2023 Investor Day

New York Stock Exchange

Tuesday, June 20, 2023

New York Stock Exchange
18 Broad Street, New York, NY

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Agenda

Event	Approximate Time	Event	Approximate Time
John Damian Welcome	09:00 AM	**Dan Kobell** Significant Earnings Power Through the Cycle	11:00 AM
Rick Thornberry Opening Remarks	09:05 AM	**Sumita Pandit** Capital Management	11:10 AM
Derek Brummer MI Business Overview	09:25 AM	**Rick Thornberry** Wrap-Up	11:45 AM
Break	10:25 AM	**Lunch**	12:00 PM
Rick Thornberry homegenius Update	10:35 AM	**Panel Discussions** Data & Analytics / Technology	12:20 PM
Sumita Pandit Financial Snapshot	10:50 AM	**Dessert & Coffee**	01:05 PM

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Opening Remarks

Rick Thornberry

Chief Executive Officer

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Mission: Ensuring the American dream of homeownership affordably, responsibly and sustainably

- ✓ Promote wealth creation through homeownership

- ✓ Increase access and affordability for low and moderate income borrowers

- ✓ Ensure sustainable homeownership through sound risk management

- ✓ Reduce cost and friction of homebuying with technology and data

1.1 Million — Since 2018, we have helped 1.1 million families achieve the dream of homeownership

60% — More than 60% of customers benefitting from private mortgage insurance are first time home buyers

35 Years — Average time for middle class worker to save 20% down payment; private mortgage insurance helps borrowers access homeownership sooner
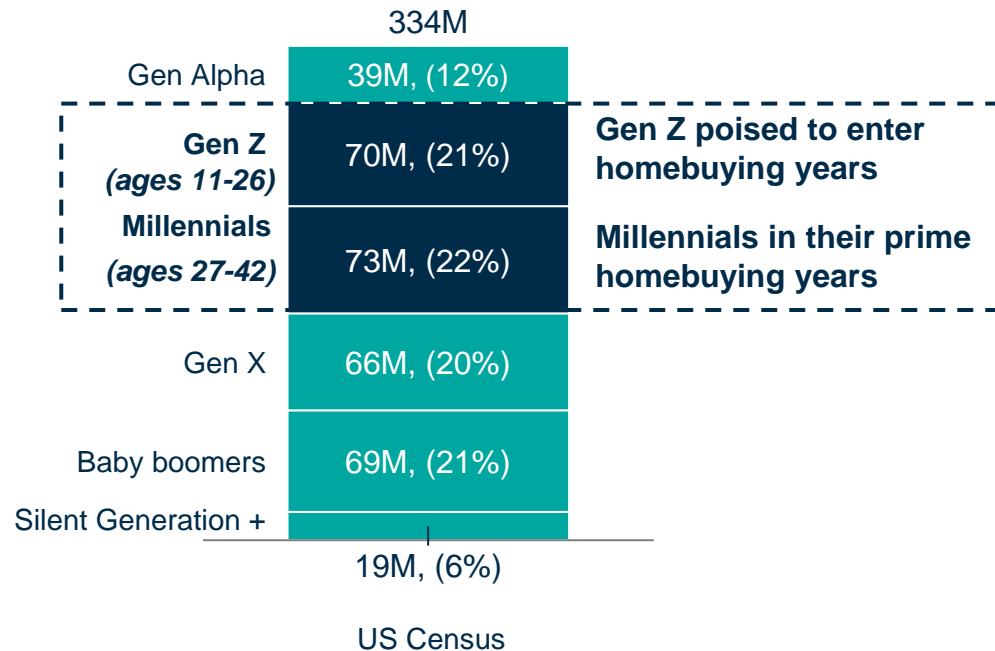
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The drive to innovate is in our DNA

- Longstanding and productive B2B relationships
- Superior risk and capital management
- Investment in digital capabilities
- Strong organizational culture and sense of purpose

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Multi-Year Tailwinds that are Expected to Drive Our Business

National Population by Age
US Census Bureau 2022 Estimate

334M

Gen Alpha	39M, (12%)
Gen Z *(ages 11-26)*	70M, (21%) — Gen Z poised to enter homebuying years
Millennials *(ages 27-42)*	73M, (22%) — Millennials in their prime homebuying years
Gen X	66M, (20%)
Baby boomers	69M, (21%)
Silent Generation +	19M, (6%)

US Census

Strong Homebuyer Demographics as younger populations enter homebuying years

- Millennials are in their prime years for buying their first home

- Gen Z and Millennials represent 43%, soon or currently ready to own a home

- 67% of millennials are likely to buy a house in the next two years

- First-time homebuyers are more likely to take advantage of private mortgage insurance

- First-time buyers made up 34% of 2022 home purchases and more than 60% of them used private mortgage insurance

Gen alpha defined as born after 2013; Gen Z defined as born between 1997 – 2012; Millennials defined as born between 1981 – 1996; Gen X defined as born between 1965 – 1980; Baby boomers defined as born between 1946 – 1964; Silent Generation + defined as born before 1946.

