An Investment Thesis for Radian

NYSE: RDN

www.radian.biz

September 2018

Safe Harbor Statements

All statements in this presentation 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 where 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. These risks and uncertainties include, without limitation:

- changes in economic and political conditions that impact the size of the insurable market, the credit performance of our insured portfolio, and our business prospects;
- changes in the way customers, investors, ratings agencies, regulators or legislators perceive our performance, financial strength and future prospects;
- Radian Guaranty's ability to remain eligible under the PMIERs and other applicable requirements imposed by the FHFA and by the GSEs to insure loans purchased by the GSEs;
- our ability to successfully execute and implement our capital plans and to maintain sufficient holding company liquidity to meet our short- and long-term liquidity needs;
- our ability to successfully execute and implement our business plans and strategies, including plans and strategies to reposition our Services segment as well as plans and strategies that require GSE and/or regulatory approvals and licenses;
- 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, which may include changes in the requirements to remain an approved insurer to the GSEs, the GSEs' interpretation and application of the PMIERs, as well as potential future changes to the PMIERs requirements which, among other things, may be impacted by the general economic environment and housing market, as well as the proposed Conservator Capital Framework ("CCF") that would establish capital requirements for the GSEs, if the CCF is finalized;
- changes in the current housing finance system in the U.S., including the role of the FHA, the GSEs and private mortgage insurers in this system;
- any disruption in the servicing of mortgages covered by our insurance policies, as well as poor servicer performance;
- a significant decrease in the persistency rates of our mortgage insurance on monthly premium products;
- competition in our mortgage insurance business, including price competition and competition from the FHA and VA as well as from other forms of credit enhancement;
- 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;
- legislative and regulatory activity (or inactivity), including the adoption of (or failure to adopt) new laws and regulations, or changes in existing laws and regulations, or the way they are interpreted or applied, including interpretations and guidance pertaining to recently enacted tax reform legislation;
- legal and regulatory claims, assertions, actions, reviews, audits, inquiries and investigations that could result in adverse judgments, settlements, fines, injunctions, restitutions or other relief that could require significant expenditures or have other effects on our business;
- the amount and timing of potential settlements, payments or adjustments associated with federal or other tax examinations;
- the possibility that we may fail to estimate accurately the likelihood, magnitude and timing of losses in establishing loss reserves for our mortgage insurance business or in assessing our ability to comply with the proposed PMIERs when implemented, including the accuracy of our estimates of our Available Assets and Minimum Required Assets under the proposed PMIERs, which will be impacted by, among other things, the size and mix of our IIF, the level of defaults in our portfolio, and the level of cash flow generated by our insurance operations;
- 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;
- potential future impairment charges related to our goodwill and other intangible assets, and uncertainties regarding our ability to execute our restructuring plans within expected costs;
- changes in GAAP or SAPP rules and guidance, or their interpretation;
- our ability to attract and retain key employees; and
- legal and other limitations on dividends and other amounts we may receive from our subsidiaries.

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 our Annual Report on Form 10-K for the year ended December 31, 2017, and subsequent reports 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 presentation. 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.

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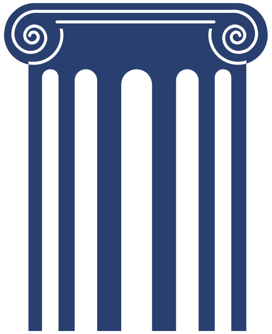
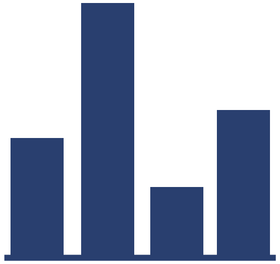
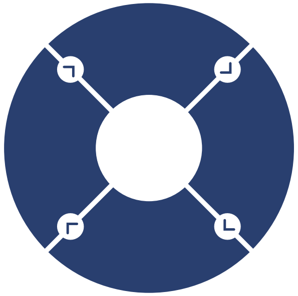


Industry



Value



Uniqueness

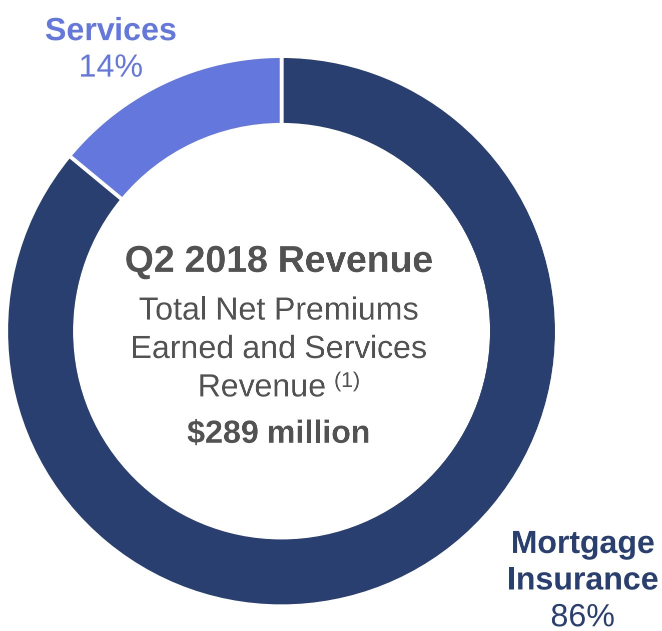
Strong Industry, Economic and Regulatory Backdrop

Represents Strong Value for Relative Returns on Capital

Radian is Unique Among Peers

Who is Radian?

Radian Group Inc., headquartered in Philadelphia, is a diversified mortgage and real estate services business. Radian provides private mortgage insurance and products and services to the real estate and mortgage finance industries through two business segments.



Mortgage Insurance:
Provided through its principal Mortgage Insurance subsidiary Radian Guaranty Inc., helps protect lenders by mitigating default-related losses, facilitates the sale of low down payment mortgages in the secondary market and enables homebuyers to purchase homes more quickly with down payments less than 20%.

Mortgage and Real Estate Services
Provided through its principal Services subsidiary Clayton Holdings, as well as Entitle Direct, 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.

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(1) Represents revenues on an individual segment basis.

Why Use Private Mortgage Insurance?

Private mortgage insurance (Private MI) helps potential homeowners, often first-time home buyers, obtain a mortgage by reducing the size of their required downpayment and the risk to the investor.

WITHOUT Mortgage Insurance

For many families, coming up with the required downpayment can be one of the **biggest hurdles** to homeownership.

A typical user of private MI is a first time homebuyer. A first time homebuyer is about 32 years old, with average household income of $75,000 and purchasing a home with a median home price of $190,000. Without private MI, a typical homebuyer needs a 20% downpayment. On a $190,000 house, that would be **$38,000.**

WITH Mortgage Insurance

Private MI has **helped millions become homeowners** by enhancing their ability to borrow in an affordable way by reducing the risk of their loans to the investor/lender.

By mitigating the risk to the lender/investor, private MI allows lenders to accept smaller downpayments, such as 5% instead of 20%. A 5% downpayment on a $190,000 house would be **$9,500.**

History of Private Mortgage Insurance

For more than 60 years, Private MI has provided a first layer of credit protection against mortgage credit losses, helping to reduce risk in the mortgage financing system through private capital versus taxpayers and the federal government.

1932

Congress created the first Government Sponsored Enterprise (GSE) in the home finance segment of the economy with the creation of the Federal Home Loan Bank system in 1932. The objective was to help **securitize mortgage loans and increase liquidity**.

1934

The Federal Housing Administration (FHA) was established in 1934 to **regulate mortgage lending** and insure low-downpayment mortgages.

1957

Private MI began in 1957, when real estate attorney Max Karl created a way for banks to more **efficiently serve borrowers** with low downpayment loan options by insuring home loans with private MI, versus FHA insurance.

1977

Radian was founded in 1977 and has been providing private MI for more than 40 years.

2008

The private MI industry has **paid more than $50 billion in claims** for losses to the GSEs since the GSEs entered conservatorship during the 2008 financial crisis (from 2008 – today).

Now

With PMIERs, Dodd-Frank reform, the Uniform Master Policy, and more, **today's private MI industry is strong and well-regulated.**

Source: USMI

Private Mortgage Insurance Business

Private MI is a specialized industry with high barriers to entry.

