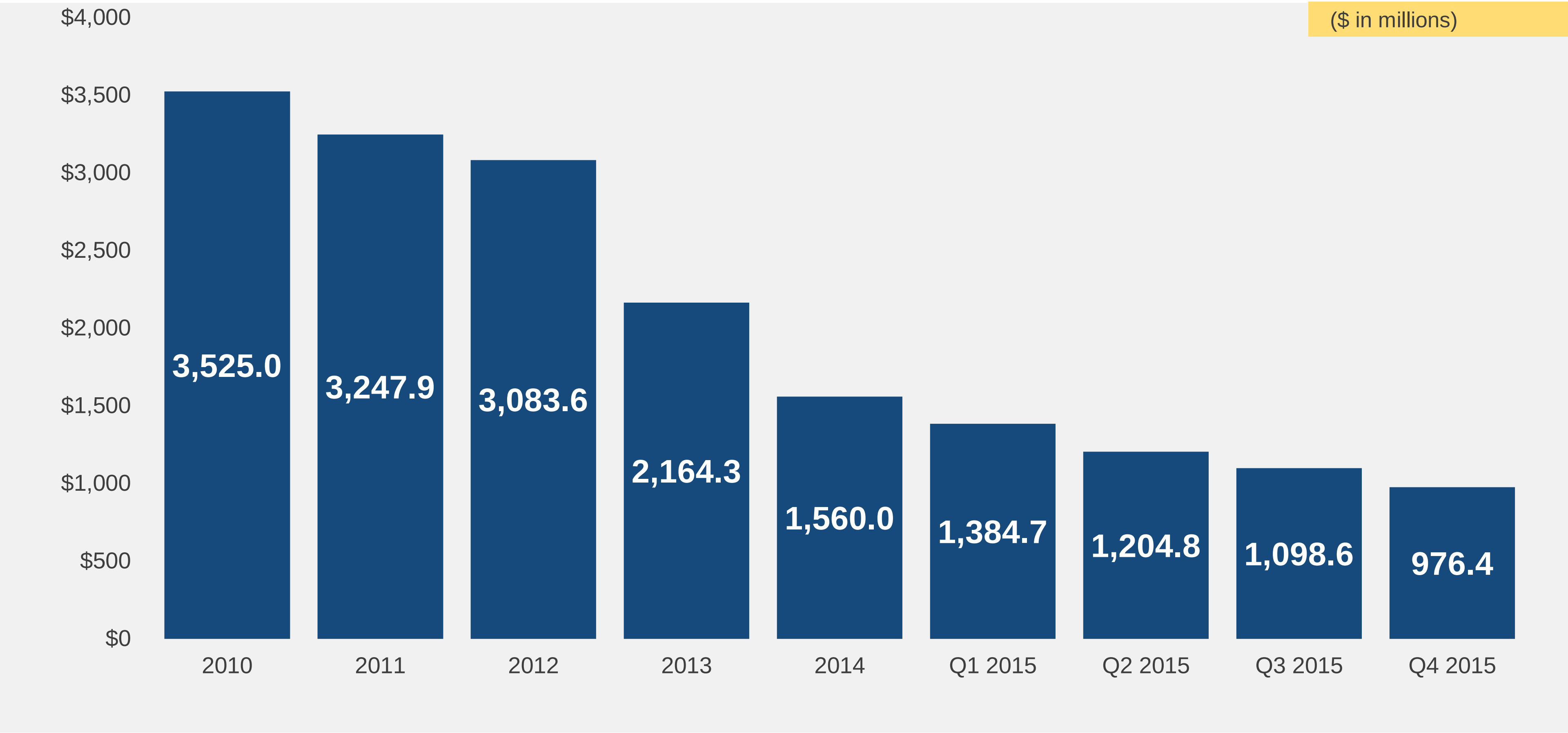


Incurred Loss Ratio

Vintage	Dec-09	Dec-10	Dec-11	Dec-12	Dec-13	Dec-14	Dec-15
2009	6.1%	7.0%	13.7%	17.4%	19.0%	18.3%	17.6%
2010		1.2%	3.3%	6.5%	7.7%	7.5%	7.2%
2011			1.7%	4.4%	5.5%	5.6%	5.0%
2012				2.0%	3.2%	3.6%	2.7%
2013					2.5%	4.0%	3.4%
2014						2.7%	4.1%
2015							2.1%

(1) Radian assumes a through-the-cycle loss ratio of approximately 20% on newly originated MI business.

