RADIAN

Ensuring the American Dream®

Financial Results

First Quarter 2016

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 that could impact the size of the insurable market and the credit performance of our insured portfolio;
- changes in the way customers, investors, regulators or legislators perceive the performance and financial strength of private mortgage insurers;
- Radian Guaranty’s ability to remain eligible under the PMIERs and other applicable requirements imposed by the Federal Housing Finance Agency 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 in particular but without limitation, plans and strategies that require GSE and/or regulatory approvals;
- 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, including the GSE’s interpretation and application of the PMIERs to Radian Guaranty;
- changes in the current housing finance system in the U.S., including in particular but without limitation, 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 monthly premium mortgage insurance policies;
- heightened competition in our mortgage insurance business, including in particular but without limitation, increased price competition and competition from other forms of credit enhancement;
- the effect of the Dodd-Frank 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 IRS resulting from its examination of our 2000 through 2007 tax years, which we are currently contesting;

Safe Harbor Statements (Continued)

- 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 or SAP rules and guidance, or their interpretation;
- legal and other limitations on dividends and other 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.

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, 2015, 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.

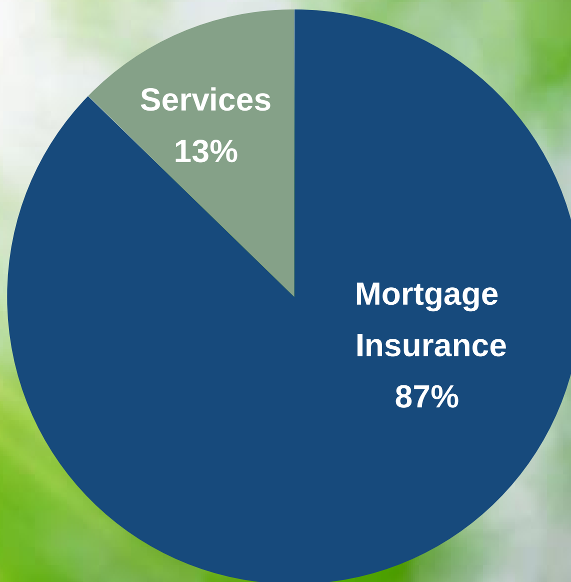
Who Is Radian?

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.

Q1 2016 Revenue



Total Net Premiums Earned and Services Revenue

$253 million

NYSE: RDN
www.radian.biz

Ensuring the American Dream®

Q1 Highlights

Net income of $66.2 million or $0.29 diluted net income per share

Includes $31.3 million of net gains on investments and other financial instruments and $55.6 million of loss on induced conversion and debt extinguishment

Book value per share of $12.42

Adjusted pretax operating income of $130.2 million[1]

$0.37 adjusted diluted net operating income per share

Approximately $392.9 million of currently available holding company liquidity

Available holding company liquidity would increase with any repayments on the $325 million surplus note; Radian expects to be in a position to seek to redeem a portion, or potentially all, of the note as early as June 30, 2016.

High-quality new mortgage insurance business

NIW of approximately $8.1 billion in Q1 2016 compared to $9.4 billion in Q1 2015.

100% Prime; 58% with FICO of 740 or above

Services segment total revenue of $32.2 million

Gross profit of $10.1 million

EBITDA loss of $3.1 million[1]

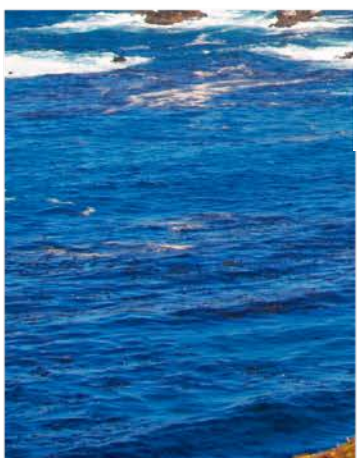
(1) Adjusted results, including EBITDA, as used in this presentation, are non-GAAP financial measures. For a reconciliation of the adjusted results to the comparable GAAP measures, see Radian's website. For a definition of adjusted pretax operating income (loss), see Exhibit F to Radian's first quarter 2016 earnings press release dated April 27, 2016.

Q1 Highlights

Improved composition of MI portfolio

New business written after 2008 represents 85% of primary risk in force

New business written after 2008, excluding HARP volume, represents 76% of primary risk in force



Mortgage insurance in force of $175.4 billion

Compared to $175.6 billion as of December 31, 2015, and $172.1 billion as of March 31, 2015

Persistency, the percentage of mortgage insurance in force that remains on books after a 12-month period, was 79.4%. Annualized persistency for Q1 2016 was 82.3%

Continued decline in number of mortgage insurance defaults

Total number of primary delinquent loans decreased by 24% from Q1 2015

Primary mortgage insurance delinquency rate decreased to 3.5% from 4.6% in Q1 2015

Mortgage insurance loss provision of $43.3 million

Loss reserves of approximately $0.9 billion – down from $1.0 billion in Q4 2015

Primary reserves (excluding IBNR and other reserves) were $24,959 per primary default vs. $28,423 in Q1 2015