Large Initial Investment, Limited Early Cash Flow

Minimum of $500 million initial capital is required to become a GSE-eligible private mortgage insurer. [1]

Operational Complexity

Private MIs use a unique operating platform that requires GSE interface, underwriting systems, and complex technology infrastructure.

State and GSE Regulations

A private MI company typically needs to obtain 50 separate state licenses.

Private MIs must also comply with PMIERs to do business with the GSEs, along with federal and local regulations.

Formidable Capital Requirements

PMIERs is a risk-based capital framework that designates capital to be held in anticipation for potential losses. PMIERs stipulates that any approved insurer must maintain at least $400 million of Available Assets. [1]

Companies that wish to enter the private MI market face several challenges that create significant barriers to entry.

The barriers to entry have increased since the 2008 financial crisis primarily due to more restrictive capital requirements under PMIERs.

While it's difficult for new companies to enter the private MI market, investors may still gain exposure to these assets in a more capital and operationally efficient manner by investing in existing private MI companies and Credit Risk Transfer (CRT) transactions.

[1] http://www.freddiemac.com/singlefamily/pdf/PMIERs.pdf.

Three Pillars Supporting Modern Private Mortgage Insurance

Today’s private MI industry is strong, stable and reliable, supported by three key pillars.

Pillar I: Strengthened Mortgage Market and Regulatory Environment

Private MI covers a specific segment of the total mortgage market. Today, loans covered by private MI are very high quality, primarily due to the greater risk discipline of the private MI providers and the loan requirements for a Qualified Mortgage (QM).

Breakdown of 2017 Mortgage Originations

Insured by Private MIs

$269 billion, 15% of market

Currently, the typical private MI loan is to a **high quality borrower**, with an **average FICO score of ~740**, with a 90-95% LTV, full documentation, and no exotic loan terms. The average new loan amount is approximately $240,000.

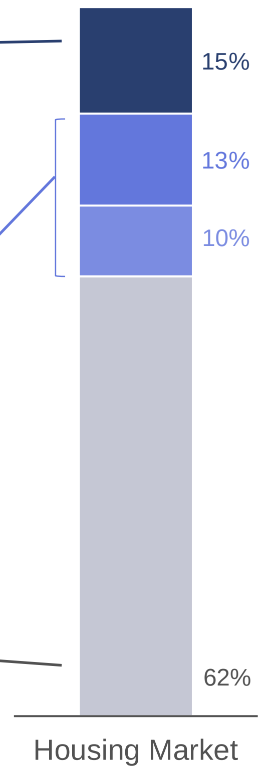
Insured by FHA & VA (Government-Sponsored Mortgage Insurance)

$413 billion, 23% of market

FHA: $237 billion[(1)], 13%, VA: $175 billion, 10%

Uninsured Loans, Other Agency Loans, Etc.

$1.1 trillion, 62% of market



Improved Quality

The **credit quality of loans insured by private MI improved dramatically after the 2008 crisis** and continues to be strong today. [(2)]

Following the housing crisis in 2008, **several changes were made in the mortgage market** including:

- **Full documentation** of loans is now required
- **Availability of credit** has been rationalized
- **Mortgage servicing practices** improved to keep people in their homes and out of foreclosure

In 2014, the **Qualified Mortgage (QM) loan requirements** under the Dodd-Frank Act went into effect.

- Ability-to-repay requirements help ensure loan terms are reasonable and affordable
- Other requirements include that points and fees will not exceed 3% of the loan amount; the term will not exceed 30 years; and the loan is fully amortizing with no negative amortization, interest-only, or balloon features [(3)]

(1) As of Q1 2018, approximately $3.9 billion or 8% of the current FHA volume consists of higher FICO borrowers that may qualify for a conventional loan with private MI that has a lower monthly payment.

(2) See slide "Mortgage Insurance Portfolio Characteristics" in appendix

(3) https://www.consumerfinance.gov/ask-cfpb/what-is-a-qualified-mortgage-en-1789/

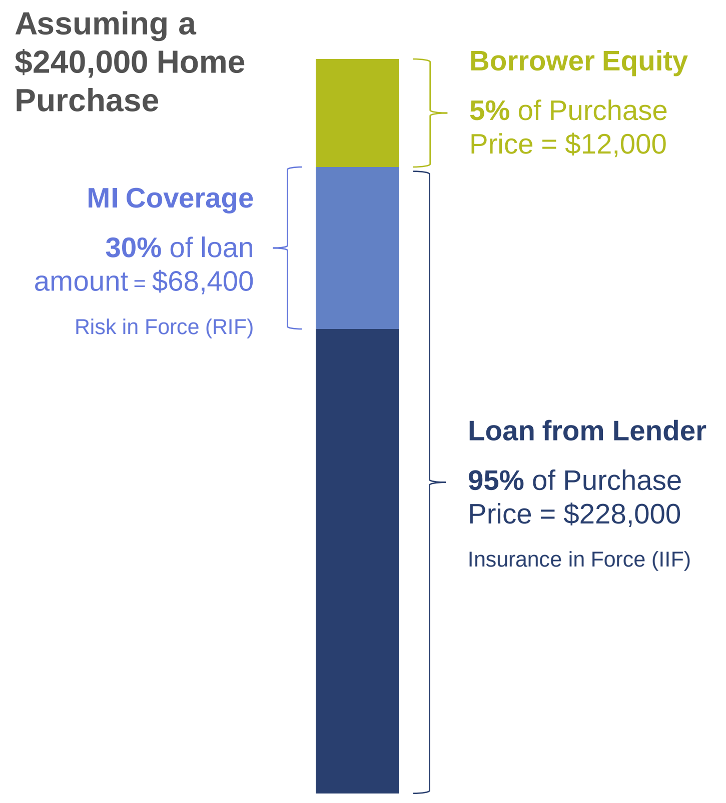
Pillar II: Limits on Risk Exposure

Private mortgage insurance covers only a portion of the risk associated with a mortgage loan.

A typical home purchase is made up of borrower and lender provided funds. For conforming loans with a loan-to-value ratio (LTV) above 80%, credit enhancement is required by the GSEs. This credit enhancement is typically in the form of private mortgage insurance, which is the first level of credit protection against the risk of loss on a mortgage in the event a borrower is not able to repay the loan.

Private MI losses are limited by the following:

- ✓ **Covers a portion of the loan amount** in the first-loss position after borrower equity, typically 12-35% for a 30 year mortgage (see standard coverage table to right)
- ✓ Borrower-paid policies generally **cancel automatically** once the loan balance reaches a 78% LTV of the home's original value.
- ✓ **Does not cover property losses or physical damage** (e.g., damage caused by floods, hurricanes, or other catastrophic losses)
- ✓ Generally a home **must complete foreclosure before a claim is paid**. Since 2008, many new homeowner protection programs have been created to prevent foreclosures.



GSE Standard Coverage
Percent of loan amount

Base LTV	> 20 Years	≤ 20 Years
95.01% to 97%	35%	35%
90.01% to 95%	30%	25%
85.01% to 90%	25%	12%
85% and under	12%	6%

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The GSE charters require credit enhancement including private MI on all loans with LTV>80%, sufficient to bring the effective LTV down to 80%. In practice, the GSEs require coverage levels in excess of the charter minimum levels.

Pillar III: Risk-Based Capital Requirements

Over the years, Private MI capital requirements have evolved from a “risk-neutral” to a risk-based capital framework.

PMIERs 2.0

– loan-level, risk-based

PMIERs 1.0

(~14:1 risk-to-capital ratio) – *loan-level, risk-based*

State Regulations

(25:1 risk-to-capital ratio) – *based on total exposure*

2008
Financial Crisis

2015
PMIERs 1.0 introduces risk-based requirements and **nearly doubles capital held**

2019
PMIERs 2.0 slated to go into effect end of 1Q 2019 with updated requirements

Prior to 2008, state regulators were the only regulators providing capital requirements for private MI companies. The primary requirement was that the capital-to-risk ratio be no less than 4% (i.e., risk-to-capital of 25:1). **This historic methodology did not distinguish among different loan-level risk characteristics.**

In 2015, the GSEs introduced the **Private Mortgage Insurer Eligibility Requirements (PMIERs 1.0)** as counterparty financial requirements. PMIERs is a risk-based, well-tuned system of capital requirements calibrated to an severe stress scenario that exists alongside the state regulatory framework, but when applied, results in a capital-to-risk ratio of approximately 7% (i.e., risk-to-capital of 14:1), based on recent New Insurance Written (NIW).