Total Mortgage Insurance Loss Reserves



Components of Provision for Losses

($ in millions)

	Three Months Ended				
	December 31, 2015	September 30, 2015	June 30, 2015	March 31, 2015	December 31, 2014
New defaults	$59.0	$60.3	$59.8	$ 64.9	$ 77.5
Existing defaults, Second-lien, LAE and Other [(1)]	(2.2)	3.8	(28.2)	(19.0)	6.1
Provision for Losses	**$56.8**	**$64.1**	**$31.6**	**$45.9**	**$83.6**

(1) Represents the provision for losses attributable to loans that were in default as of the beginning of each period indicated, including: (a) the change in reserves for loans that were in default status (including pending claims) as of both the beginning and end of each period indicated; (b) the net impact to provision for losses from loans that were in default as of the beginning of each period indicated but were either cured, prepaid, or resulted in a paid claim or a rescission or denial during the period indicated; (c) the impact to our IBNR reserve during the period related to changes in actual and estimated reinstatements of previously rescinded policies and denied claims, including potential reinstatements we are in the process of discussing with servicers, including those subject to the BofA Settlement Agreement; (d) Second-lien loss reserves and premium deficiency reserves; and (e) LAE and other loss reserves.

Primary Loans in Default

December 31, 2015

($ in thousands)

	Total		Foreclosure Stage Defaulted Loans	Cure % During the 4th Quarter	Reserve for Losses	% of Reserve
Missed payments	#	%	#	%	$	%
3 payments or fewer	10,742	30.4%	187	29.0%	$107,632	13.1%
4-11 payments	8,481	24.0	541	16.2	127,183	15.5
12 payments or more [2]	13,731	38.9	3,160	4.2	473,440	57.6
Pending claims [2]	2,349	6.7	N/A	1.5	113,570	13.8
	35,303 [1]	**100.0%**	**3,888**		**$821,825**	**100.0%**
IBNR and other					83,066	
LAE					26,108	
Total primary reserves					**$930,999**	

Key Reserve Assumptions	Gross Default to Claim Rate %	Net Default to Claim Rate %	Severity %
	48%	**46%**	**101%**

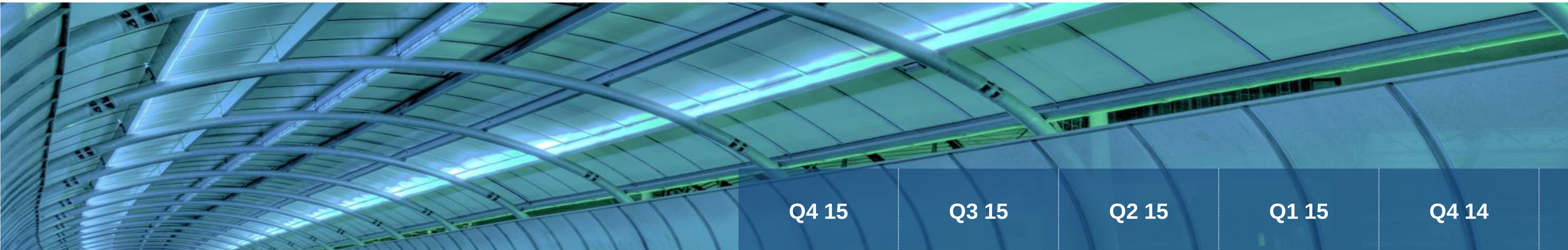
(1) Primary risk in force on defaulted loans at December 31, 2015 was $1.6 billion, which excludes risk related to loans subject to the Freddie Mac Agreement. Excludes 2,821 loans subject to the Freddie Mac Agreement that are in default at December 31, 2015, as we no longer have claims exposure on these loans.

