Investor Presentation

S.A. Ibrahim, *Chief Executive Officer*
Frank Hall, *Chief Financial Officer*
December 2015

NYSE: RDN

Safe Harbor Statements

All statements made 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. 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 unemployment rates, changes in the U.S. housing and mortgage credit markets, declines in home prices and property values, the performance of the U.S. or global economies, the amount of liquidity in the capital or credit markets, changes or volatility in interest rates or consumer confidence and changes in credit spreads, all of which may be impacted by, among other things, legislative activity or inactivity, actual or threatened downgrades of U.S. government credit ratings, or actual or threatened defaults on U.S. government obligations;
- changes in the way customers, investors, regulators or legislators perceive the strength of private mortgage insurers;
- catastrophic events, increased unemployment, home price depreciation or other negative economic changes in geographic regions where our mortgage insurance exposure is more concentrated;
- Radian Guaranty Inc.’s ability to remain eligible under 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. We expect to utilize a portion of our holding company liquidity to support Radian Guaranty Inc.’s compliance with the final financial requirements (“PMIERs Financial Requirements”) of the Private Mortgage Insurer Eligibility Requirements (“PMIERs”),which become effective for existing mortgage insurers on December 31, 2015. Our projections regarding the amount of holding company liquidity that Radian Guaranty Inc. may require to comply with the PMIERs Financial Requirements are based on our estimates of Radian Guaranty Inc.’s “Minimum Required Assets”(a risk-based minimum required asset amount, as defined in the PMIERs, calculated based on net risk in force, which approximates the maximum loss exposure at any point in time and a variety of measures designed to evaluate credit quality) and “Available Assets” (as defined in the PMIERs, these assets primarily include the liquid assets of a mortgage insurer and its affiliated reinsurers, and exclude premiums received but not yet earned), which may not prove to be accurate, and which could be impacted: (1) by our ability to continue to receive the full PMIERs benefit for our existing third-party quota share reinsurance arrangements (which have been approved by the GSEs but remain subject to GSE review at least annually); (2) by the product mix of our NIW and factors affecting the performance of our mortgage insurance business, including our level of defaults, prepayments, the losses we incur on new or existing defaults and the credit characteristics of our mortgage insurance; (3) by whether we elect to leverage the use of external reinsurance which would reduce Radian Guaranty Inc.’s Minimum Required Assets; and (4) by the level of capital we expect to maintain at our mortgage insurance subsidiaries in excess of the amount required to satisfy the PMIERs Financial Requirements. We are actively considering alternatives to optimize the use of our holding company liquidity to support Radian Guaranty Inc.’s compliance with the PMIERs Financial Requirements. These alternatives could take the form of direct contributions of cash and securities or the potential use of surplus notes. Contributions of holding company cash and investments from Radian Group will leave less liquidity to satisfy Radian Group’s future obligations. Depending on the amount of holding company liquidity that we use, we may be required or may decide to seek additional capital by incurring additional debt, by issuing additional equity, or by selling assets, which we may not be able to do on favorable terms, if at all;
- our ability to maintain an adequate level of capital in our insurance subsidiaries to satisfy existing and future state regulatory requirements, including new capital adequacy standards that currently are being developed by the National Association of Insurance Commissioners (“NAIC”) and that could be adopted by states in which we write business;

Safe Harbor Statements (Continued)

- changes in the charters or business practices of, or rules or regulations imposed by or applicable to the GSEs, including: (1) the implementation of the final PMIERs (including as updated on June 30, 2015 to increase the amount of Available Assets that must be held against risk in force associated with loans originated on or after January 1, 2016 that are insured under lender-paid mortgage insurance policies not subject to automatic termination), which (a) will increase the amount of capital that Radian Guaranty Inc. is required to hold, and therefore, reduce our current returns on subsidiary capital, (b) potentially impact the type and volume of business that Radian Guaranty Inc. is willing to write, (c) impose extensive and more stringent operational requirements in areas such as claim processing, loss mitigation, document retention, underwriting, quality control, reporting and monitoring, among others, that may result in additional costs to achieve and maintain compliance, and (d) require the consent of the GSEs for Radian Guaranty Inc. to take certain actions such as paying dividends, entering into various inter-company agreements, commuting or reinsuring risk, among others; (2) other changes that could limit the type and volume of business that Radian Guaranty Inc. and other private mortgage insurers are willing to write; (3) changes that could increase the cost of private mortgage insurance, including as compared to the Federal Housing Administration's ("FHA") pricing, or result in the emergence of other forms of credit enhancement; and (4) changes that could require us to alter our business practices and which may result in substantial additional costs;
- our ability to continue to effectively mitigate our mortgage insurance losses, including a decrease in net "Rescissions" (our legal right, under certain conditions, to unilaterally rescind coverage on our mortgage insurance policies if we determine that a loan did not qualify for insurance), "Claim Denials" (our legal right, under certain conditions, to deny a claim) or "Claim Curtailments" (our legal right, under certain conditions, to reduce the amount of a claim, including due to servicer negligence (including as part of one or more settlements of disputed Rescissions or Claim Denials), or as a result of the GSEs intervening in or otherwise limiting our loss mitigation practices, including settlements of disputes regarding "Loss Mitigation Activities" (activities such as Rescissions, Claim Denials, Claim Curtailments and cancellations);
- the negative impact that our Loss Mitigation Activities may have on our relationships with our customers and potential customers, including the potential loss of current or future business and the heightened risk of disputes and litigation;
- any disruption in the servicing of mortgages covered by our insurance policies, as well as poor servicer performance;
- a substantial decrease in the persistency rates of our mortgage insurance policies, which has the effect of reducing our premium income on our mortgage insurance products paid on a monthly installment basis and could decrease the profitability of our mortgage insurance business;
- heightened competition for our mortgage insurance business from others such as the FHA, the U.S. Department of Veterans Affairs and other private mortgage insurers (including with respect to other private mortgage insurers, those that have been assigned higher ratings than we have, that may have access to greater amounts of capital than we do, or that are new entrants to the industry, and therefore, are not burdened by legacy obligations and may be more willing to aggressively price their mortgage insurance offerings to gain market share from more established mortgage insurers) and the impact such heightened competition may have on our returns and our NIW;
- the increased demand from lenders for customized (reduced) rates on mortgage insurance products, which could further reduce our overall average premium rates and returns and, to the extent we decide to limit certain types of business, could adversely impact our NIW and market share;
- changes to the current system of housing finance, including the possibility of a new system in which private mortgage insurers are not required or their products are significantly limited in effect or scope;
- 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, including, without limitation: (1) the resolution of existing, or the possibility of additional, lawsuits, inquiries or investigations (including an inquiry from the Wisconsin Office of the Commissioner of Insurance to all private mortgage insurers pertaining to customized insurance rates and terms offered to mortgage insurance customers); (2) changes to the Mortgage Guaranty Insurers Model Act ("Model Act") being considered by the NAIC that could include more stringent capital and other requirements for Radian Guaranty Inc. in states that adopt the new Model Act in the future; and (3) other legislative and regulatory changes (a) impacting the demand for our products, (b) limiting or restricting the products we may offer or increasing the amount of capital we are required to hold, (c) affecting the form in which we execute credit protection, or (d) otherwise impacting our existing businesses or future prospects;

Safe Harbor Statements (Continued)

- 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;
- 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 as dividends or through our tax- and expense-sharing arrangements with 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, the valuation of which requires the use of significant estimates and assumptions with respect to the estimated future economic benefits arising from certain assets acquired in the transaction such as the value of expected future cash flows of Clayton, Clayton's workforce, expected synergies with our other affiliates and other unidentifiable intangible assets.

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 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.