Under PMIERs, the Available Assets[1] that must be held to protect against stress scenarios vary based on the LTV of the loan and FICO score of the borrower, as well as other factors including loan vintage, documentation type, MI product type, payment status and completing a HARP refinance.

As an example, on a typical new loan with LTV > 95% and FICO < 620 would require 29.07% of the risk in force to be held in Available Assets against the risk. A loan with LTV ≤ 85% and FICO > 760 requires 1.58% of the risk in force to be held in Available Assets.

PMIERs 2.0 is planned to be effective in 2019 and will update the risk-based capital requirements for private MIs.

[1] Available assets are defined by the GSEs as “Assets that are readily available to pay claims, and include the most liquid investments of an approved insurer.“

What Are Some Common Misunderstandings about Private MI?

Based on the attributes of loans covered by private MI, the housing market trends that make headlines often do not materially impact Radian.

Why it doesn't affect Radian

"LUXURY HOME PRICE APPRECIATION SLOWS IN THE U.S."
- *World Property Journal, August 14, 2018*

→ **Higher priced or luxury homes around the nation are usually jumbo mortgages** or cash transactions, not GSE or conventional loans with private MI. The average new loan amount covered by private MI is approximately $240,000.

"VACATION HOME MARKETS HAVE YET TO REBOUND FROM HOUSING BUST"
- *Forbes, June 13, 2018*

→ **Most homes insured by private MI are primary residence**, not second homes.

"WILL RISING INTEREST RATES AFFECT THE HOUSING MARKET?"
- *Daily Progress.com, June 1, 2018*

→ **Interest rates are at historically low levels** and still attractive for most first-time homebuyers – and remain favorable from an affordability perspective.

"HURRICANE IRMA'S INSURANCE CLAIMS NEAR $10 BILLION IN FLORIDA"
- *Herald Tribune, June 14, 2018*

→ **Private MI does not cover physical damage** to the property including damage caused by flooding.

What Are Some Common Misunderstandings about Private MI?

Modest changes in interest rates have a limited impact on affordability and are still historically low.

Historical Interest Rate for 30-year Fixed Rate Mortgage Loan

For a typical first-time homebuyer, an increase of 50 basis points in their mortgage interest rate would change their monthly payment from $888 to $942, only a **$54** or **6% increase.**(1)

> *Continued positive economic news and confidence that buyers will remain undeterred, even if rates exceed 5.5 percent, bode well for the real estate market in 2018, says First American Chief Economist Mark Fleming — June 2018*

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Source: Freddie Mac Primary Mortgage Market Survey (PMMS)

(1) Assumes: $190,000 home with 5% down payment, 30 year mortgage and average rate of 4.25% (increased to 4.75%).

What Are Some Common Misunderstandings about Private MI?

Modest changes in home prices also have a limited impact on the demand for private MI, which typically comes from first-time homebuyers. These homebuyers generally use a low downpayment to purchase a moderately-priced home and often are motivated to buy based on life events such as a growing family or new job.

For a typical first-time homebuyer, a **5% increase** in home price would change their monthly payment from $942 to $989, only a **$47 increase.**(1)

“*According to research at Harvard University's Joint Center for Housing Studies, strong growth in home equity lifted the median net wealth of homeowner households, bringing it to 46 times that of renter households in 2016.*”

(1) Assumes: $190,000 home with 5% downpayment and average 30 year mortgage rate of 4.75%.

What Are Some Common Misunderstandings about Private MI?

Even under adverse scenarios, private MI produces positive returns. Because of the evolution of our regulatory environment, capital requirements, and limits on risk exposure, private MI companies are stronger today than ever before.

For pricing purposes, Radian leverages a simulation-based approach which yields an approximate 5–6 year weighted average life and ~20% through-the-cycle loss ratio on newly originated MI business. We expect our current pricing to produce mid-teen returns on required capital.

	Weighted Average Life (years)	Loss Ratio	Total Return on PMIERs Capital [1]
Moody's S1 Scenario	7.0	13%	**19%**
Moody's Baseline Scenario*	6.0	16%	**18%**
Moody's S3 Scenario	5.6	25%	**15%**
Moody's S4 Scenario	5.2	52%	**7%**

All numbers are approximate. See safe harbor statements.

The chart above shows our projected returns under various economic scenarios, using a representative mix of recent NIW.

Moody's S1 Scenario: Exceptionally Strong Growth. 10% probability that the economy will perform better. Strong economic environment and house prices increasing, on average, approximately 5.5% over the next 12 months. with an unemployment rate of 3.7%.

Moody's Baseline Scenario (with a market-based forward interest rate assumption): Today's economy, with today's house prices, unemployment rate, and today's market expectation of interest rates.

Moody's S3 Scenario: Moderate recession. 90% probability that the economy will perform better, 11% peak-to-trough house price decline over 1.25 years, max unemployment of 7.7%.

Moody's S4 Scenario: Protracted slump. 96% probability that the economy will perform better, 21.0% peak-to-trough house price decline over 1.75 years, max unemployment of nearly 10.0%.

Even under a severe stress scenario, such as Moody's S4, we would still expect positive returns.

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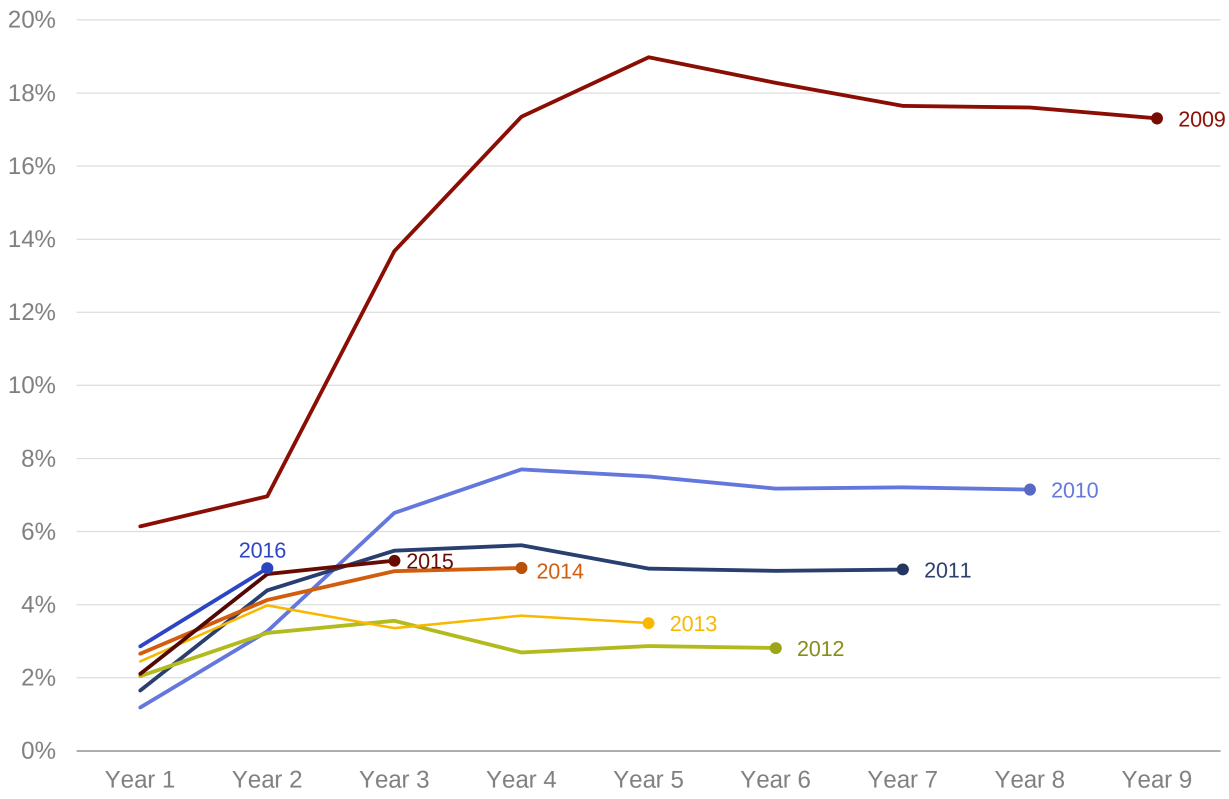
(1) Returns on PMIERs capital on new business, including the impact of reinsurance transactions, on an unlevered basis (i.e., after-tax underwriting returns plus projected investment income). Our actual portfolio returns will depend on a number of factors, including economic conditions, the amount and mix of NIW that we are able to write and the amount of reinsurance we use.