(2) 50% of defaults that have missed twelve payments or more (including the portion in pending claims) are greater than three years old.

Direct Primary Risk in Force and Reserves by Vintage

	December 31, 2015		December 31, 2014		December 31, 2013	
	Risk in Force	Reserve for Losses	Risk in Force	Reserve for Losses	Risk in Force	Reserve for Losses
2005 and prior	6.3%	34.7%	8.2%	34.0%	11.1%	32.9%
2006	3.7	16.7	4.6	18.0	5.8	18.0
2007	8.7	31.8	10.6	33.1	13.1	34.5
2008	6.3	10.9	7.9	11.4	9.9	12.1
2009	1.7	1.0	2.5	1.0	3.6	1.2
2010	1.4	0.4	2.1	0.3	3.0	0.4
2011	2.9	0.5	4.2	0.5	5.7	0.4
2012	11.2	1.1	15.1	0.8	19.3	0.4
2013	18.1	1.6	23.8	0.8	28.5	0.1
2014	17.1	1.1	21.0	0.1	-	-
2015	22.6	0.2	-	-	-	-
Total	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Primary Insurance in Force: Default Rollforward



	Q4 15	Q3 15	Q2 15	Q1 15	Q4 14
Beginning Default Inventory	**35,875**	**37,676**	**40,440**	**45,319**	**46,843**
New Defaults (1)	11,650	10,698	10,006	10,253	12,070
Cures (1)	(9,751)	(9,676)	(9,591)	(11,589)	(10,739)
Claims Paid (2) (3)	(2,686) (4)	(2,983) (4)	(3,891)(4)	(3,932) (4)	(2,235)
Rescissions (5)	(37)	(18)	(35)	(39)	(37)
Denials (6)	71	(55)	25	42	(146)
Net Reinstatements (Rescissions/Denials) relating to BofA Settlement Agreement (7)	181	233	722	386	(437)
Ending Default Inventory	**35,303**	**35,875**	**37,676**	**40,440**	**45,319**

(1) Amounts reflected above are compiled on a monthly basis consistent with reports received from loan servicers. The number of New Defaults and Cures presented includes the following number of monthly defaults that both defaulted and cured within the period indicated:

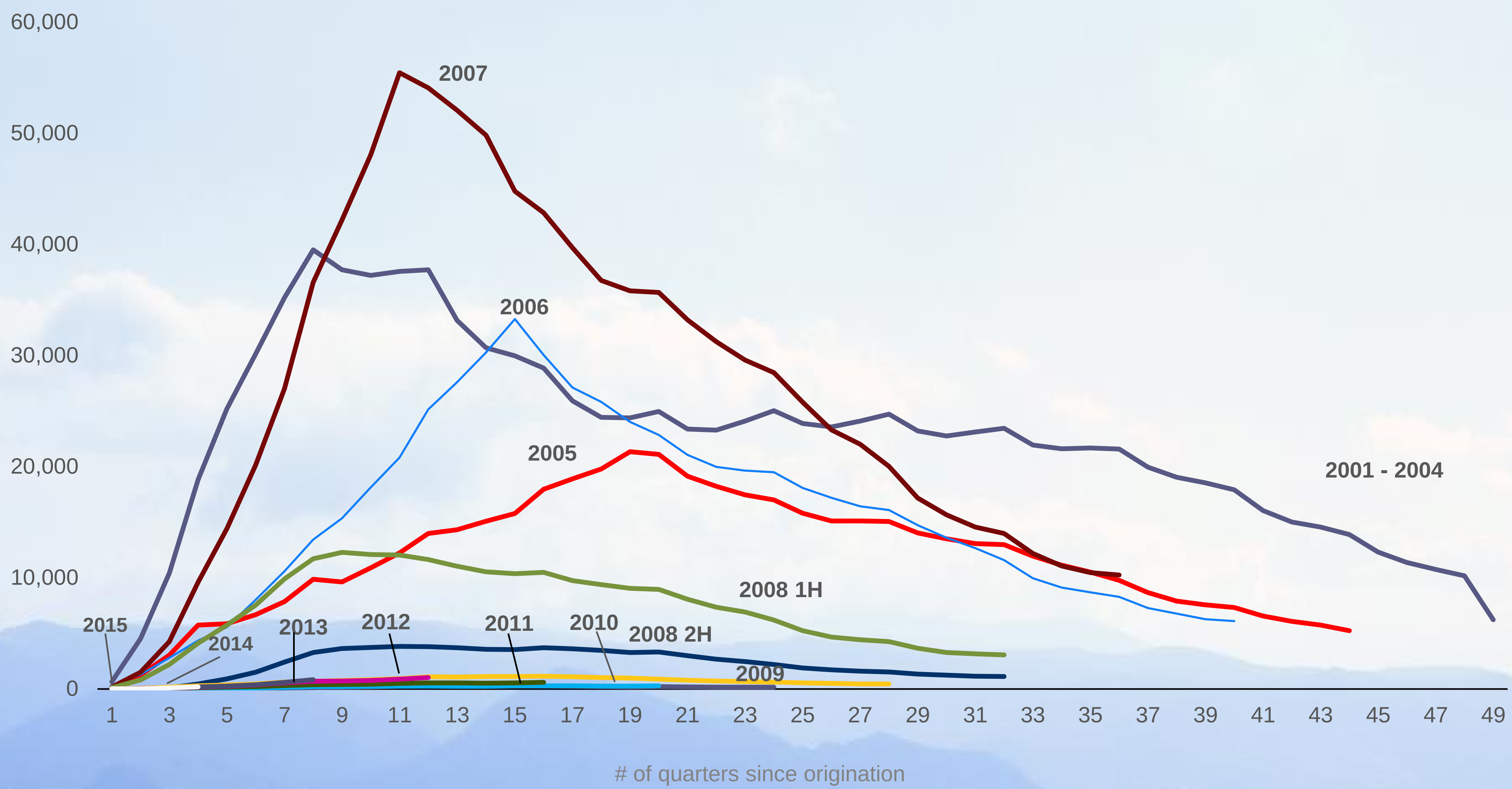
4,592	4,181	3,877	4,761	4,834

(2) Includes those charged to a deductible or captive.
(3) Excludes 176 claims processed in accordance with the terms of the Freddie Mac Agreement in Q4 2015.
(4) Includes claims payments associated with the implementation of the BofA Settlement Agreement.
(5) Net of any previously rescinded policies that were reinstated during the period. Such reinstated rescissions may ultimately result in a paid claim. In Q4 2015, there were 40 rescissions and 3 reinstatements of previously rescinded policies.
(6) Net of any previously denied claims that were reinstated during the period. Such previously denied but reinstated claims are generally reviewed for possible rescission prior to any claim payment. In Q4 2015, there were 232 denials and 303 reinstatements of previously denied claims.
(7) Includes rescissions, denials and reinstatements on the population of loans subject to the BofA Settlement Agreement.

Primary Mortgage Insurance Default Rates

(1) Insured loans subject to the Freddie Mac Agreement are included in the denominator (7,353 insured loans at December 31, 2015) and loans in default subject to the Freddie Mac Agreement are excluded from the numerator (2,821 loans in default at December 31, 2015).

Primary Default Count by Vintages 2001 - 2015



- Second half of 2008 was a turning point in the company's book, with improved credit performance in that period and thereafter as a result of tightened credit guidelines.
- As of December 31, 2015, excludes 2,821 loans in default subject to the Freddie Mac Agreement.