Agenda

1	Company Overview
2	Financial Highlights
3	Mortgage Insurance
4	Mortgage and Real Estate Services
5	Balance Sheet Review

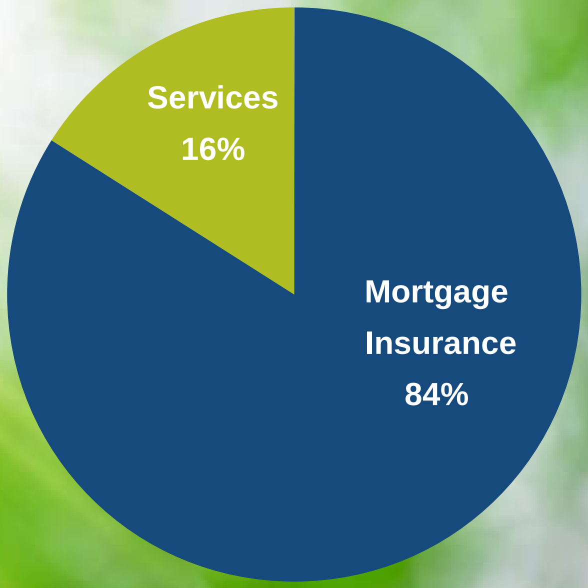
Who Is Radian?

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, beginning in the fourth quarter, 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 (3Q 2015)



Total Segment Revenue[1]: $271 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.

Radian Team

S.A. Ibrahim
CEO

- Chief Executive Officer and Director of Radian since 2005
- Formerly served as CEO of GreenPoint Mortgage Funding, Inc.
- Past experience includes Head of International Operations Reengineering at American Express and CEO & COO of Chemical Banking Corp's mortgage lending unit
- Served on the Boards of Fannie Mae National Advisory Board and the Mortgage Bankers Association Board of Governors, among other institutions

Frank Hall
EVP & CFO

- Chief Financial Officer of Radian since January 1, 2015
- Experience in capital markets, corporate development and business unit leadership
- Prior to joining Radian, served as EVP, COO and CFO of First Financial Bancorp
- Other experience includes Ernst & Young and Firstar Bank's (now U.S. Bank) credit card division

Teresa Bryce Bazemore
President, Radian Guaranty

- President of Radian Guaranty since 2008; prior roles within Radian Group include EVP, General Counsel, Chief Risk Officer and Secretary
- Past experience includes SVP, General Counsel and Corporate Secretary for Nexstar Financial, General Counsel of Bank of America Mortgage and PNC Mortgage.
- Serves on the Board of the U.S. Mortgage Insurers, on the Economic Advisory Council for the Federal Reserve Bank of Philadelphia, on the Mortgage Bankers Residential Board of Governors and as a director of the Home Builders Institute

Joseph D'Urso
President, Clayton Holdings

- President of Clayton Holdings since 2013; previously served as COO of Clayton Holdings
- Prior to Clayton, was President and CEO of Green River Capital. Other past experience includes leadership roles at Merrill Lynch and Goldman Sachs

Our History

1977
CMAC is founded

1992
CMAC goes public

1999
CMAC and Amerin merge

2001
Radian acquires Enhance Financial Services Group

2002
Principal operating entities unite under the Radian brand

2005
Mortgage industry veteran S.A. Ibrahim joins Radian as CEO

2008
Radian discontinues writing new financial guaranty business

2009
Radian increases focus and resources on its core mortgage insurance business

2010
Radian raises $1 billion in new capital to support new business growth

2011
Radian continues to expand sales force and diversify customer base

2013
Radian ranked as the largest MI company and achieves net operating profit

2014
Radian acquires Clayton Holdings, a mortgage and real estate services provider

Radian Business Model
Two Distinct, Yet Complementary Business Segments

MI = Mortgage Insurance

Financial Highlights

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

	September 30, 2015	December 31, 2014	September 30, 2014
Total assets	$ 5,760.9	$ 6,842.3	$ 5,940.9
Loss reserves	$ 1,098.6	$ 1,560.0	$ 1,591.2
Unearned premiums	$ 676.9	$ 644.5	$ 625.3
Long-term debt	$ 1,230.2	$ 1,192.3	$ 1,182.2
Stockholders' equity	$ 2,435.6	$ 2,097.1	$ 1,734.4
Book value per share	$ 11.77	$ 10.98	$ 9.08
Available holding company liquidity	$ 744.7	$ 669.5	$ 762.1
Statutory capital (Radian Guaranty)	$ 2,019.4	$ 1,714.6	$ 1,617.5
Risk-to-capital ratio (Radian Guaranty)	16.5:1	17.9:1	18.4:1
Risk-to-capital ratio (Mortgage Insurance combined)	17.9:1	20.3:1	21.2:1

MORTGAGE INSURANCE

What is Private Mortgage Insurance?

GSE charters require private mortgage insurance on all conforming loans with LTV ratios above 80%

The Private MI industry provides credit protection to the GSEs, transferring first-loss credit risk from the US taxpayer to private capital.

Loan to Value Range	Required Coverage - % of Loan Amount*	Effective LTV to GSEs after Private MIs**	Industry Annual Premium 760+ FICO Borrower***
95.01 - 97.00	35%	63.1%	1.05%
90.01 - 95.00	30%	66.5%	0.54%
85.01 - 90.00	25%	67.5%	0.39%
80.01 - 85.00	12%	74.8%	0.23%

* Based on 30 yr GSE standard coverage

** Utilizes highest LTV value in range

*** The MI industry uses credit-based premium structures, tiered by FICO credit scores

The Role of Private Mortgage Insurance

Allows for broader access to sustainable homeownership with least amount of taxpayer exposure and expense.

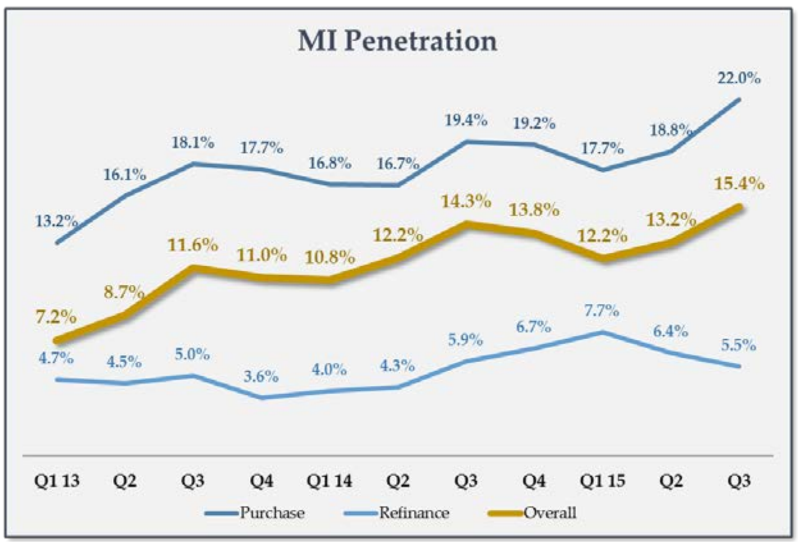
Enables families with less than a 20% down payment to purchase homes while providing loss protection to lenders, GSEs, investors and taxpayers.