What Are Some Common Misunderstandings about Private MI?

Cumulative incurred loss ratios for post-2009 vintages have been consistently lower than 10%, with 93% of Radian's RIF, including HARP, written after 2008.[(1)]

Cumulative Incurred Loss Ratio by Development Year [(2)(3)]



(1) While losses for pre-2009 vintages are higher than for business written after 2008, the pre-2009 portfolio is now earnings positive. See appendix slide First-Lien Mortgage Insurance for more information.

(2) Represents inception-to-date losses incurred as a percentage of net premiums earned.

(3) A table with the values shown in this graph can be found in the appendix.

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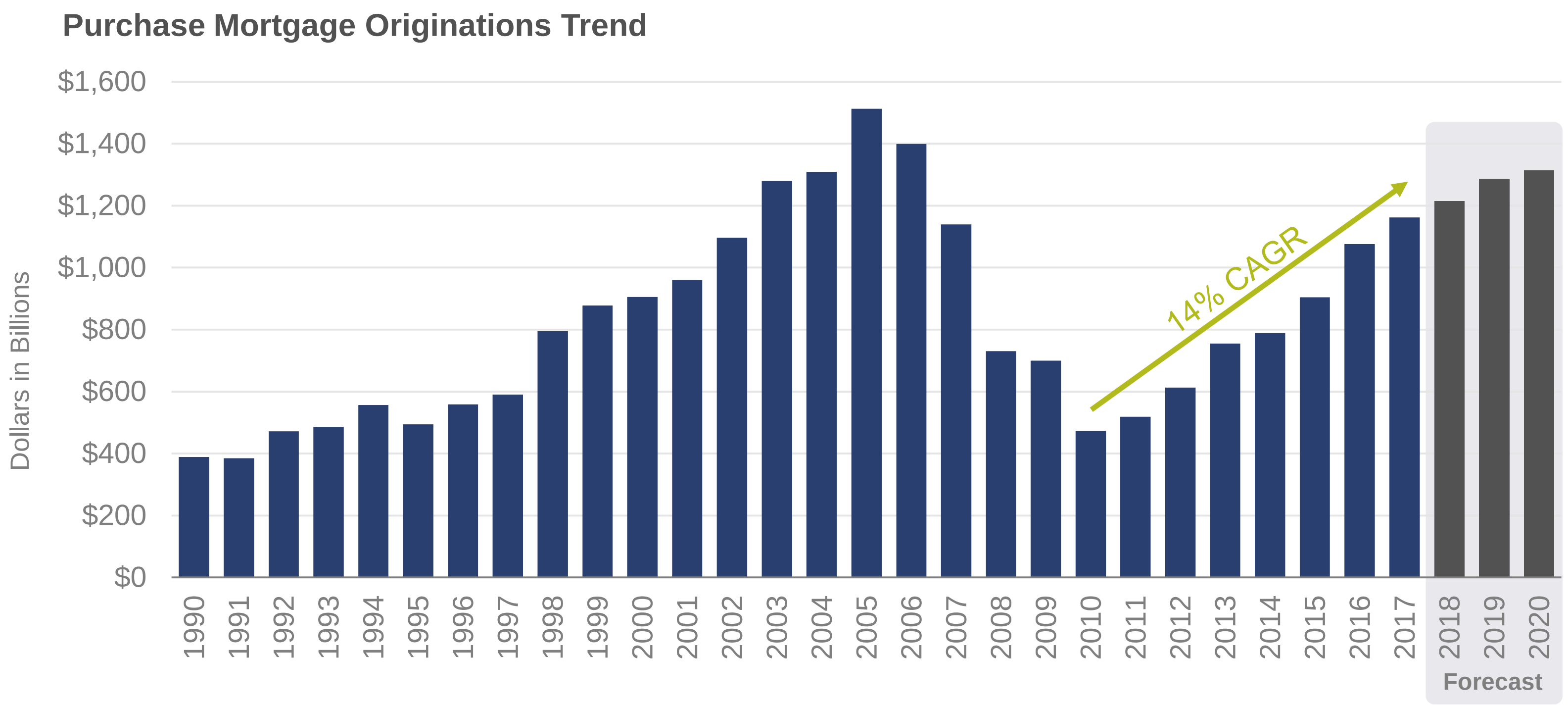
What Are Some Common Misunderstandings about Private MI?

While the total mortgage origination market has experienced small declines over the past two years, **purchase** mortgage activity is the primary driver of new private MI. Purchase transactions are **3-5 times** more likely to use private MI than refinance transactions.

The purchase market **has increased by an average of 14%** over the past 8 years, and is expected to continue to grow. Purchase transactions accounted for **95%** of Radian's Q2 2018 NIW.



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Source: MBA Mortgage Finance Forecast August 14, 2018.

What Are Some Common Misunderstandings about Private MI?

Rising interest rates **benefit** Radian in several ways.

After 5 years, the difference in growth **adds up to $36 billion** in IIF.

IIF growth at 77% persistency

The **number of years** into a 30 year fixed rate mortgage that a borrower reaches 78% LTV **increases with higher interest rates.**

Mortgage Interest Rate	Initial Loan to Value 85%	90%	95%
4%	4.4	6.8	8.7
5%	5.1	7.7	9.7
6%	5.8	8.6	10.8

Lower refinance activity generally translates into **higher persistency** (the percentage of policies that remains in force after a twelve-month period), or that current Insurance in Force (IIF) stays in effect longer.

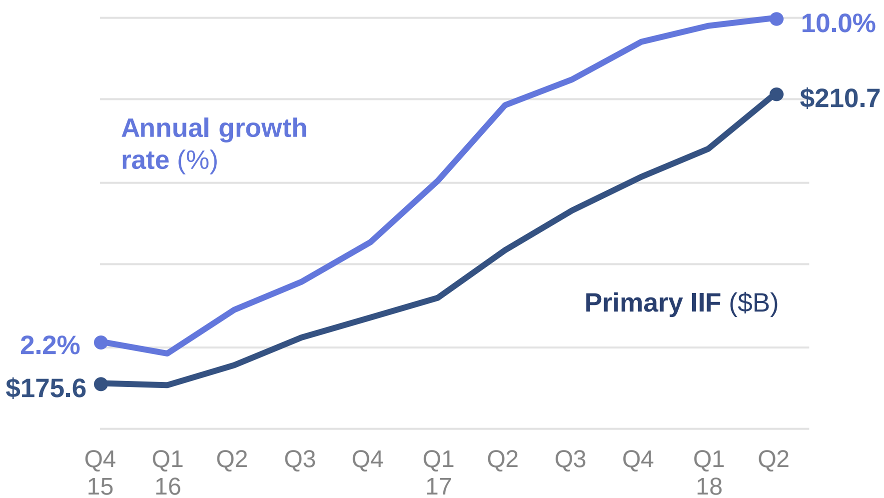
The example above illustrates the difference in IIF growth between 77% persistency and 82%. (1)

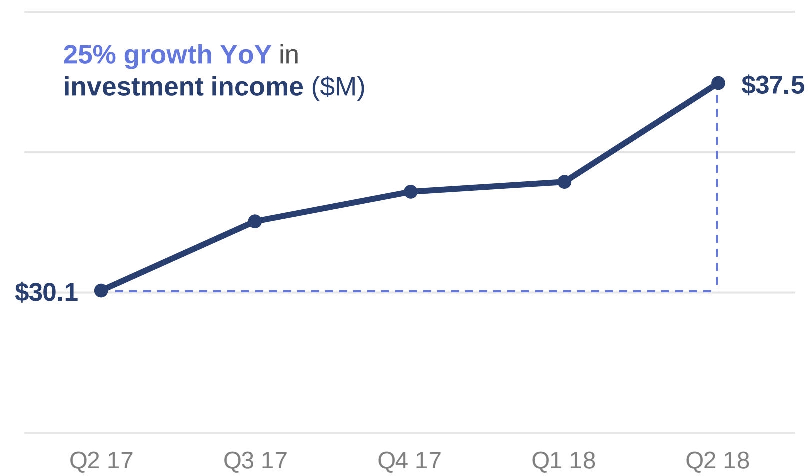
Rising interest rates also **extend the time period** for which newly originated borrower-paid loans reach 78% LTV – the trigger for automatic cancellation under the Homeowner Protection Act. This results in sustained earnings power of new business.