Loss ratio of 19.6% was down compared to 20.4% in Q1 2015

Total mortgage insurance net claims paid of $127.7 million

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

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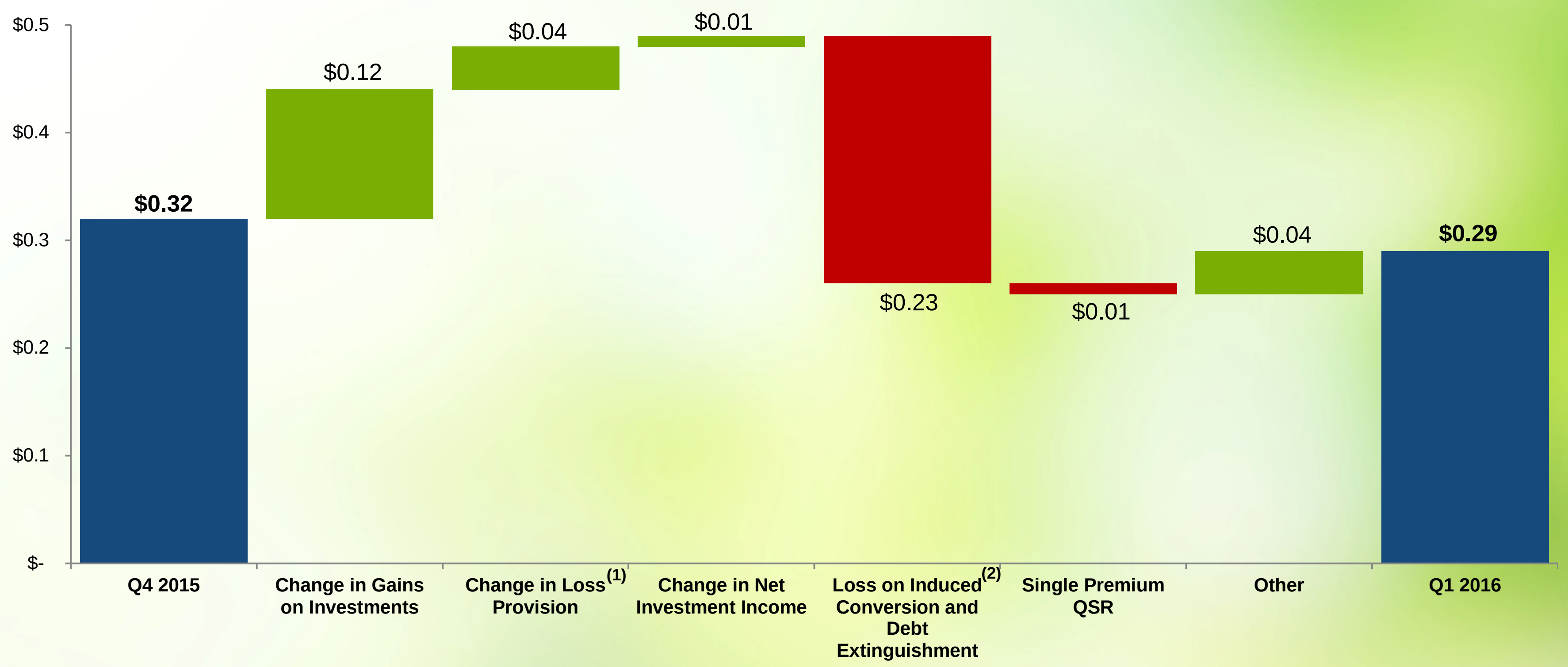
Q4 2015 to Q1 2016 GAAP Earnings Per Share



(1) Includes the positive impact of an approximate 0.5% reduction in the company's default to claim rate assumption for new notices of default as well as positive development on existing defaults.

(2) Includes impact of additional tax benefit of $10.1 million realized in Q4 2015, related to prior loss on induced conversion and debt extinguishment recorded in Q2 2015. There was no similar tax benefit realized in Q1 2016.

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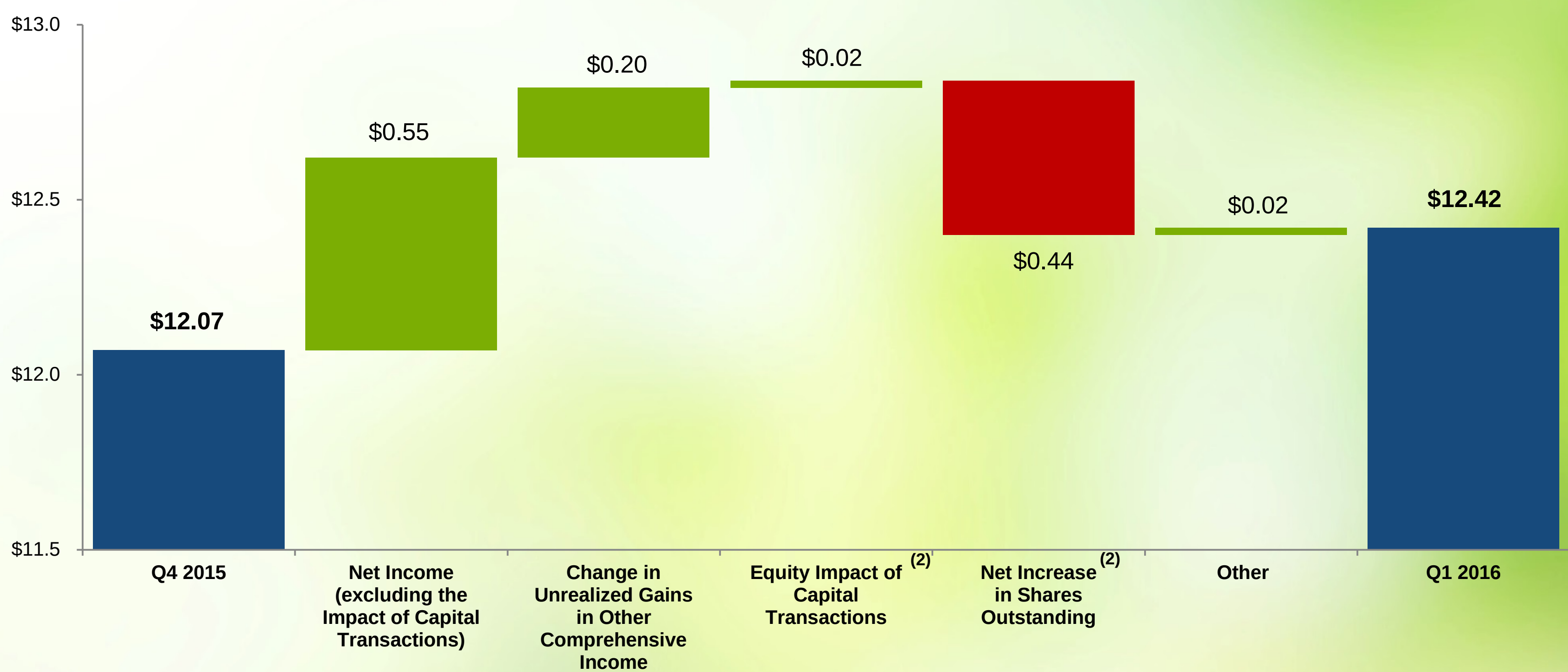
Q4 2015 to Q1 2016 GAAP Book Value Per Share(1)