- Insured loans have lower defaults than piggybacks
- Private mortgage insurers aligned with the needs of borrowers

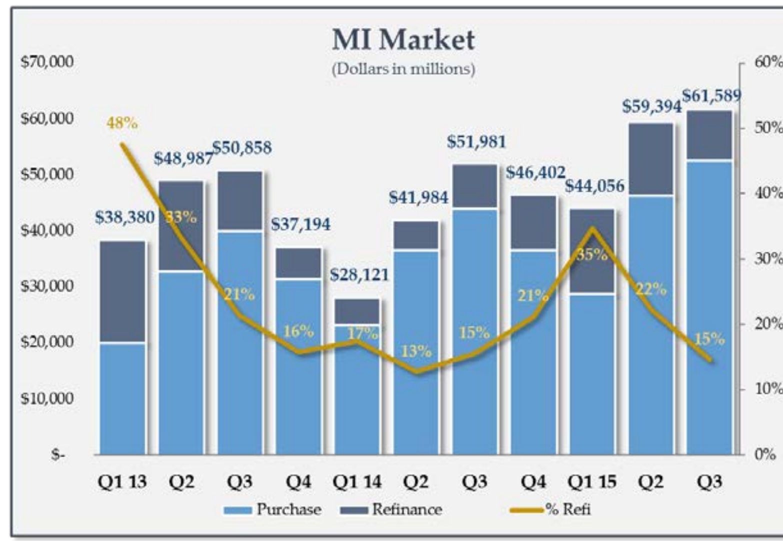
Reliable source for credit enhancement in good times and bad

- Claims capability is driven by rigorous counter-cyclical reserve requirements
- Private mortgage insurers set aside a “contingency reserve” for a period of up to ten years, equal to 50% of every premium dollar

Mortgage Origination and Mortgage Insurance Market



MI penetration remains strong, positioning the MI industry to write new insurance on a high volume of originations in 2015 and in the future, particularly as the purchase origination market recovers.

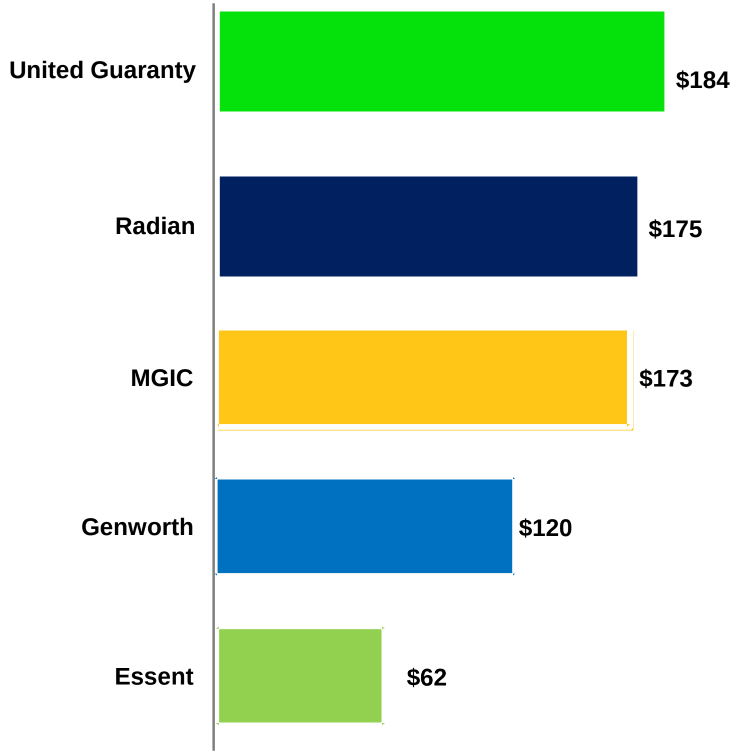


Sources: MI market is based on publicly reported information. Mortgage market size based on average of MBA, Fannie Mae & Freddie Mac Mortgage Finance Forecast as of October 2015.

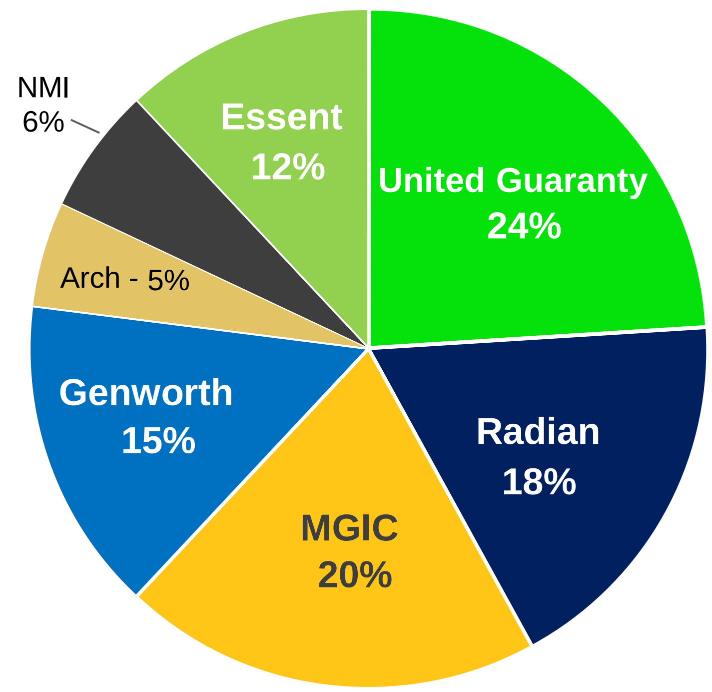
RADIAN

Radian Has Established itself as a Leading MI Player

Market Rank by Primary Insurance in Force
($ billions, as of September 30, 2015)