(1) Assumes $200B beginning Insurance in Force, and $50B annual New Insurance Written

What Are Some Common Misunderstandings about Private MI?

Rising interest rates **benefit** Radian in several ways.



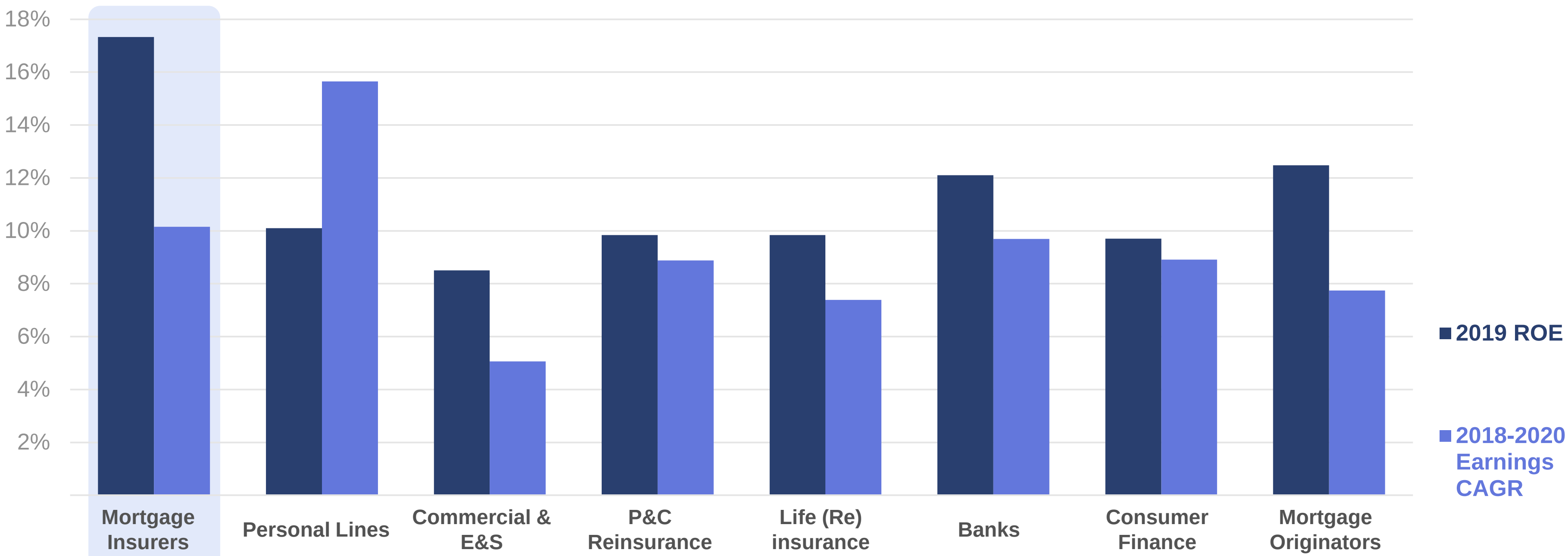


Due to positive persistency trends along with record new business, Radian's IIF **has grown over $35 billion** over the past 10 quarters, with growth rates accelerating to **10% annual growth** as of Q2 2018.

In addition to helping drive higher IIF growth, rising interest rates **directly benefit investment yields**, helping to drive higher investment income. Radian's investment portfolio was **in excess of $4.8 billion** as of Q2 2018.

What Are Some Common Misunderstandings about Private MI?

Private MI provides attractive returns and valuation relative to other financial sectors



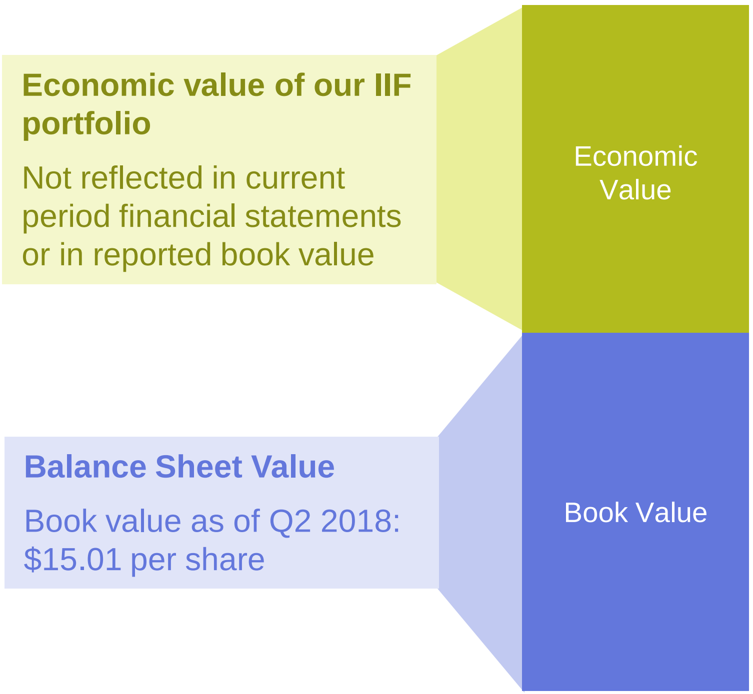
	Mortgage Insurers	Personal Lines	Commercial & E&S	P&C Reinsurance	Life (Re) insurance	Banks	Consumer Finance	Mortgage Originators
Median 2019 P/E	8.1	16.5	17.1	10.6	9.7	12.1	9.7	8.4
Median P/B (incl. AOCI)	1.67	1.82	1.44	1.13	1.18	1.56	2.12	1.17

Source: Estimates per IBES, Company filings, SNL Financial, CapIQ, Duff & Phelps, Ibbotson, Axioma as of 17-Aug-2018

Note: Mortgage Insurers includes RDN, NMIH, MTG, and ESNT. Personal Lines includes ALL, PGR, IFC, THG, MCY, KMPR, HMN, STFC, SAFT and DGIC.B. Commercial & E&S includes MKL, WRB, AFSI, RLI, AGII, NAVG, JRVR, EIG, GBLI, EMCI, PTVC.B, BRK.A, AIG, CB, TRV, HIG, FFH, CINF, CNA, AFG, WTM, ORI, ERIE, PRA, SIGI and UFCS. P&C Reinsurance includes ACGL, RE, Y, AXS, RNR and AHL. Life (Re)insurance includes MET, PRU, AFL, AMP, PFG, LNC, VOYA, UNM, TMK, AIZ, CNO, PRI, GNW, AEL, FFG and RGA. Banks include WFC, JPM, C, BAC, USB, PNC, COF, BBT, STI, MTB, FITB, KEY, CMA, HBAN, NYCB, FRC, ZION, FHN and SNV. Consumer Finance includes SLM, NNI, AXP, COF, DFS, CACC, CPSS and WRLD. Mortgage Originators includes PHH, FBC, IMH, WD, OCN, OCN and PFSI.

What Are Some Common Misunderstandings about Private MI?

Our greatest contribution to earnings is derived from our insurance in force, a measure that is not on our balance sheet.



Economic value is more than just **book value** and captures the value that is reasonably assumed to be recognized in the future from our policies in force. Economic value is the projection of future net cash flows (premiums, losses, etc.) less the cost of holding required capital against primary MI risk.

Radian's **$211 billion insurance in force** portfolio as of June 30, 2018, is one of the largest high-quality portfolios in the industry. The future economic value of this portfolio is not reflected in our current period financial statements nor is it reflected in our reported book value, but it is expected to be recognized over time.