(1) All book value per share items above are calculated based on 206.9 million shares outstanding as of December 31, 2015, except for:
   a) the increase in Shares Outstanding, which represents the difference between (i) total equity as of March 31, 2016 divided by the shares outstanding as of March 31, 2016; and (ii) total equity as of March 31, 2016 divided by the shares outstanding as of December 31, 2015; and
   b) the Q1 2016 book value per share, which was calculated based on 214.3 million shares outstanding as of March 31, 2016.

(2) Reflects the equity impact and net share impact, respectively, of the series of transactions completed in the first quarter of 2016 to further strengthen Radian's financial position, as further described in the table on slide 25.

Financial Highlights

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

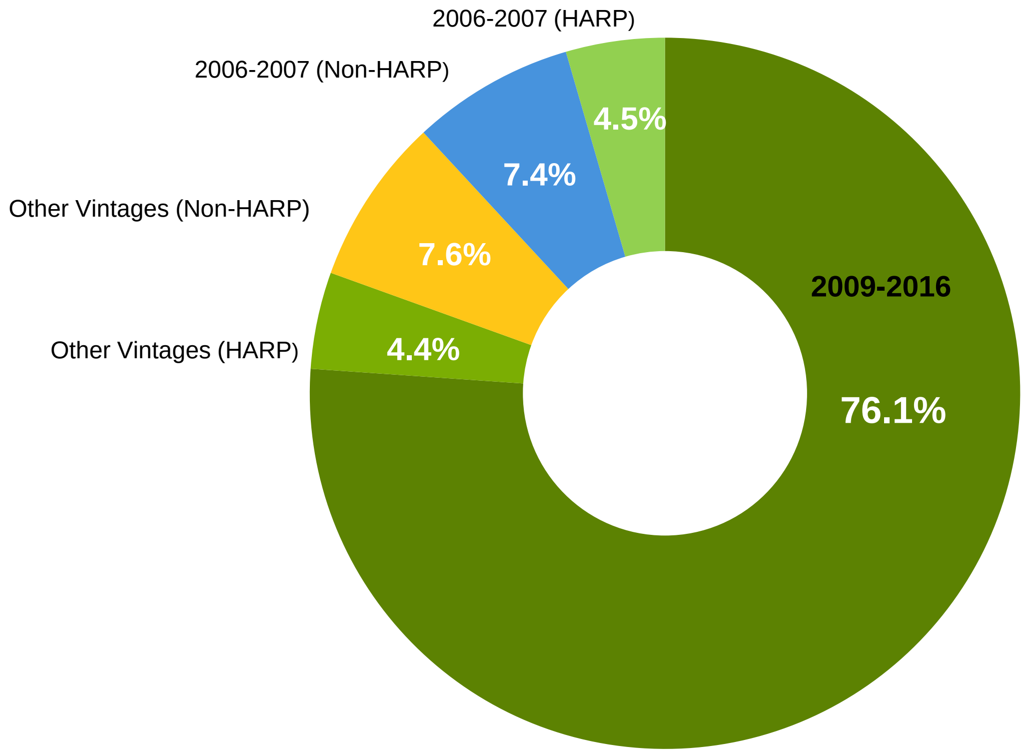
	March 31, 2016	December 31, 2015	March 31, 2015
Total assets	$ 5,983.7 [(1)]	$ 5,642.1	$ 6,797.4
Loss reserves	$ 891.3	$ 976.4	$ 1,384.7
Unearned premiums	$ 673.9	$ 680.3	$ 657.6
Long-term debt	$ 1,286.5	$ 1,219.5	$ 1,202.5
Stockholders' equity	$ 2,660.4	$ 2,496.9	$ 2,206.9
Book value per share	$ 12.42	$ 12.07	$ 11.53
Available holding company liquidity	$ 392.9	$ 342.9	$ 661.9
Statutory capital (Radian Guaranty)	$ 2,675.5	$ 2,547.4	$ 1,837.0

(1) Ceded premiums relating to the Single Premium QSR transaction are included in Total Assets.

MORTGAGE INSURANCE

Improved Composition of MI Portfolio[1]