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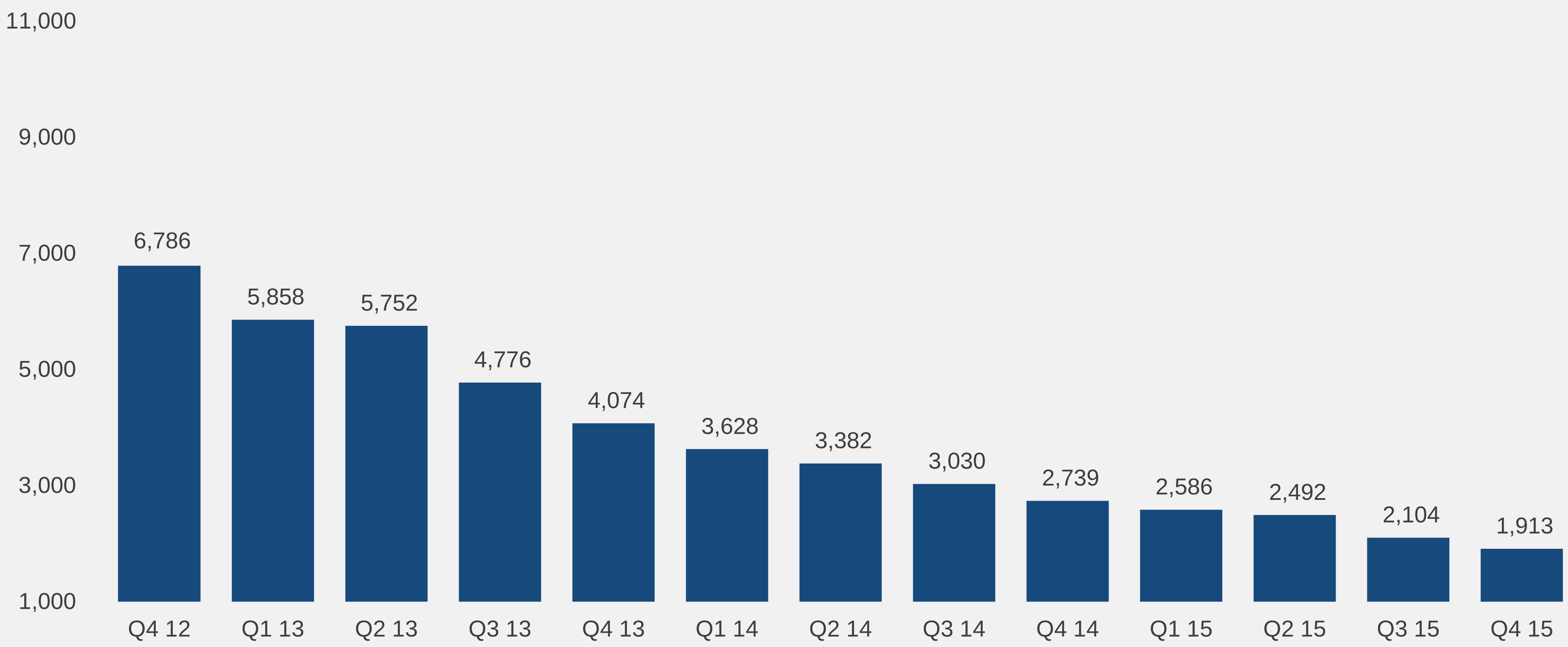
Primary New Claims Submitted by Quarter

Number of Claims Submitted by Quarter(1)



(1) Excludes claims submitted on Freddie Mac Agreement loans beginning August 2013.

MORTGAGE AND REAL ESTATE SERVICES

RADIAN

What is Mortgage and Real Estate Services?