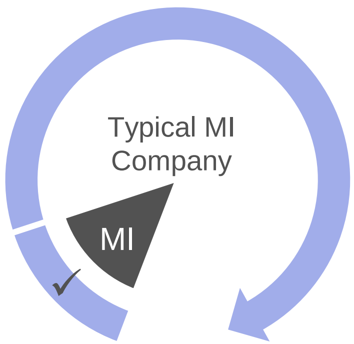
What Makes Radian Unique Among the Private MIs?

For more than 40 years, Radian has been a solid business partner. We demonstrated resilience and strength during the worst economic downturn in recent history. And today, we are a best-in-class mortgage and real estate risk management company that stands out from the rest.

- ✓ **Market leading** mortgage insurance franchise
- ✓ Growing, **high-quality, high-value** mortgage insurance portfolio
- ✓ **Disciplined** economic value-driven approach to credit risk management
- ✓ Growing a **diversified** set of high-quality mortgage and real estate products and services
- ✓ **Strong market brand** with broad customer relationships
- ✓ Growth driven through a **unique enterprise sales and marketing platform**
- ✓ Significant capital and **financial flexibility**
- ✓ Highly **experienced and talented team**

What Makes Radian Unique Among the Private MIs?

Radian has an unparalleled portfolio of products and services that positions us to be a valued mortgage banking business partner.



Loan Lifecycle

For a typical Mortgage Insurance company, the relationship opportunity is limited.

For Radian, it's just the beginning of the opportunity to work with a customer.

What Makes Radian Unique Among the Private MIs?

Radian's business model is unique, with a focus on providing risk management services and solutions to our customers across the entire mortgage and real estate value chain. We leverage various proprietary mortgage credit risk management tools in our modeling and in our underwriting, and those tools also provide insight into local real estate markets, and help inform our risk management decisions. Our Services business also delivers products and services that enable our customers to manage mortgage and real estate transactions:

RaDaR™
RaDaR is Radian's proprietary credit modeling tool, which provides projections of credit losses over time at a loan, cohort and portfolio level. Considers the effect of prepayment, as well as the trajectory of interest rates, house prices and unemployment over time through deterministic and stochastic (Monte Carlo) paths.

Customer Segmentation Framework
Radian's Customer Segmentation Framework leverages a variety of risk, return and performance metrics to rank order lenders on a regular basis.

Mortgage Risk Barometer™
The Mortgage Risk Barometer provides a view of home prices based on a specific geographic location's long-term trends and fundamentals.

Radian Mortgage, Real Estate and Title Services
Products and services include transaction management services such as loan review, RMBS securitization and distressed asset reviews, servicer and loan surveillance and underwriting. Radian offers a comprehensive suite of real estate services that includes software solutions and platforms, as well as digitally delivered services, including: REO asset management; review and valuation services related to single family rental properties; real estate valuation services and real estate brokerage services. Radian's title services include title search, title insurance, settlement and closing services offered through Entitle Insurance Company and through ValuAmerica, Inc.

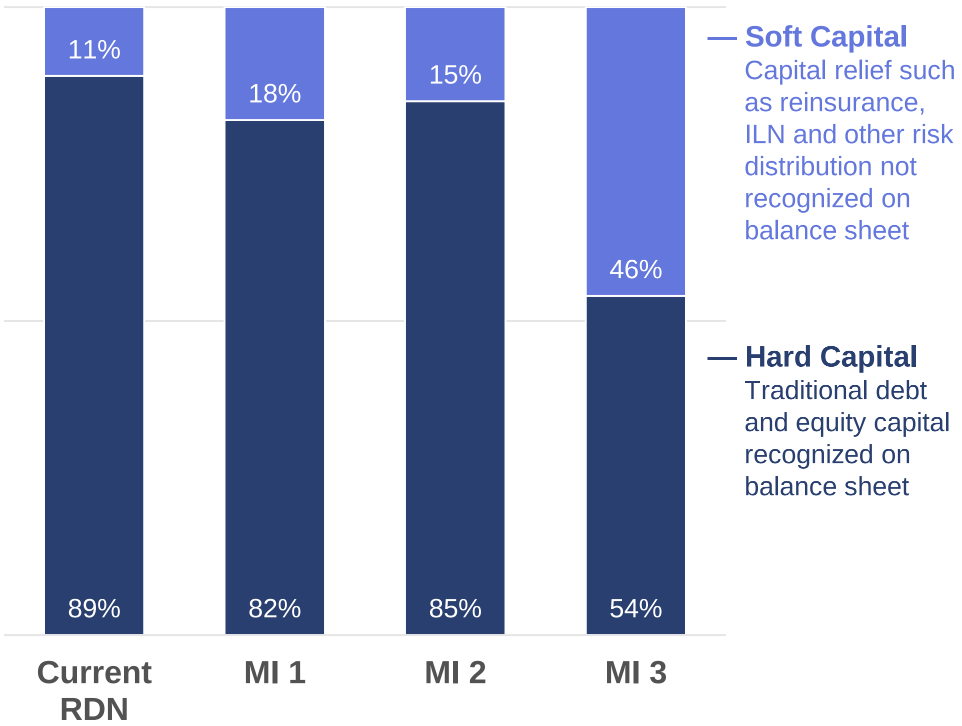
What Makes Radian Unique Among the Private MIs?

Radian has capital flexibility with untapped risk distribution.

The capital and reinsurance markets continue to have strong interest in high LTV mortgage credit risk.

In addition to traditional reinsurance, Private MIs have transferred almost $3 billion of high LTV credit risk to the capital markets via Insurance Linked Note (ILN) structures over the past 3 years.

Unlike most other Private MIs, Radian has distributed only a limited amount of risk primarily through our unique single premium quota share reinsurance program.



The implication is that RDN is on track for a stronger excess capital position in 2019 than we previously believed, which could bode well for capital management options. On this front, we would also note that the company continues to have one of the lowest uses of reinsurance in the industry and tapping the ILN markets could both provide positive arbitrage for returns and further improve the underwriter's excess capital dividend capabilities in the coming years. -- Dowling & Partners Research Report, July 2018

An Investment Thesis for Radian

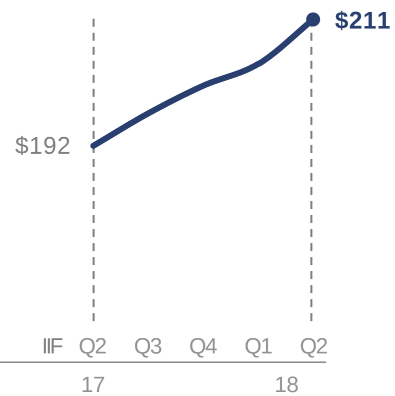
Radian is a company with strategic focus, business momentum, customer relationships and a high-quality insurance portfolio that has achieved strong year-over-year growth.

Insurance in Force ($B)

10% growth from prior year

9th consecutive quarter of accelerating IIF growth

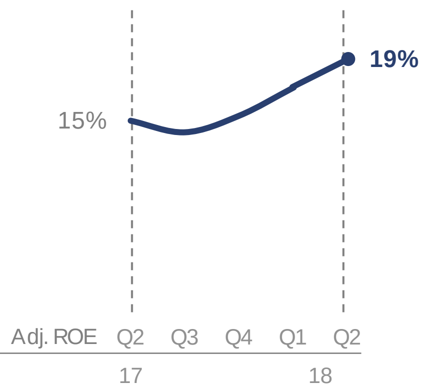
Monthly Premium IIF has grown 12% compared to prior year



Adjusted Net Operating Return on Equity (1)(2)

400 basis point increase from prior year

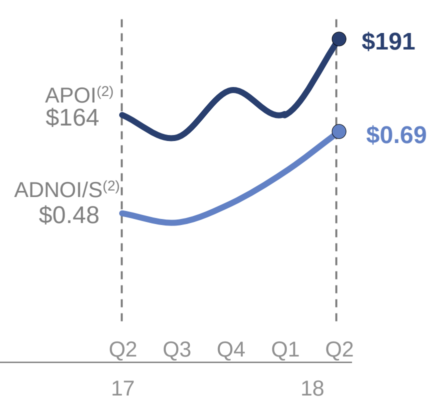
On an operating basis, rising ROE shows our ability to generate profit more efficiently on capital



Adjusted Diluted Net Operating Income per Share (1)(2)

44% growth from prior year, **17%** growth in adjusted pre-tax operating income(2) over prior year