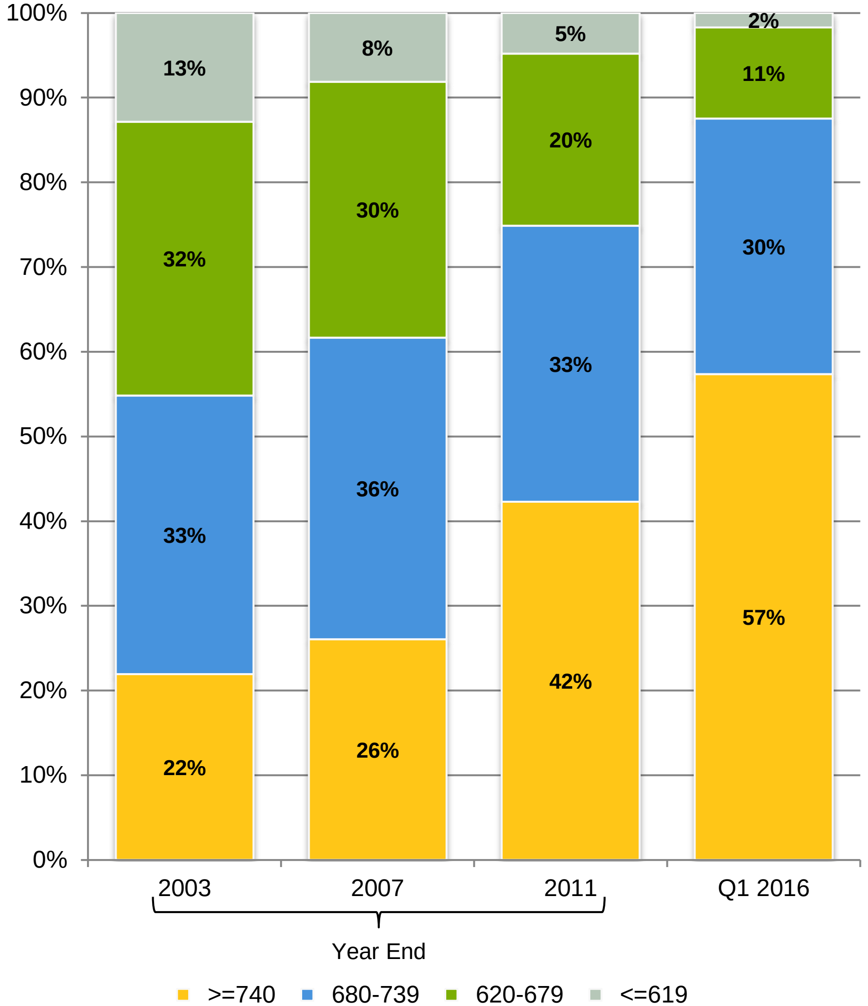
NIW since 2009 and HARP volume combined **now represents 85%** of Radian's mortgage insurance primary risk in force as of Q1 2016



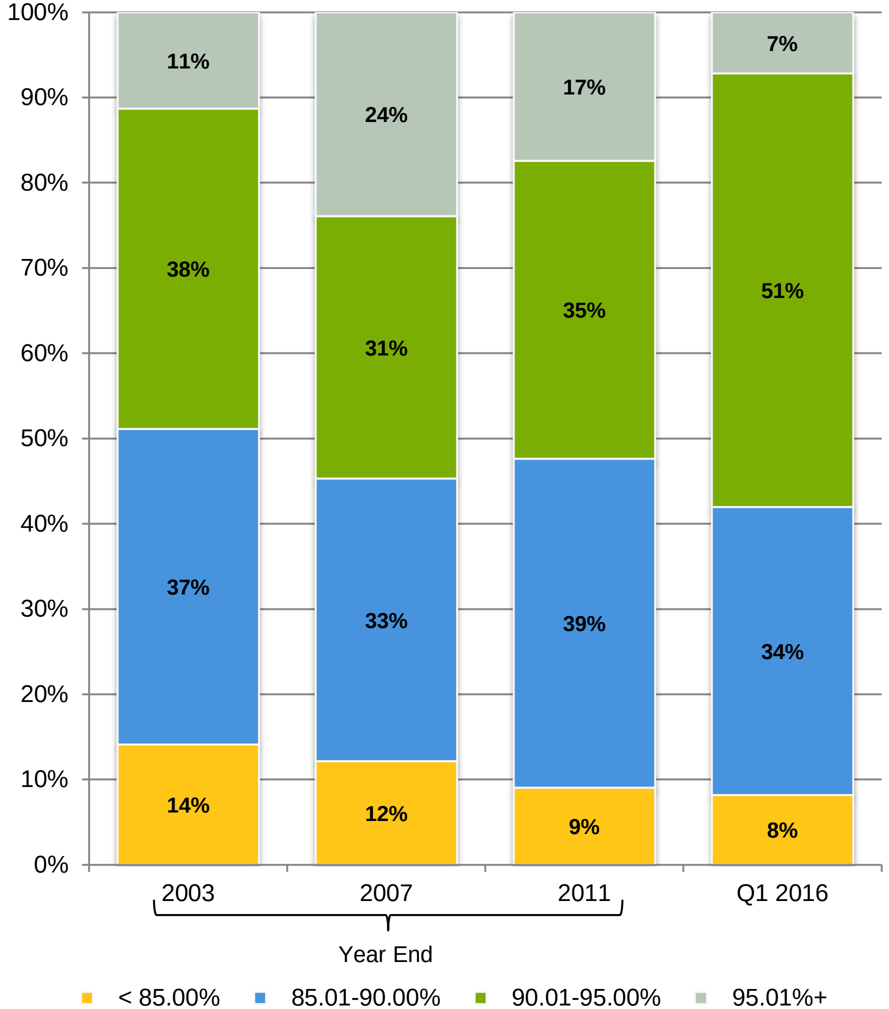
(1) Includes amounts subject to the Freddie Mac Agreement.