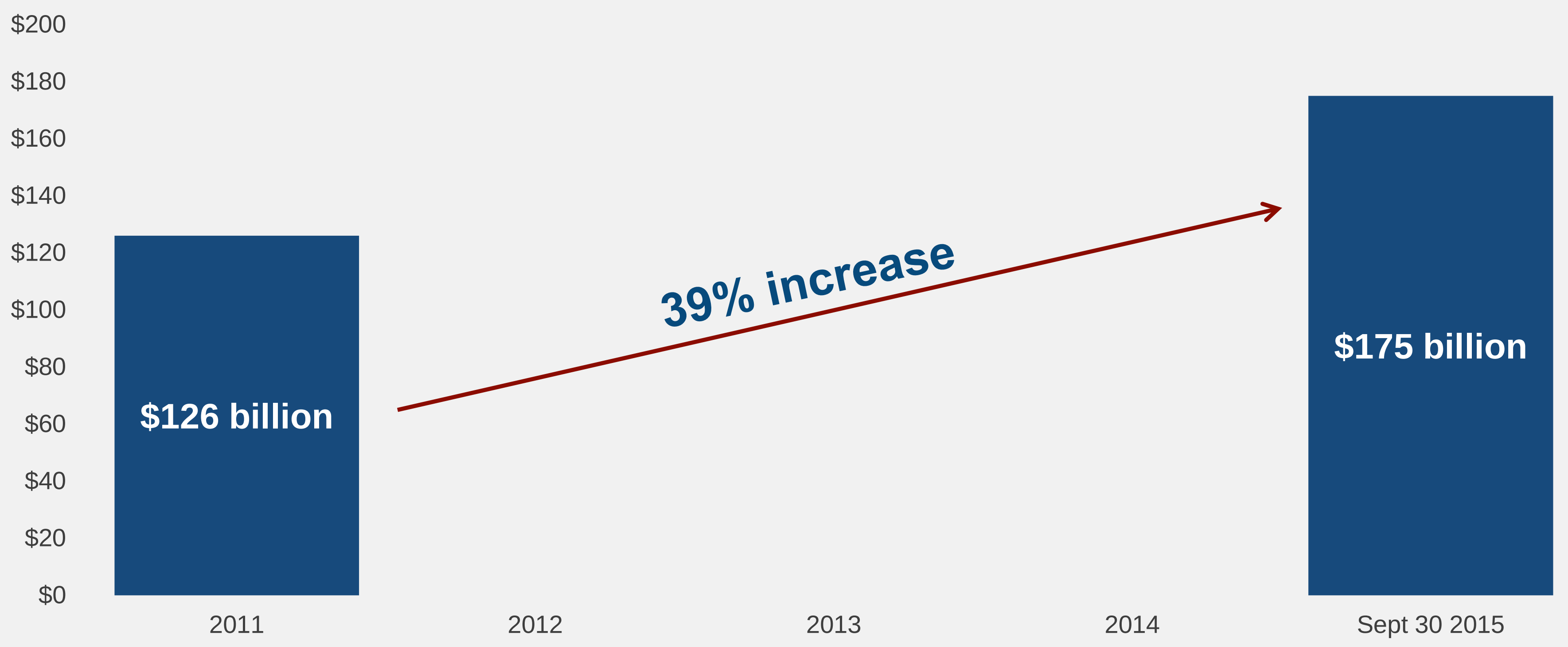


Third Quarter 2015 Market Share of New Insurance Written



Source: Public filings.
Note: Total private MI volume pie includes primary MI, excludes HARP. Market rank by primary insurance in force includes only direct primary insurance as reported in public filings and supplements. Genworth insurance in force represents only U.S. Mortgage Insurance segment.

Radian Mortgage Insurance in Force Growth Drives Expected Future Profitability

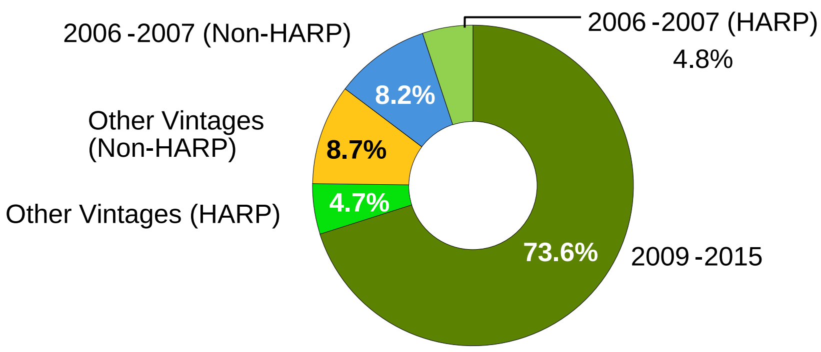


RADIAN

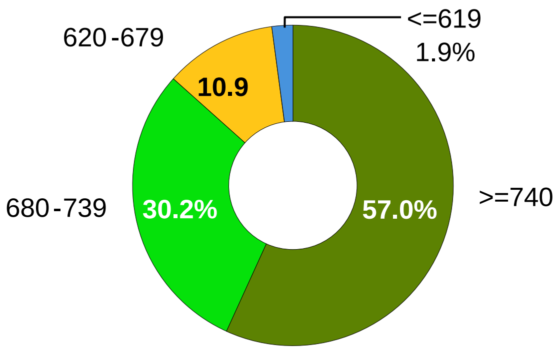
Radian High Quality Mortgage Insurance Portfolio

Total MI Primary Risk in Force (as of September 30, 2015): $44.4 billion

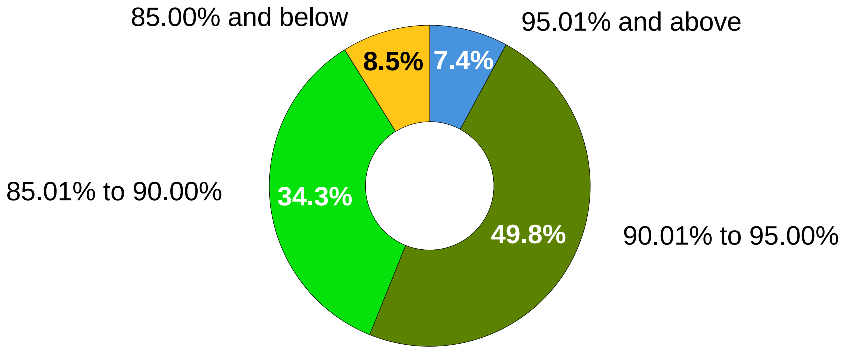
MI Portfolio by Vintage



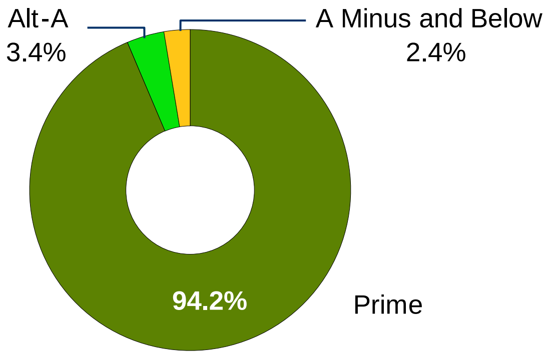
MI Portfolio by FICO Score



MI Portfolio by LTV

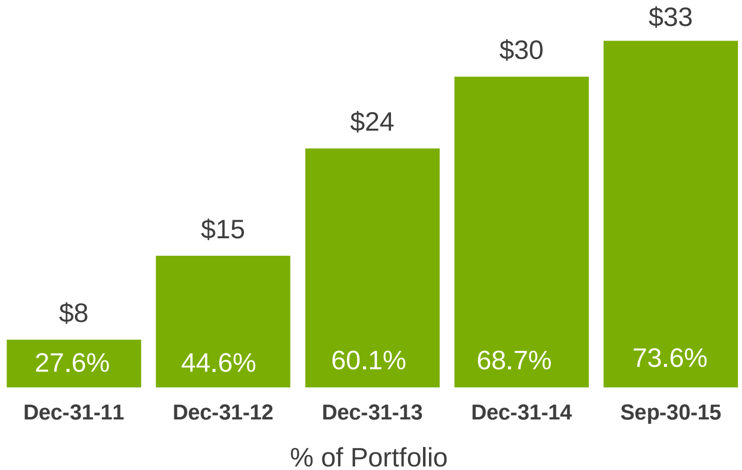


MI Portfolio by Product



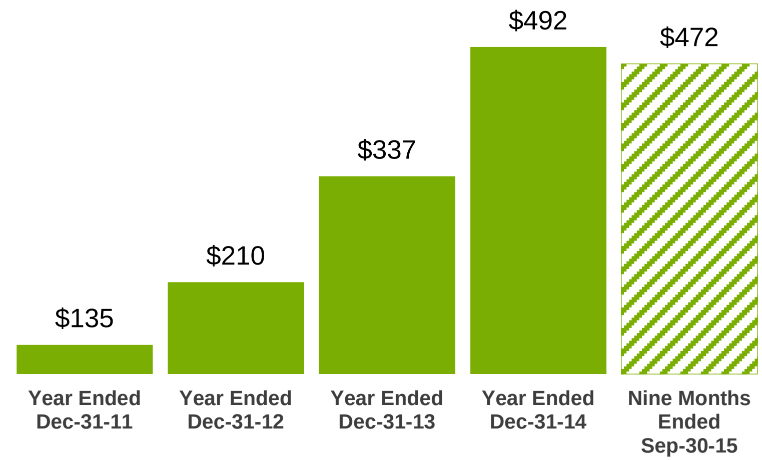
Profitability of Newer Vintages Improving Performance of MI Portfolio