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Housing Has Become Less Affordable Over the Last Few Decades

US home prices and household income
Source: US Census

Home price to income ratio increased from ~3.5x in 1984 to ~5.2x in 2021

Median Home Sales Price

Median Household Income

$400,000
$300,000
$200,000
$100,000
$0

1984   1994   2004   2014
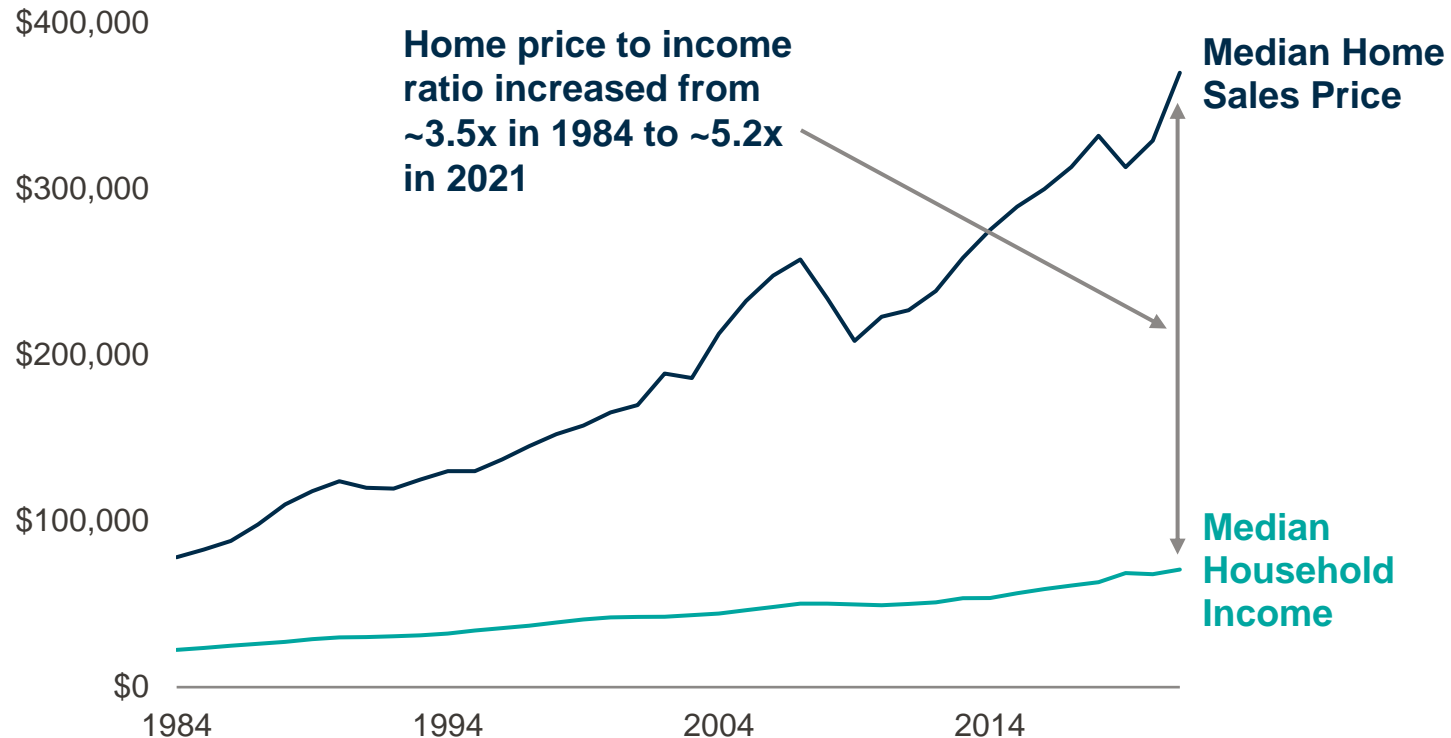
Affordability headwinds underscore the importance of Private Mortgage Insurance in helping homebuyers purchase a home with a smaller down payment

- Average inventory near 30-year lows

- Lack of labor and high costs driving new construction shortage

- Rising student loan debt increasing financial burden for first time buyers

- And recent interest rate hikes magnifying all of these challenges

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Industry Fundamentals Today are Significantly Improved From the Great Financial Crisis

- High quality borrowers with strong credit profiles

- Stringent underwriting and product standards

- Enhanced capital and operating framework (PMIERs) has strengthened industry

- Extensive utilization of risk distribution structures

- Dynamic risk-based pricing

- Strong servicing standards / government support to keep borrowers in their homes

- Meaningful embedded home equity values

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Despite Lower Mortgage Volume, Industry Continues to Grow Insurance In Force

Primary Insurance In Force
Amounts in millions. Remaining industry data sourced from public filings.