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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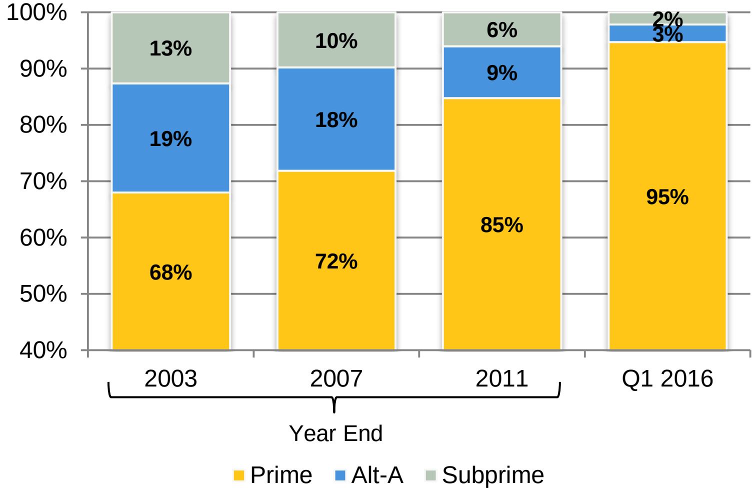
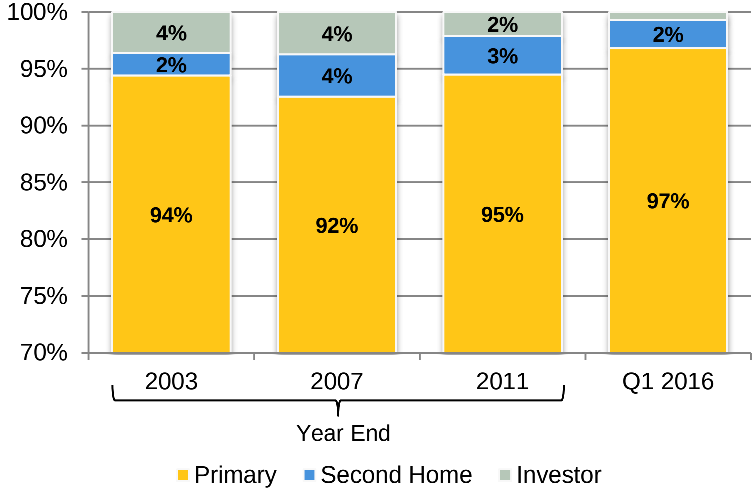
Improved Composition of MI Portfolio: Other Risk in Force Characteristics

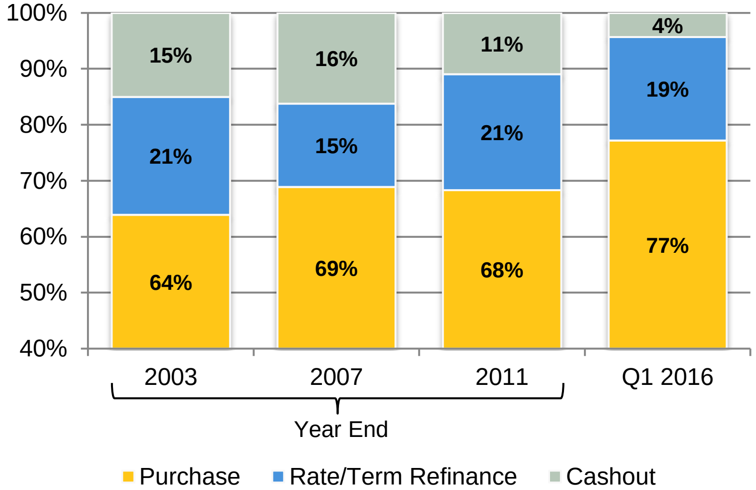
Primary RIF Distribution by Loan Grade



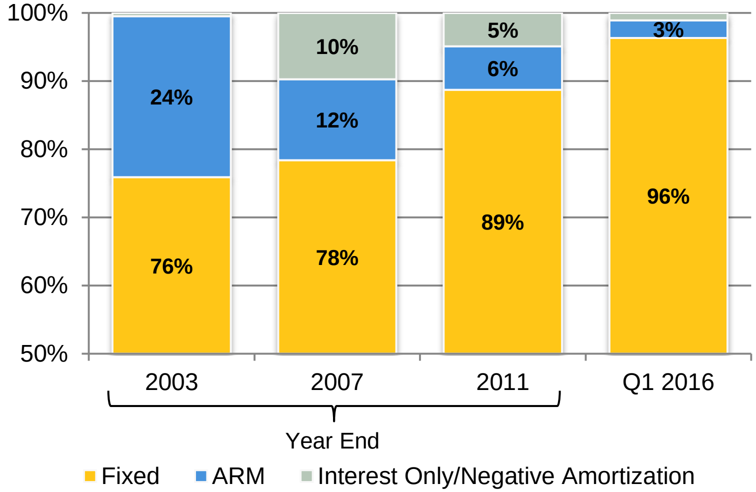
Primary RIF Distribution by Occupancy Status



Primary RIF Distribution by Loan Purpose



Primary RIF Distribution by Loan Type



Single Premium Quota Share Reinsurance Program

- Radian Guaranty entered into a quota share reinsurance agreement for single-premium MI business with a panel of third-party reinsurance providers
- Improves expected return on required capital, proactively manages MI business mix, and effectively manages PMIERs position in a cost-efficient manner

Effective January 1, 2016, the agreement covers the following single-premium business, subject to certain conditions:

- **20%** of existing performing policies written between January 1, 2012, and March 31, 2013
- **35%** of existing performing policies written between April 1, 2013, and December 31, 2015
- **35%** of new insurance written (NIW) between January 1, 2016, and December 31, 2017

In the first quarter of 2016, the Single Premium QSR decreased the percentage of Radian's single-premium risk in force, net of reinsurance ceded, from 31 to 25 percent. The Single Premium QSR had a negligible impact on earnings for the first quarter 2016, as follows:

(In millions)	Before Single QSR	Impact of Single QSR	As Reported
Net Premiums earned	$ 227.0	$ (6.0)	$ 221.0
Operating expenses	(61.7)	2.9	(58.8)
Provision for losses	(43.9)	0.6	(43.3)
Deferred acquisition costs	(6.5)	0.1	(6.4)
Net impact		$ (2.4)	