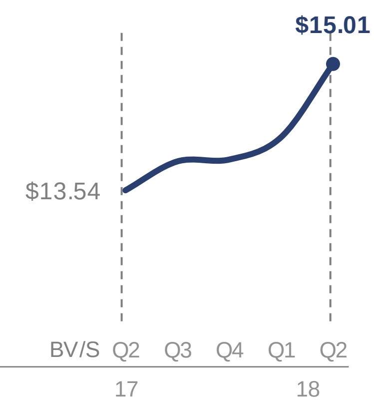
Driven by consistent revenue growth, positive operating leverage, and reduction in corporate tax rate



Book Value per Share

11% book value growth from prior year

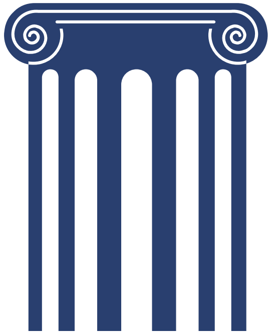
Growth in book value driven by net income



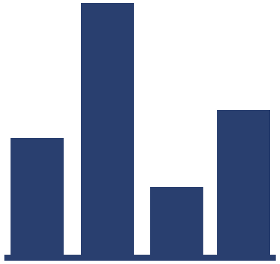
(1) 2018 results reflect 21% tax rate.

(2) Adjusted Net Operating Return on Equity, Adjusted Diluted Net Operating Income per Share (ADNOI/S) and Adjusted Pretax Operating Income (APOI), as used in this presentation, are non-GAAP financial measures. For reconciliations to the comparable GAAP measures and our definitions of these terms, see the Investors section of Radian's website at www.radian.biz.

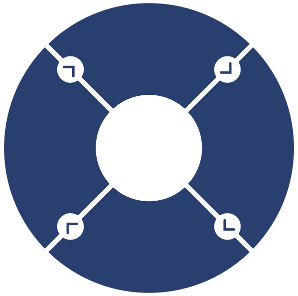
Investment Thesis



Industry



Value



Uniqueness

Strong Industry, Economic and Regulatory Backdrop

Represents Strong Value for Relative Returns on Capital

Radian is Unique Among Peers

APPENDIX

Cumulative Incurred Loss Ratio by Year

Radian assumes an approximate 20% through-the-cycle loss ratio on newly originated MI business.[1]

CUMULATIVE INCURRED LOSS RATIO [2]										
Vintage	Dec-09	Dec-10	Dec-11	Dec-12	Dec-13	Dec-14	Dec-15	Dec-16	Dec-17	Jun-18
2009	6.1%	7.0%	13.7%	17.4%	19.0%	18.3%	17.6%	17.6%	17.3%	17.2%
2010		1.2%	3.3%	6.5%	7.7%	7.5%	7.2%	7.2%	7.2%	7.2%
2011			1.7%	4.4%	5.5%	5.6%	5.0%	4.9%	5.0%	5.0%
2012				2.0%	3.2%	3.6%	2.7%	2.9%	2.8%	2.7%
2013					2.5%	4.0%	3.4%	3.7%	3.5%	3.4%
2014						2.7%	4.1%	4.9%	5.0%	5.2%
2015							2.1%	4.8%	5.2%	5.1%
2016								2.9%	5.0%	4.8%
2017									4.7%	4.2%

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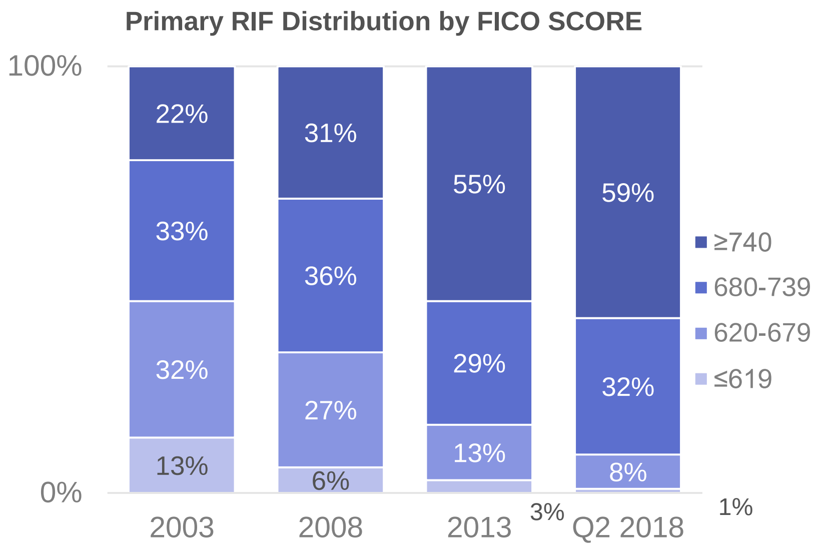
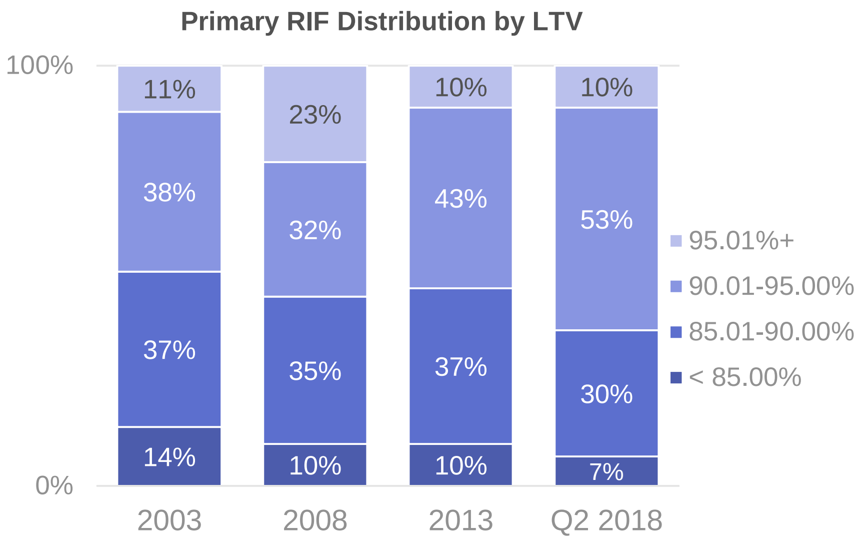
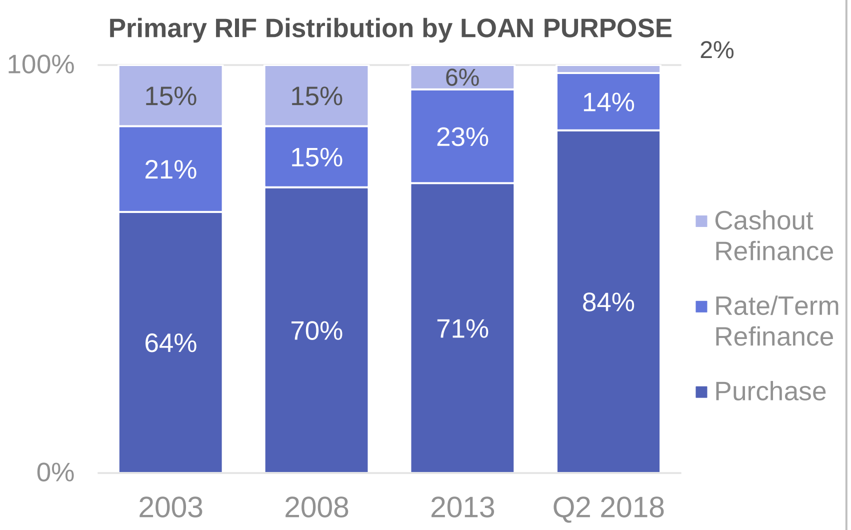
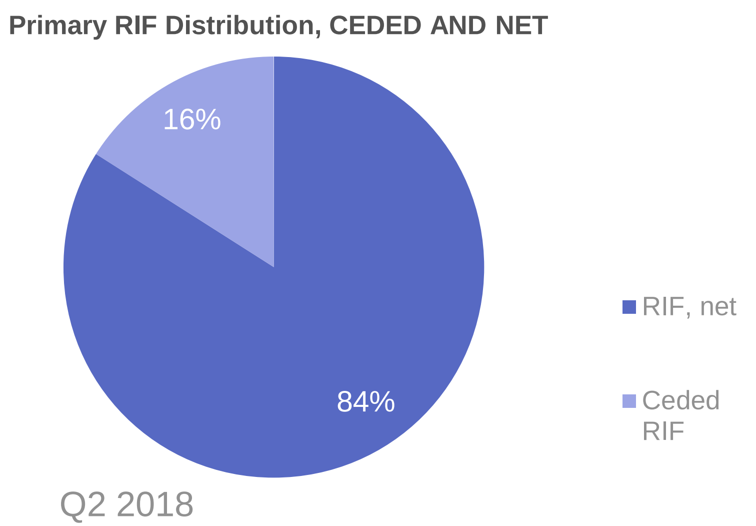
[1] Assumption based on stochastic modeling of through-the-cycle losses.
[2] Represents inception-to-date losses incurred as a percentage of net premiums earned.