Clayton provides risk-based analytics, residential loan due diligence, consulting, surveillance and staffing solutions.
The company also provides:

- Customized REO asset management and single-family rental services through its **Green River Capital** subsidiary
- Advanced AVMs, BPOs and technology solutions to monitor loan portfolio performance, acquire and track NPLs, and value and sell residential real estate through its **Red Bell Real Estate** subsidiary
- Valuation, Title, Closing and Settlement services as well technology solutions for vendor management through its **ValuAmerica** subsidiary, beginning in the fourth quarter
- Global reach through its **Clayton EuroRisk** subsidiary

Mortgage and Real Estate Services Revenue Drivers

	% of Revenue (1)	Market Segments/Clients	Current Revenue Drivers	Potential Future Revenue Drivers
Loan Review and Due Diligence	25 - 31%	• Mortgage Origination (Banks, REITs, Mortgage Originators) • Performing & Non-Performing Loan Trades (Banks, Investment Banks, Private Equity Firms, REITs) • Non-Agency RMBS Securitization (Banks, Investment Banks, REITs) • GSE Risk Sharing Transactions (GSEs, Banks, Investment Banks) • MSR Transactions (Banks, REITs, Mortgage Servicers)	Balanced Mix of Non-Agency RMBS Securitization, Whole Loan Trades (Performing & Non-Performing) and Origination Services	Non-Agency RMBS Securitization Due Diligence GSE Risk Sharing Transactions Leverage Radian's Large Client Base to Grow Origination Services
Surveillance	19 - 22%	• Non-Performing Loan Servicing/Servicing Compliance Oversight (Banks, Mortgage Servicers) • Non-Agency RMBS Securitization/Surveillance (Banks, Investment Banks, REITs, Asset Managers) • ABS Securitization/ARR Services (Auto, Credit Card & Student Loan Issuers)	Oversight of Non-Performing Loan Servicing/Compliance for Large Banks and Servicers Surveillance on Pre-2008 Non-Agency RMBS for Issuers	Surveillance on New Non-Agency RMBS Issuance for Issuers and for Investors ARR Services and Surveillance for Other ABS Asset Classes Oversight of Non-Performing Loan Servicing/Compliance for Large Banks and Servicers

(1) Percentage of revenue by business unit in 2014 and 2015

Mortgage and Real Estate Services Revenue Drivers

	% of Revenue (1)	Market Segments/Clients	Current Revenue Drivers	Potential Future Revenue Drivers
Valuation and Component Services	22 - 31%	• Single Family Rental (SFR) Securitization (Banks, Investment Banks) • SFR Debt Facilities (Banks, Private Equity Firms, REITs) • Non-Performing Loan Trades (Banks, Private Equity Firms, REITs) • Non-Performing Loan Servicing (Banks, Mortgage Servicers) • SFR Acquisitions (Private Equity Firms, REITs) • Mortgage Origination (Banks, REITs, Mortgage Originators	SFR Securitizations by and Debt Facilities for Large Institutional SFR Investors SFR Acquisitions (Private Equity Firms, REITs) Non-Performing Loan Servicing (Banks, Mortgage Servicers)	SFR Securitizations by and Debt Facilities for Small and Large SFR Investors Valuation Support for Mortgage Origination, Servicing and RMBS Securitization w/ Red Bell Technology
Real Estate Owned (REO)	16 - 17%	• REO Asset Management (Banks, GSEs, Mortgage Servicers, Private Equity Firms) • SFR Rental Property Management (Private Equity Firms, REITs)	REO Asset Management Services - Remaining Backlog of Distressed Loans	REO Asset Management Services - Remaining Backlog of Distressed Loans REO Asset Management Technology - Red Bell's Pyramid System
EuroRisk	8 - 9%	• Performing & Non-Performing Loan Trades (Banks, Investment Banks, Private Equity Firms) • Mortgage Origination (Banks, Mortgage Originators) • RMBS Securitization (Banks, Investment Banks)	Non-Performing Loan Trades	RMBS Securitization Non-Performing Loan Trades