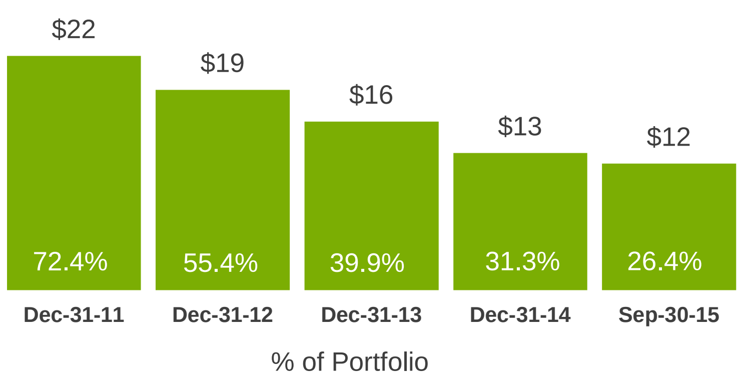
Gross Primary Risk in Force
($ in billions)



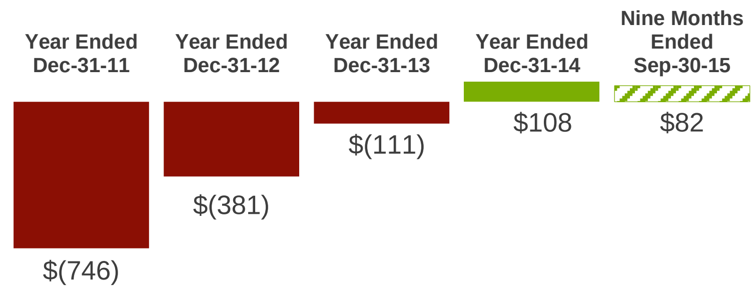
2009 and Later Vintages

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





2008 and Prior Vintages

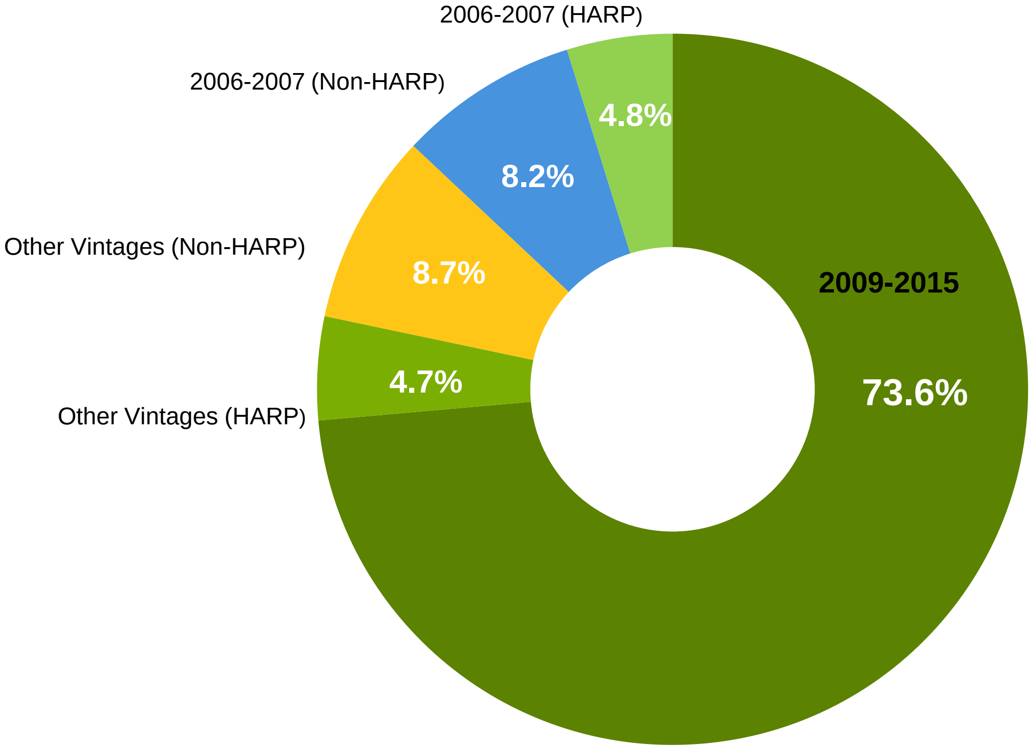


(1) Represents premiums earned and incurred losses on first-lien portfolio including the impact of ceded premiums and losses related to the 2012 Quota Share Reinsurance transactions, but excluding any reduction for ceded premiums and losses recoverable through our other reinsurance transactions.

RADIAN

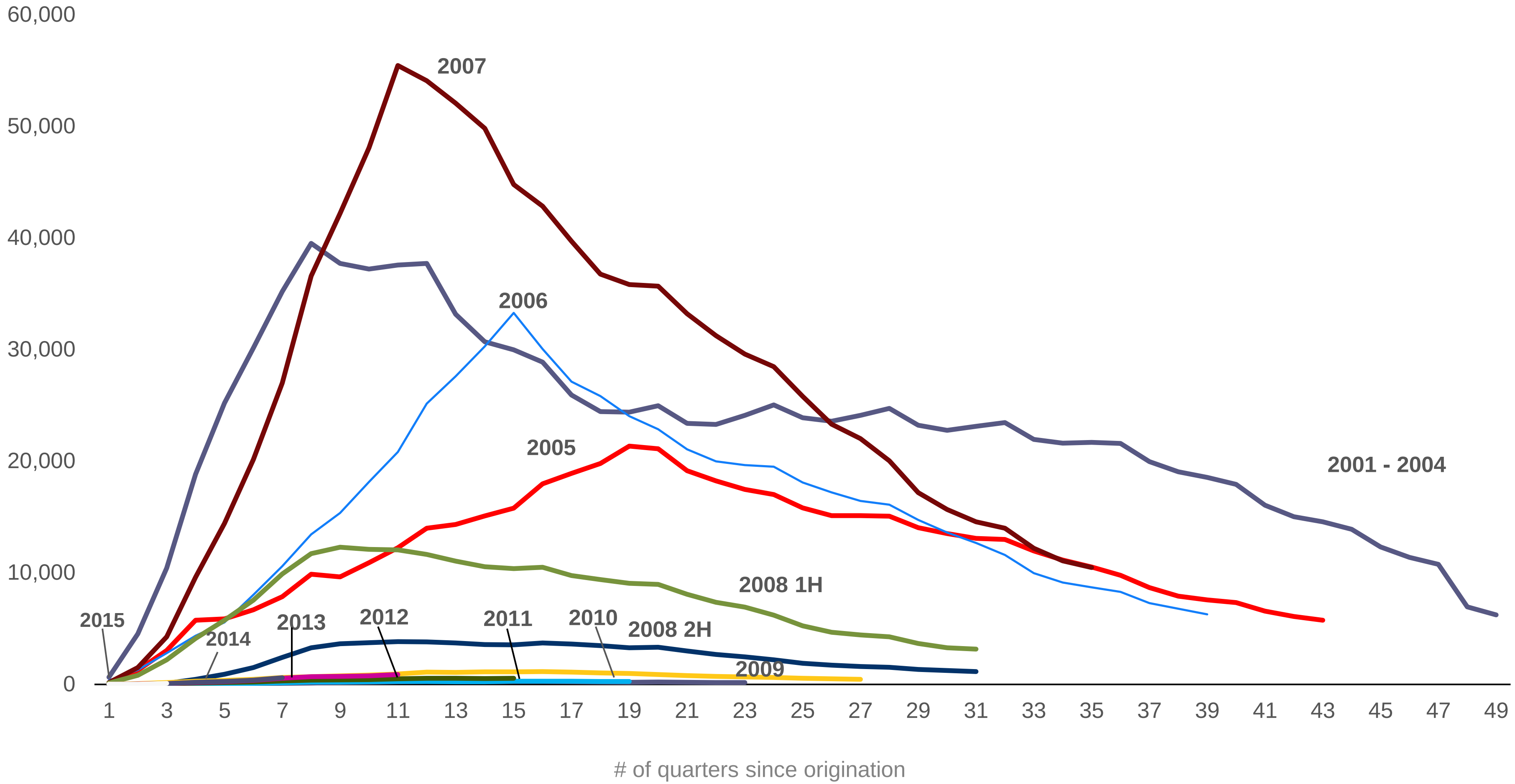
Improved Composition of MI Portfolio[1]