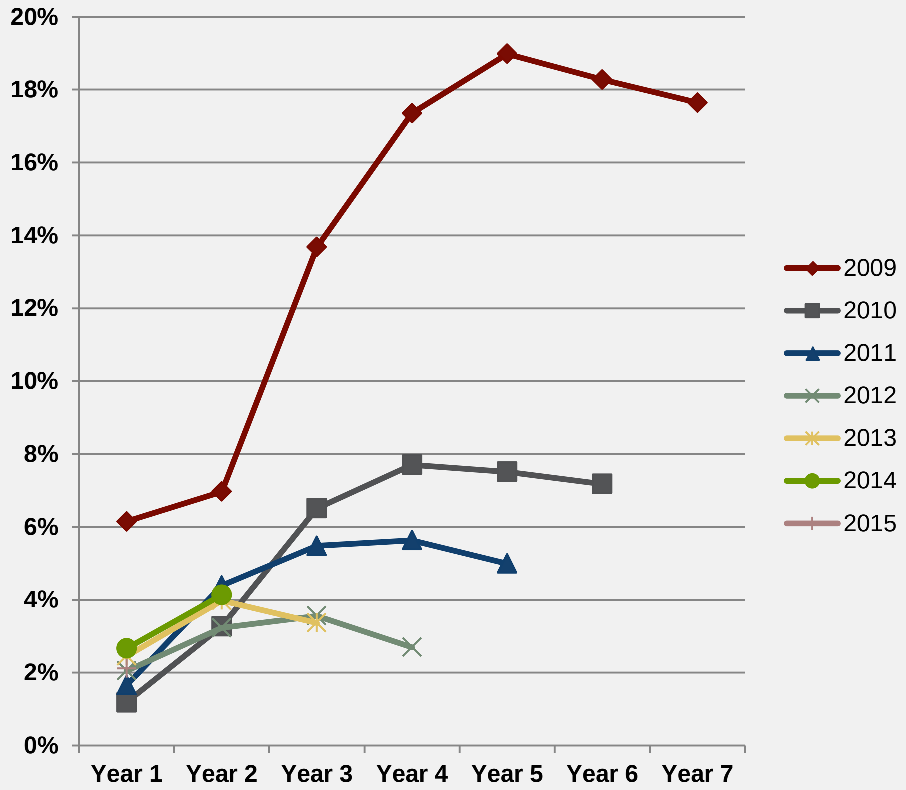
First-Lien Mortgage Insurance: 2016 Performance by Vintage

($ in millions)

	Three Months Ended March 31, 2016		
Vintage	**Premiums Earned[(1)]**	**Incurred Losses[(1)]**	**Net**
2005 and Prior	$ 14.5	$ 6.9	$ 7.6
2006	12.3	7.7	4.6
2007	20.4	16.0	4.4
2008	11.7	4.0	7.7
2009	4.2	0.8	3.4
2010	3.3	0.2	3.1
2011	6.4	0.2	6.2
2012	21.2	1.2	20.0
2013	39.2	2.0	37.2
2014	40.2	2.0	38.2
2015	47.5	1.8	45.7
2016	1.7	-	1.7

(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 and the Single Premium Quota Share Reinsurance transaction, but excluding any reduction for ceded premiums and losses recoverable through our other reinsurance transactions, as these impacts are not material.

Primary Mortgage Insurance: Cumulative Incurred Loss Ratio by Development Year



Incurred Loss Ratio								
Vintage	**Dec-09**	**Dec-10**	**Dec-11**	**Dec-12**	**Dec-13**	**Dec-14**	**Dec-15**	**Mar-16**
2009	6.1%	7.0%	13.7%	17.4%	19.0%	18.3%	17.6%	17.6%
2010		1.2%	3.3%	6.5%	7.7%	7.5%	7.2%	7.2%
2011			1.7%	4.4%	5.5%	5.6%	5.0%	5.0%
2012				2.0%	3.2%	3.6%	2.7%	2.8%
2013					2.5%	4.0%	3.4%	3.5%
2014						2.7%	4.1%	4.3%
2015							2.1%	2.8%

Components of Provision for Losses

($ in millions)

	Three Months Ended				
	March 31, 2016	December 31, 2015	September 30, 2015	June 30, 2015	March 31, 2015
Current year defaults – current quarter	$ 56.2	$ 62.3	$ 66.6	$ 66.0	$ 80.5
Current year defaults – prior quarter(s)	-	(17.7)	(16.2)	(12.4)	-
Total current year defaults[(1)]	56.2	44.6	50.4	53.6	80.5
Prior year defaults	(13.5)	12.5	13.0	(19.8)	(35.4)
Second-lien premium deficiency reserve and other	0.6	(0.3)	0.7	(2.2)	0.8
Provision for Losses	**$ 43.3**	**$ 56.8**	**$ 64.1**	**$ 31.6**	**$ 45.9**

(1) Related to underlying defaulted loans with a most recent default notice dated in the year indicated. For example, if a loan had defaulted in a prior year, but then subsequently cured and later re-defaulted in the current year, that default would be considered a current year default.

Primary Loans in Default

March 31, 2016

($ in thousands)

Missed payments	Total #	Total %	Foreclosure Stage Defaulted Loans #	Cure % During the 1st Quarter %	Reserve for Losses $	% of Reserve %
3 payments or fewer	8,202	26.6%	153	41.3%	$94,872	12.7%
4-11 payments	8,104	26.2	554	18.8	126,755	17.0
12 payments or more (2)	12,654	41.0	3,139	4.7	431,842	57.8
Pending claims (2)	1,909	6.2	N/A	0.9	93,392	12.5
	30,869 (1)	**100.0%**	**3,846**		**$746,861**	**100.0%**
IBNR and other					79,051	
LAE					23,600	
Total primary reserves					**$849,512**	

Key Reserve Assumptions	Gross Default to Claim Rate %	Net Default to Claim Rate %	Severity %
	50%	46%	102%

(1) Primary risk in force on defaulted loans at March 31, 2016 was $1.6 billion, which excludes risk related to loans subject to the Freddie Mac Agreement. Excludes 2,339 loans subject to the Freddie Mac Agreement that are in default at March 31, 2016, as we no longer have claims exposure on these loans.