(1) Percentage of revenue by business unit in 2014 and 2015

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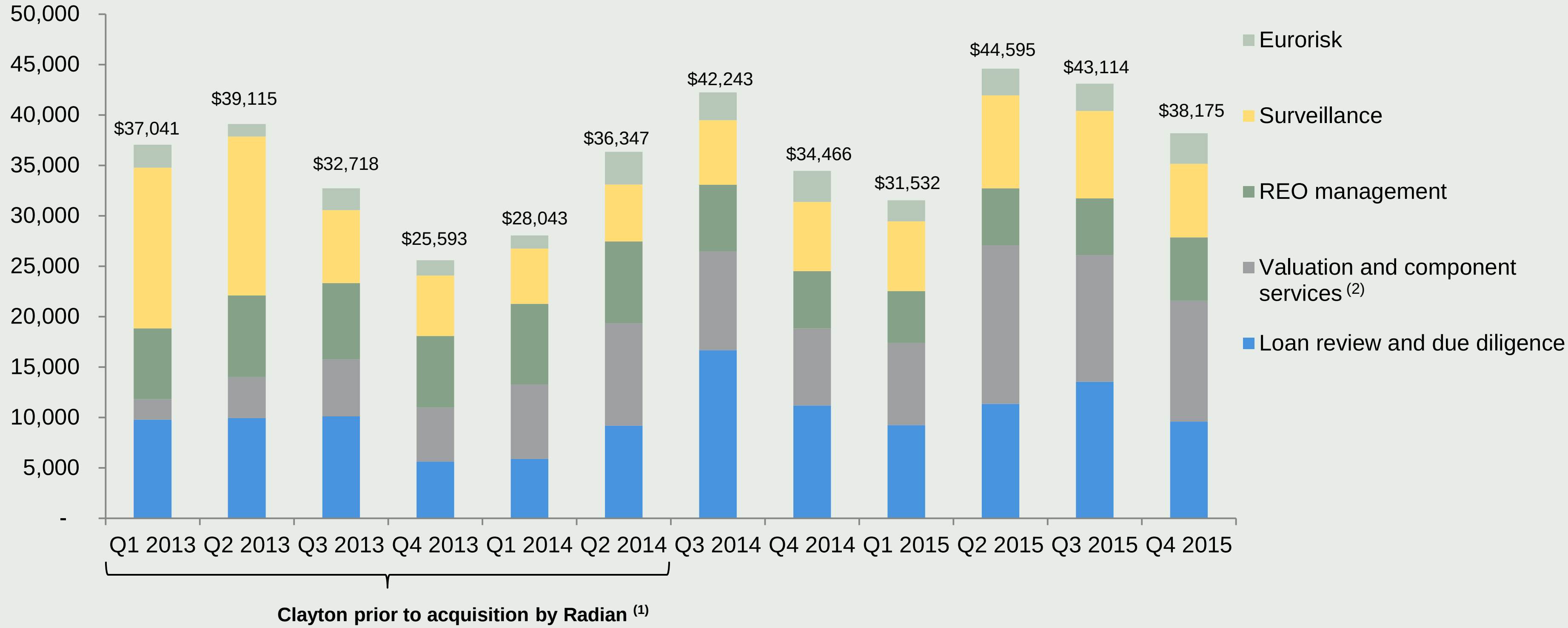
Mortgage and Real Estate Services Revenue

($ in thousands)



(1) Represents unaudited quarterly historical revenue for the businesses of Clayton Holdings LLC for periods prior to our acquisition on June 30, 2014.

(2) Includes revenue from acquisition of Red Bell Real Estate, beginning March 20, 2015, and ValuAmerica, beginning October 8, 2015.

Opportunities for Future Growth
Broaden Existing Capabilities within Residential Real Estate

MI = Mortgage Insurance

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Ensuring the American Dream®