NIW since 2009 and HARP volume combined **now represents 83%** of Radian's mortgage insurance primary risk in force as of Q3 2015



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

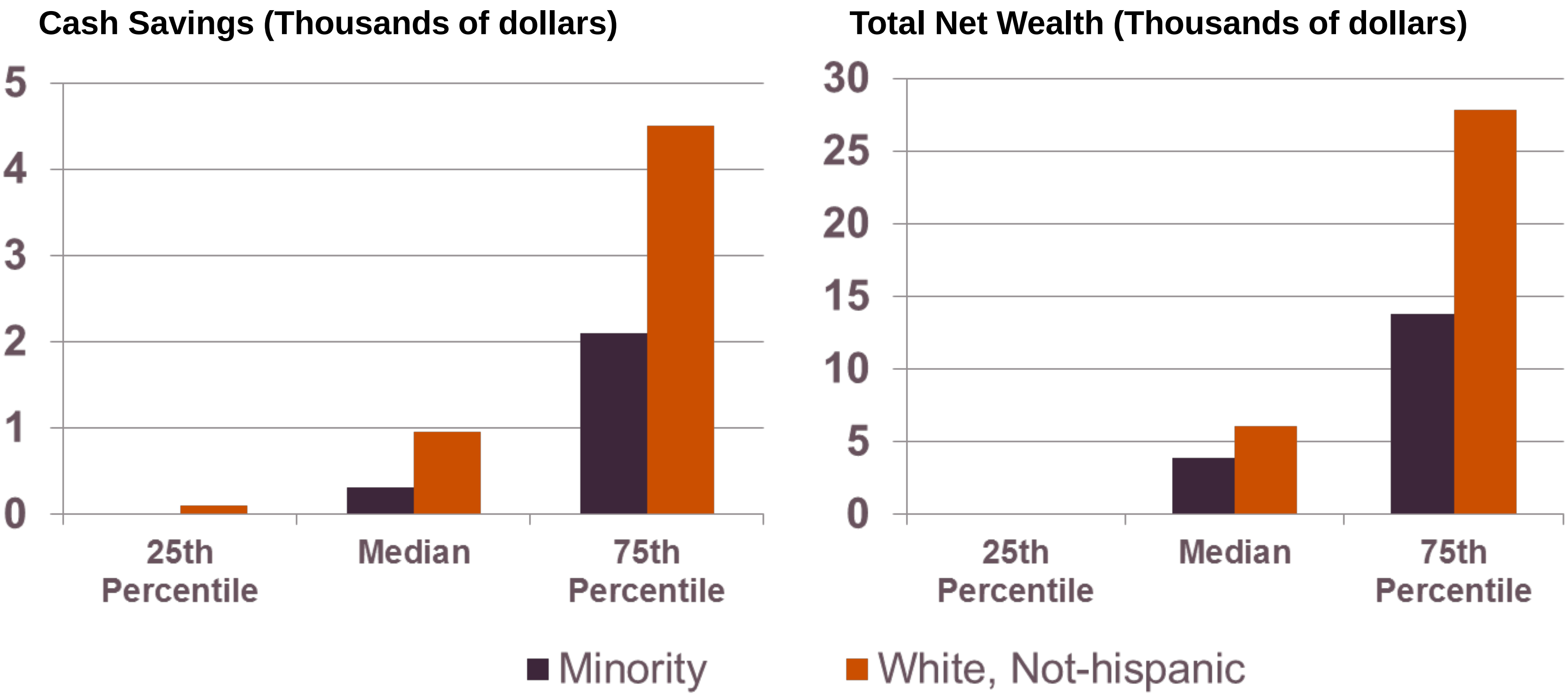
Primary Default Count by Vintages 2001 - 2015



- 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 September 30, 2015, excludes 2,993 loans in default subject to the terms of the August 2013 Freddie Mac Agreement.

Opportunities for Future Growth

Renters Have Minimal Savings/Wealth—Need Low Downpayment Loans

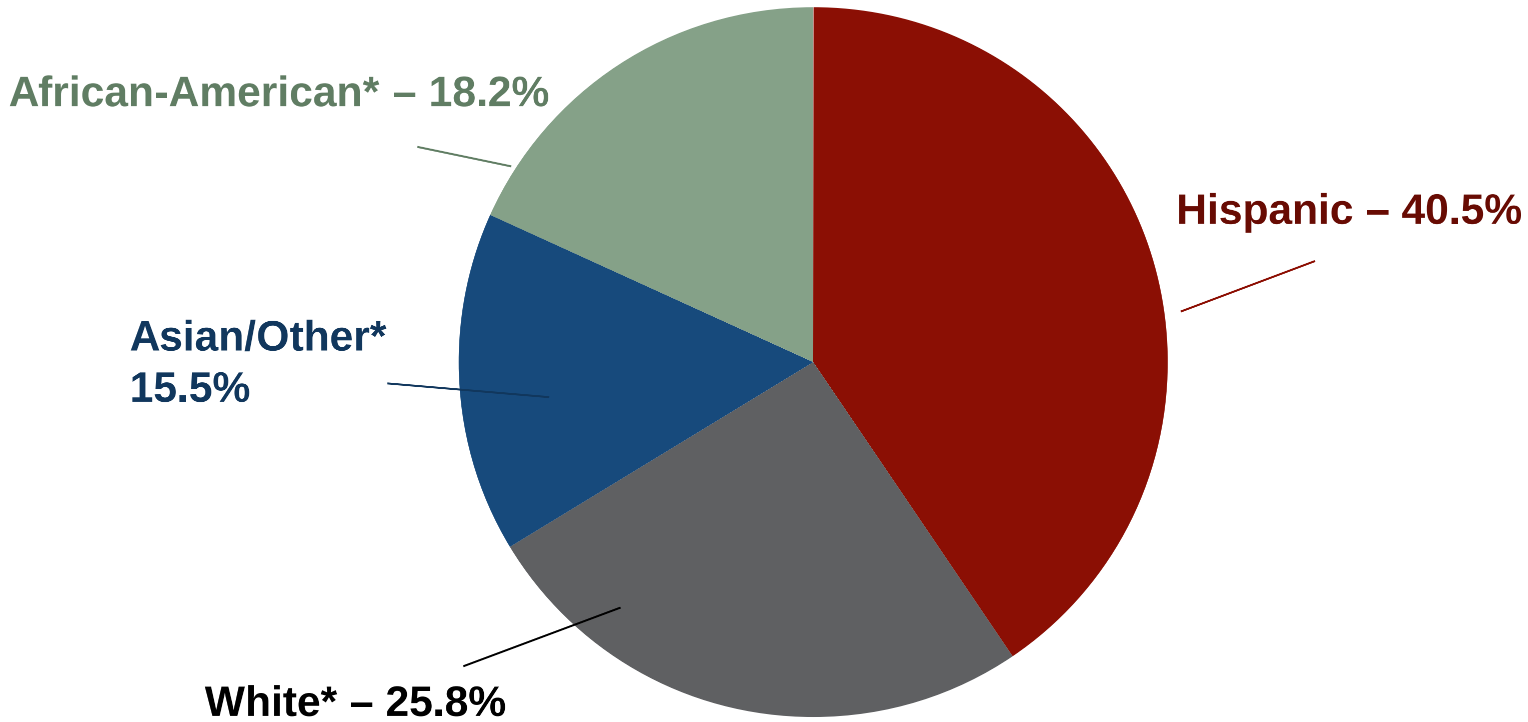


Notes: Data for Renters only. Cash savings includes checking, saving, CD and money market accounts.