(2) 51% of defaults that have missed twelve payments or more (including the portion in pending claims) are greater than three years old.

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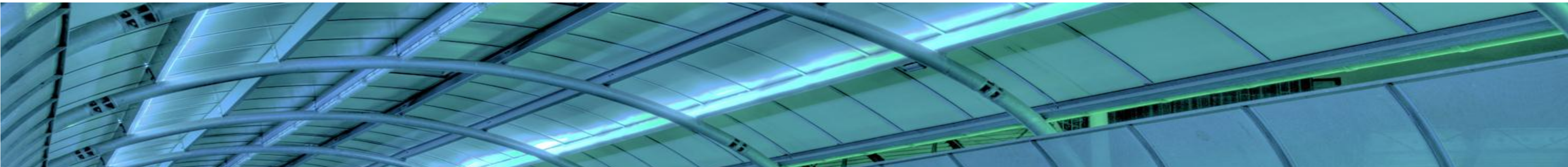
Primary Insurance in Force: Default Rollforward



	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015
Beginning Default Inventory	**35,303**	**35,875**	**37,676**	**40,440**	**45,319**
New Defaults (1)	9,571	11,650	10,698	10,006	10,253
Cures (1)	(11,577)	(9,751)	(9,676)	(9,591)	(11,589)
Claims Paid (2) (3)	(2,488)	(2,686) (4)	(2,983) (4)	(3,891) (4)	(3,932) (4)
Rescissions (5)	(26)	(37)	(18)	(35)	(39)
Denials (6)	86	71	(55)	25	42
Net Reinstatements (Rescissions/Denials) relating to BofA Settlement Agreement (7)	-	181	233	722	386
Ending Default Inventory	**30,869**	**35,303**	**35,875**	**37,676**	**40,440**

(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:

	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015
	4,869	4,592	4,181	3,877	4,761

(2) Includes those charged to a deductible or captive.
(3) Excludes 156 claims processed in accordance with the terms of the Freddie Mac Agreement in Q1 2016.
(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 Q1 2016, there were 37 rescissions and 11 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 Q1 2016, there were 265 denials and 351 reinstatements of previously denied claims.
(7) Includes rescissions, denials and reinstatements on the population of loans subject to the BofA Settlement Agreement.

MORTGAGE AND REAL ESTATE SERVICES

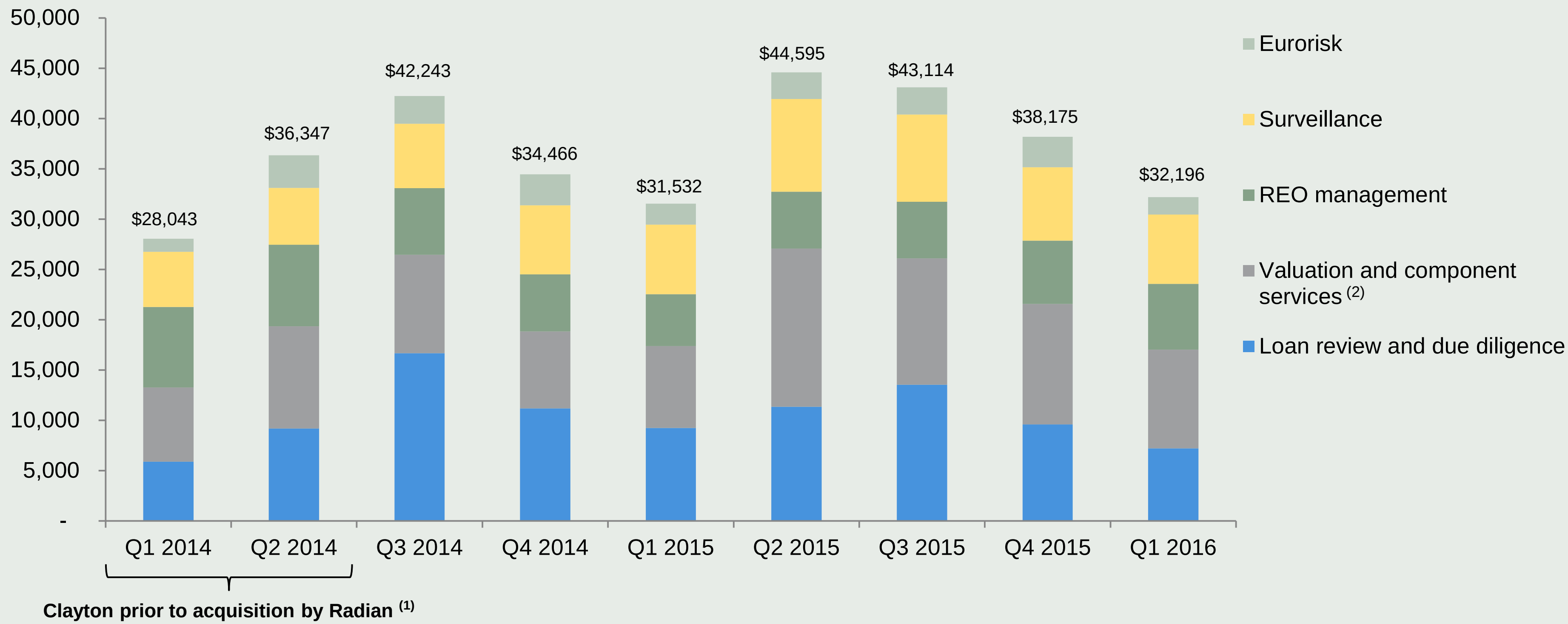
What is Mortgage and Real Estate Services?