CAGR: +9%

Year	Radian	Remaining Industry	Total
2017	201	760	960
2018	221	859	1,081
2019	241	950	1,191
2020	246	1,045	1,291
2021	246	1,141	1,387
2022	261	1,251	1,512
Q1 23	261	1,258	1,519
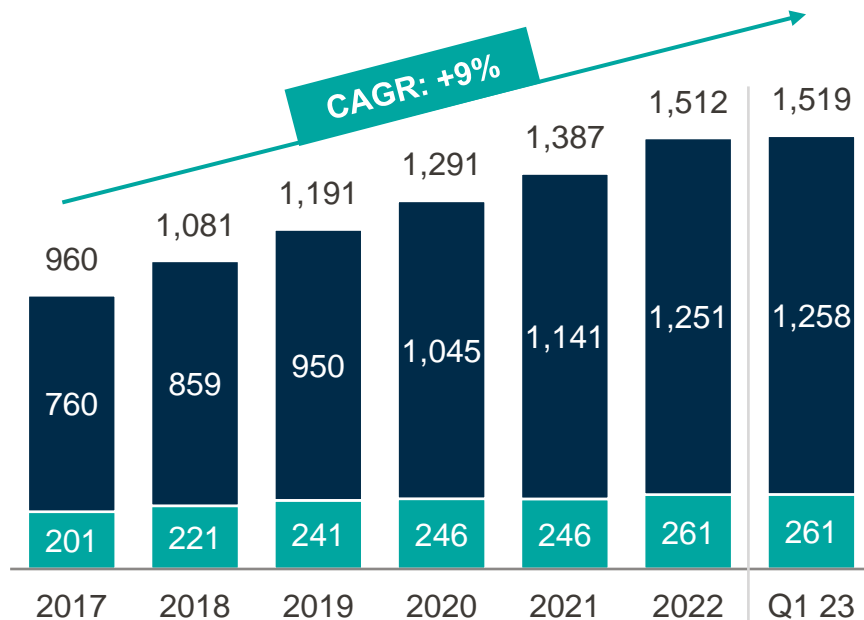
Total New Insurance Written Market Size and Growth
Amounts in millions. Remaining industry data sourced from public filings.

CAGR: +9%

Year	Radian	Remaining Industry	Total
2017	54	216	269
2018	57	235	291
2019	71	312	384
2020	105	495	600
2021	92	493	585
2022	68	337	405
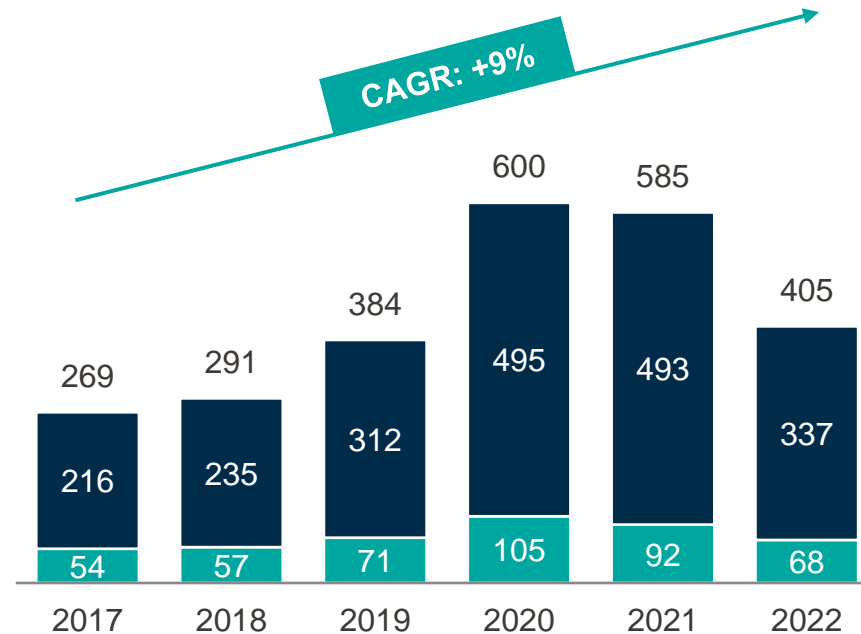
Our insurance in force continues to grow even though real estate transaction volumes are low; existing portfolio expected to drive significant future earnings