Source: JCHS tabulations of 2010 Survey of Consumer Finances.

Opportunities for Future Growth
New Household Formation Driven by Diverse Markets
13 million of the 17 million projected between 2010 and 2025

% of Projected New Households 2010-2025



SOURCE: Updated 2010-2020 Household and New Home Demand Projections, Sept 2010
Joint Center for Housing at Harvard, US Census – homeownership rates Q2 2013

* Non-Hispanic

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	32 - 39%	• 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	15 - 20%	• 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

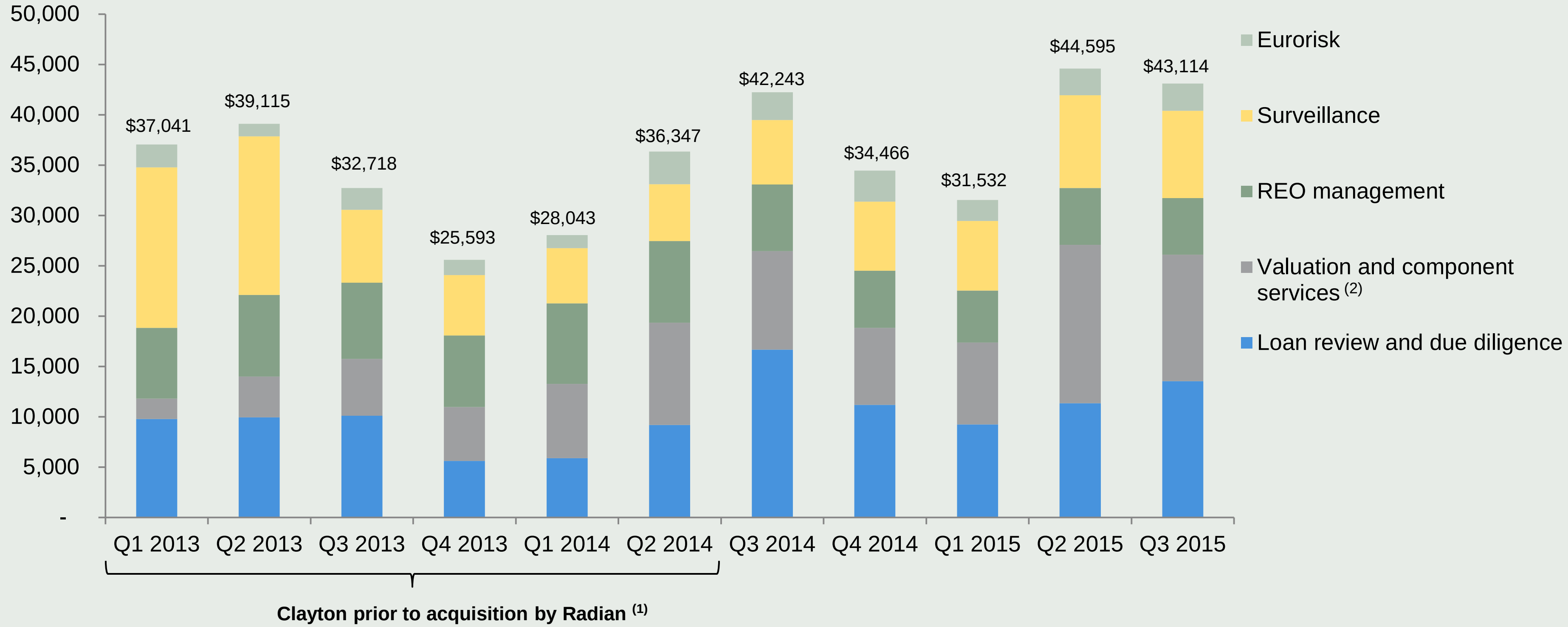
Mortgage and Real Estate Services Revenue Drivers

	% of Revenue (1)	Market Segments/Clients	Current Revenue Drivers	Potential Future Revenue Drivers
Valuation and Component Services	23 - 29%	• 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)	13 - 16%	• 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	6 - 7%	• 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

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.

Opportunities for Future Growth
Non-Agency RMBS Due Diligence and Surveillance

Non-Agency RMBS Due Diligence

Despite a relatively small market for non-agency RMBS today versus pre-crisis levels, the economics of the business are favorable to the Services segment. Regulatory changes and ratings agency demands have resulted in:

- Higher sample sizes/loan coverage (100% vs 10% pre financial crisis)
- More in-depth reviews resulting in increased pricing (double pre financial crisis levels)

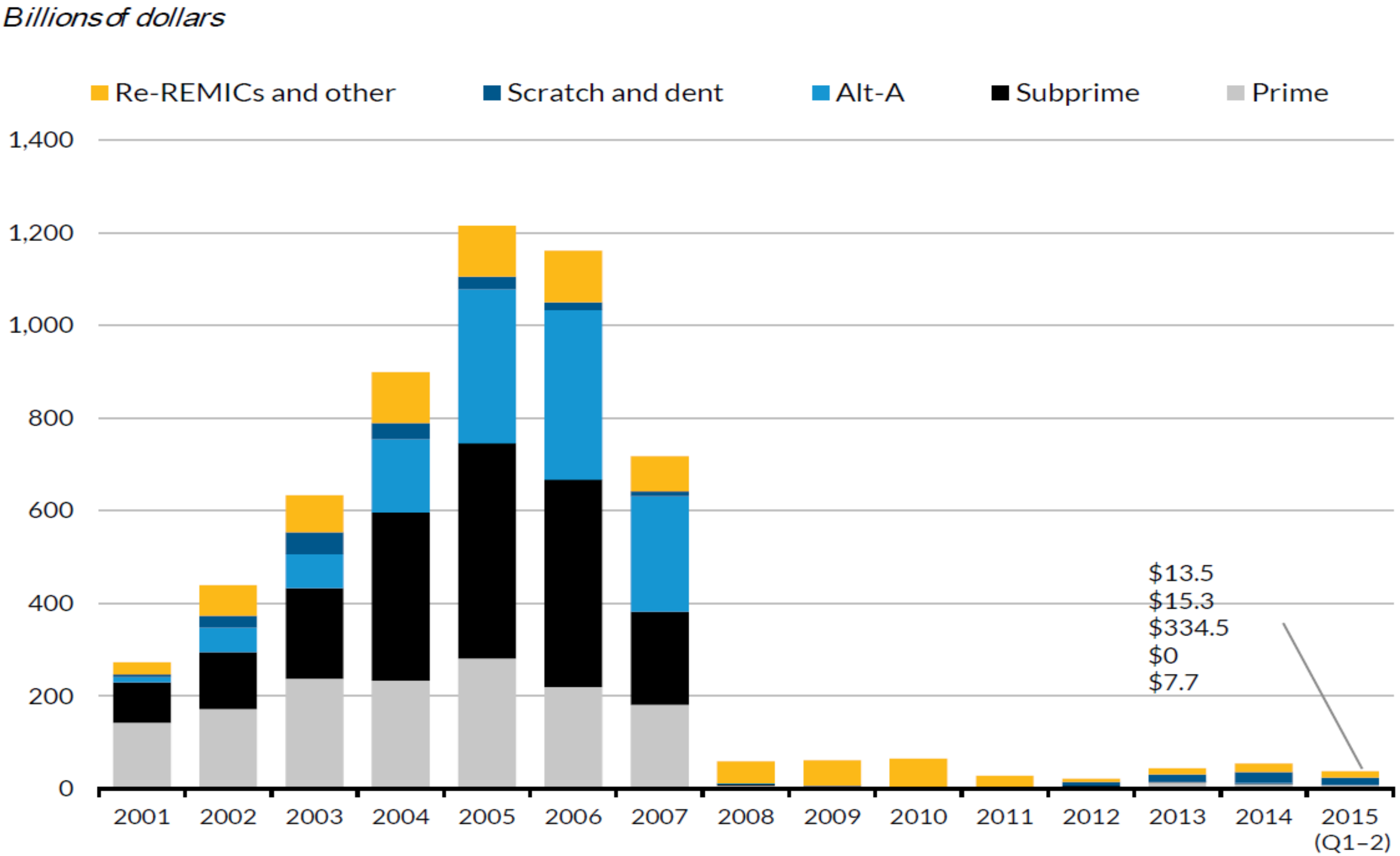
Surveillance for Investors and Asset Managers