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 component 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
- Appraisal, Title, Closing and Settlement services as well as technology solutions for vendor management through its **ValuAmerica** subsidiary
- Global reach through its **Clayton EuroRisk** subsidiary

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

CAPITAL AND DEBT STRUCTURE

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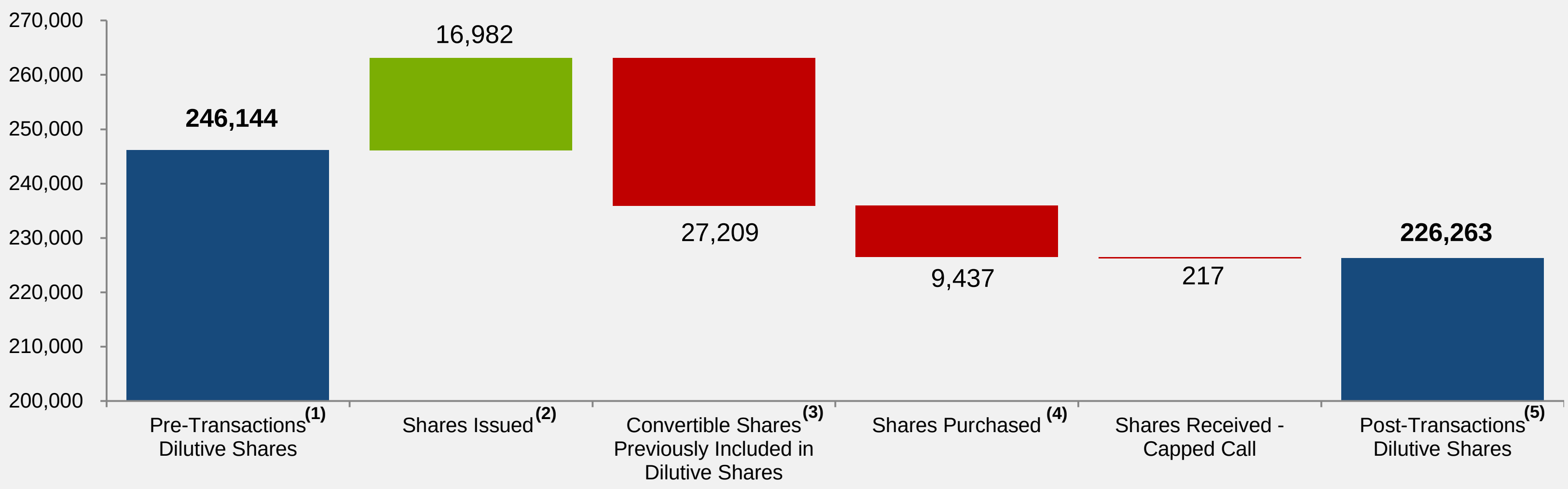
2017 and 2019 Convertible Notes Purchases & Related Transactions

The following table illustrates the accounting impact of the debt and capital transactions executed in the first quarter of 2016 (in millions):

(in millions)	As of Dec 31, 2015	Issuance of $350M Senior Debt	Convertible Notes Extinguishment	Net P&L	Share Repurchase Program	Pro Forma Dec 31, 2015	Impact
Available holding company liquidity	$ 343	$ 343	$ (193)	$ -	$ (100)	$ 393	$ 50
Total long-term debt	1,219	343	(281)	-	-	1,281	62
Stockholders' equity	2,497	-	151	(47)	(100)	2,501	4
Total Capitalization	3,716	343	(130)	(47)	(100)	3,782	66

The following chart illustrates the impact from capital transactions executed in the first quarter of 2016 to dilutive shares, which decreased by approximately 19.9 million shares:



(1) Pre-transactions dilutive shares is based on the first quarter 2016 average stock price of $11.34.

(2) Represents shares issued upon the purchase of a portion of our outstanding Convertible Senior Notes due 2017 and 2019.

(3) Represents the dilution for the incremental shares issuable upon the conversion of the purchased Convertible Senior Notes due 2019, which had been included in the calculations of diluted shares outstanding for prior periods in accordance with GAAP.

(4) Represents shares purchased upon the completion of the Share Repurchase Program.

(5) Weighted-average dilutive shares outstanding for the quarter ended March 31, 2016 totaled 239.7 million.

Capital Structure

Total capitalization (as of March 31, 2016)

Coupon	Description	Carrying Value ($'000)	Principal ($'000)	% of total Capitilization[1]
9.00%	Senior Notes due 2017	$192,783	$195,501	4.9%
5.50%	Senior Notes due 2019	$296,033	$300,000	7.5%
5.25%	Senior Notes due 2020	$344,406	$350,000	8.7%
7.00%	Senior Notes due 2021	$343,528	$350,000	8.7%
	Total Senior Notes	$1,176,750	$1,195,501	29.8%
3.00%	Convertible Senior Notes due 2017	$19,931	$22,233	0.5%
2.25%	Convertible Senior Notes due 2019[2]	$89,785	$101,581	2.3%
	Total Convertible Senior Notes	$109,716	$123,814	2.8%
	Total Debt	$1,286,466	$1,319,315	32.6%
	Shareholders' Equity	$2,660,398	$2,656,888[3]	67.4%
	Total Capitilization	$3,946,864		100.0%

Current Radian Group Ratings

- S&P
  - **BB- with positive outlook**
  - Upgraded from B+ to BB- on March 14, 2016
- Moody's
  - **Ba3 with stable outlook**
  - Upgraded from B1 to Ba3 on January 28, 2016

- **Prudent balance sheet management and strong performance has led to upgrades**
- **Committed to returning to investment grade**

(1) Represents Radian's market capitalization, based on closing price as of March 31, 2016 of $12.40 and shares outstanding as of March 31, 2016 of 214,265,168 shares.

(2) Radian may redeem all or part of the remaining 2019 convertible notes on or after March 8, 2016 if the reference share price exceeds $13.78 per share over the required period.

(3) Based on carrying value of debt and book value of equity.

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