Mortgage Insurance Portfolio Characteristics









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Data provided for 2003-2013 is as of year-end.

Financial Highlights

Radian Group Inc. Consolidated *($ in millions, except per-share amounts)*	June 30, 2018	March 31, 2018	December 31, 2017
Total Assets	$6,139	$6,010	$5,901
Loss Reserves	$452	$489	$508
Unearned Premiums	$741	$723	$724
Senior Notes	$1,029	$1,028	$1,027
Stockholders' Equity	$3,201	$3,052	$3,000
Book Value Per Share	$15.01	$14.16	$13.90
Tangible Book Value Per Share (1)	$14.73	$13.88	$13.60
Available Holding Company Liquidity	$202	$203	$229
PMIERs Cushion (2)	$480	$526	$450
Statutory Capital (Radian Guaranty)	$3,112	$2,981	$2,868

1) Tangible book value per share, as used in this presentation, is a non-GAAP financial measure. For a reconciliation to the comparable GAAP measure and for a definition of tangible book value per share, see the Investors section of Radian's website at www.radian.biz.

2) Radian Guaranty currently is an approved mortgage insurer under the PMIERs, and is in compliance with the PMIERs financial requirements. PMIERs cushion is the excess of Radian Guaranty's Available Assets under the PMIERs over its Minimum Required Assets under the PMIERs.

First-Lien Mortgage Insurance

2018 Performance by Vintage

($ in millions)	THREE MONTHS ENDED JUNE 30, 2018		
Vintage	**Premiums Earned [(1)]**	**Incurred Losses [(1)]**	**Net**
2008 & Prior	$29.9	$12.2	$17.7
2009	$1.4	$(0.2)	$1.6
2010	$1.0	$0.0	$1.0
2011	$2.6	$0.0	$2.6
2012	$9.6	$(0.1)	$9.7
2013	$18.8	$(0.2)	$19.0
2014	$21.6	$1.2	$20.4
2015	$34.0	$1.7	$32.3
2016	$51.5	$1.8	$49.7
2017	$60.3	$2.5	$57.8
2018	$16.0	$0.2	$15.8

Pre-2009 portfolio is contributing to earnings.

1) Represents premiums earned and incurred losses on first-lien portfolio, including the impact of ceded premiums and losses related to the Initial and Second Quota Share Reinsurance Transactions and the Single Premium Quota Share Reinsurance Transactions, but excluding any reduction for ceded premiums and losses recoverable through our other reinsurance transactions, as these impacts are not material.

Capital Structure

Total Capitalization as of June 30, 2018

Coupon	Description	Carrying Value ($'000)	Principal ($'000)	% of Total Capitalization [1]
5.50%	Senior Notes due June 2019	$157,975	$158,623	3.7%
5.25%	Senior Notes due June 2020	232,275	234,126	5.5
7.00%	Senior Notes due March 2021	195,500	197,661	4.6
4.50%	Senior Notes due October 2024	442,937	450,000	10.5
	Total	**$1,028,687**	**$1,040,410**	**24.3**
	Stockholders' Equity	3,201,136		75.7
	Total Capitalization	**$4,229,823**		**100.0%**

1) Based on carrying value of debt and stockholders' equity.

Share Repurchase Program:
During the second quarter of 2018, Radian repurchased 2.5 million shares, or approximately $40 million, of Radian Group common stock, for a total of approximately 3 million shares repurchased year to date in 2018.

Radian fully utilized its repurchase authorization of $50 million before its July 31, 2018 expiration, and in August 2018 authorized a new $100 million share repurchase program.

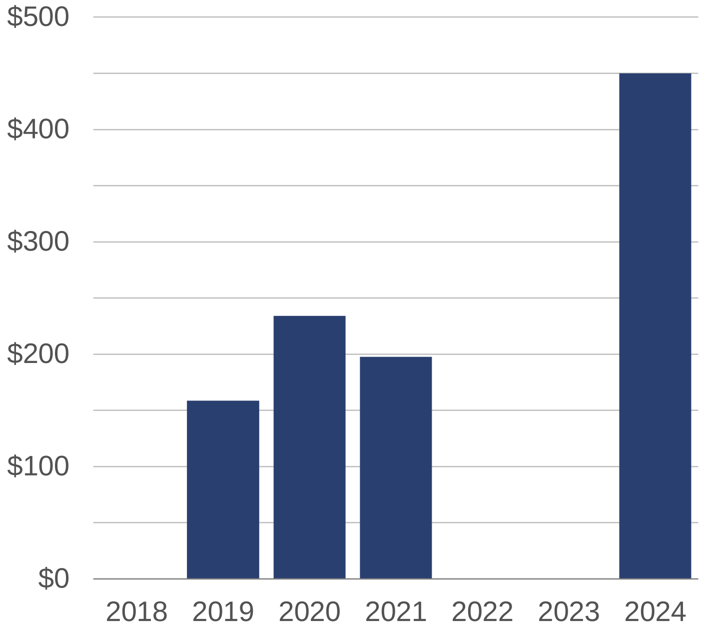
Current Radian Group Ratings:

S&P
- BB+ with stable outlook
- Upgraded from BB to BB+ on September 11, 2017

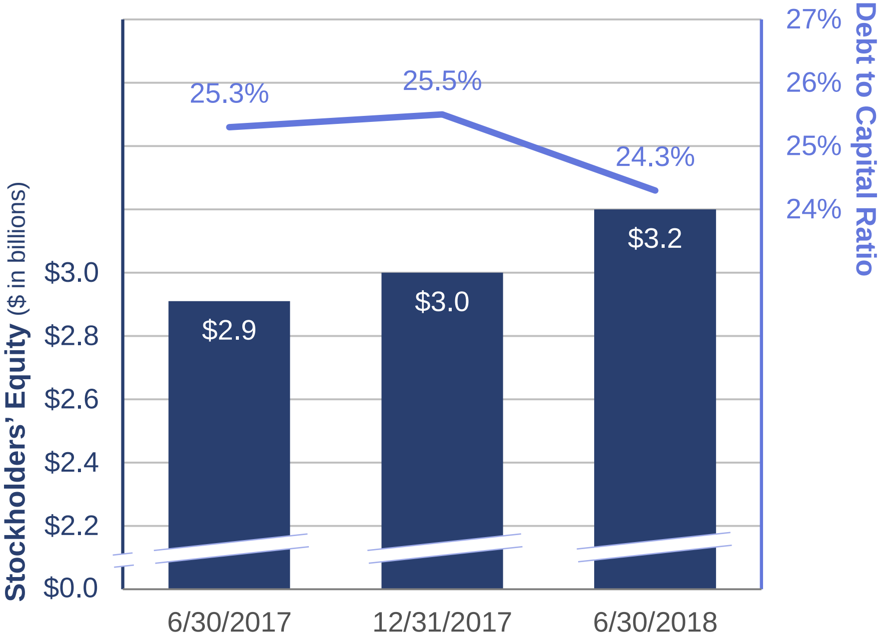
Moody's
- Ba3 with positive outlook
- Upgraded from stable to positive outlook on August 17, 2017.

Capital Structure

Debt Maturity Profile: Principal by Year of Maturity
Senior Notes As of June 30, 2018
($ in millions)



Stockholders' Equity & Debt to Capital Ratio
As of June 30, 2018



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