Opportunity to sell due diligence and surveillance capabilities:

- Non-agency RMBS issuers engaged Clayton to perform surveillance on pre financial crisis securities
- Today's whole loan and RMBS investors are demanding greater transparency into servicers' performance and compliance
- Offerings will include technology for high-level oversight and in-depth file reviews

Opportunities for Future Growth

Private-Label Residential Mortgage-Backed Securities Issuance, 2001-2015



SOURCES: Inside Mortgage Finance and The Urban Institute
NOTE: REMIC = real estate mortgage investment conduit

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BALANCE SHEET REVIEW

Capital Structure

Total capitalization (as of September 30, 2015)

Coupon		Carrying value ($'000)	Principal ($'000)	% of total capitalization[3]
9.00%	Senior Notes due 2017	$191,752	$195,500	
5.50%	Senior Notes due 2019	$295,472	$300,000	
5.25%	Senior Notes due 2020	$343,825	$350,000	
	Total Senior Notes	$831,049	$845,500	23%
3.00%	Convertible Senior Notes due 2017	$52,754	$60,899	
2.25%	Convertible Senior Notes due 2019[1]	$346,443	$399,992	
	Total Convertible Senior Notes	$399,197	$460,891	11%
	Total debt	$1,230,246	$1,306,391	34%
	Shareholders' Equity	$2,435,570	$2,892,039[2]	66%
	Total capitalization	$3,665,816	--	100%

Current Ratings

- S&P
  - **B with positive outlook**
  - Upgraded from B- to B on March 9, 2015
- Moody's
  - **B1 with positive outlook**
  - Upgraded from B2 to B1 on June 25, 2015

- **Recent issuances have been on investment grade terms despite ratings**
- **Types of securities are indicative of a stronger company**
- **Remain committed to returning to investment grade**

(1) Radian may redeem all or part of the 2019 convertible notes on or after March 8, 2016 if the reference share prices exceeds $13.78 per share.
(2) Represents Radian's market capitalization as of November 12, 2015, calculated based on price of $13.98 and 206,869,775 shares outstanding as of September 30, 2015.
(3) Based on carrying value of debt and book value of equity.

Private Mortgage Insurer Eligibility Requirements

Private Mortgage Insurer Eligibility Requirements (PMIERs) were developed by Fannie Mae and Freddie Mac and come into effect on December 31, 2015.

Lenders, investors and other mortgage market participants can now have even more confidence in the value and financial strength of the MI industry.

Risk-based capital factors are applied at a loan level to total net risk in force (RIF).

Total risk-based capital represents projected claims on an insurer's book of business over remaining life of existing policies in a significant stress scenario.

Significant benefits of PMIERs:

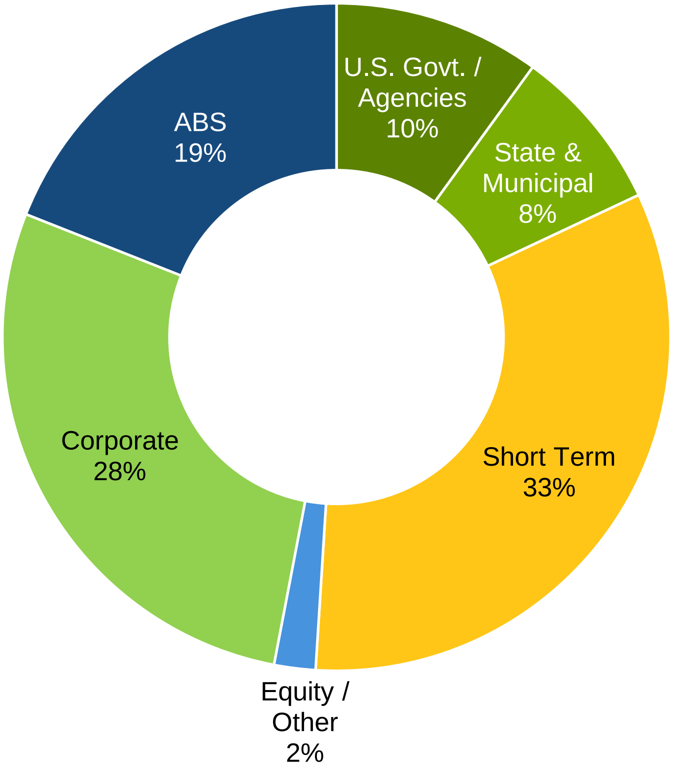
- Provides a robust risk-based capital framework, ensuring insurers maintain adequate liquidity and claims-paying resources to withstand a significant stress scenario
- Provides a level capital playing field for the MI industry, which ensures risk-focused discipline and prevents a "race to the bottom"

Radian Guaranty **expects to be able to immediately comply** with the financial requirements of the PMIERs by utilizing approximately $320 million of existing holding company liquidity.

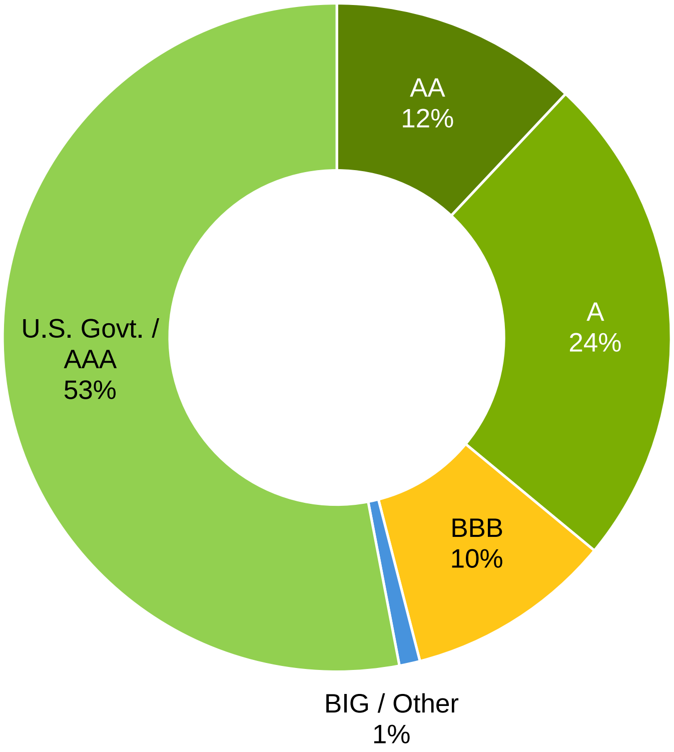
Conservative Investment Portfolio

Total investments of $4.4 billion as of September 30, 2015

Invested Assets by Type



Investment Portfolio Credit Quality



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