- ■ **Remaining Industry**
- ■ **Radian**
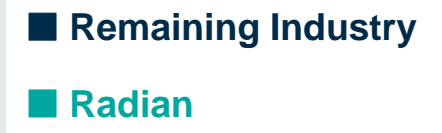
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We Have Consistently Grown Book Value Per Share…

Radian Book Value Per Share

2013 – Q1 23 CAGR: 19%

- 2013: $5.43
- 2014: $10.98
- 2015: $12.07
- 2016: $13.39
- 2017: $13.90
- 2018: $16.34
- 2019: $20.13
- 2020: $22.36
- 2021: $24.28
- 2022: $24.95
- Q1 2023: $26.23

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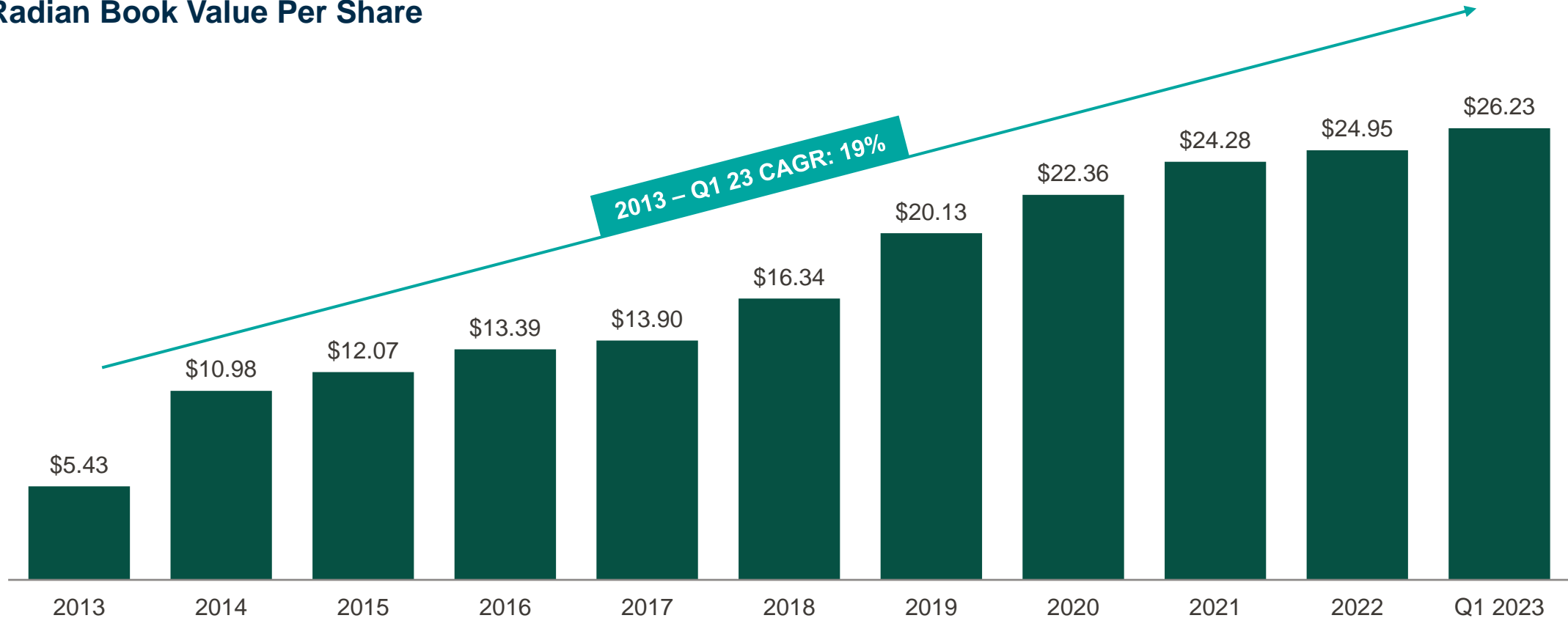
…While Generating Total Stockholder Return Outperformance

Total Stockholder Return

	YTD	1 Year	3 Year	5 Year
Radian	40%	30%	61%	71%
Mortgage Insurance Peers	20%	21%	52%	43%
S&P 500	13%	9%	41%	69%
S&P Financials	-3%	0%	35%	32%
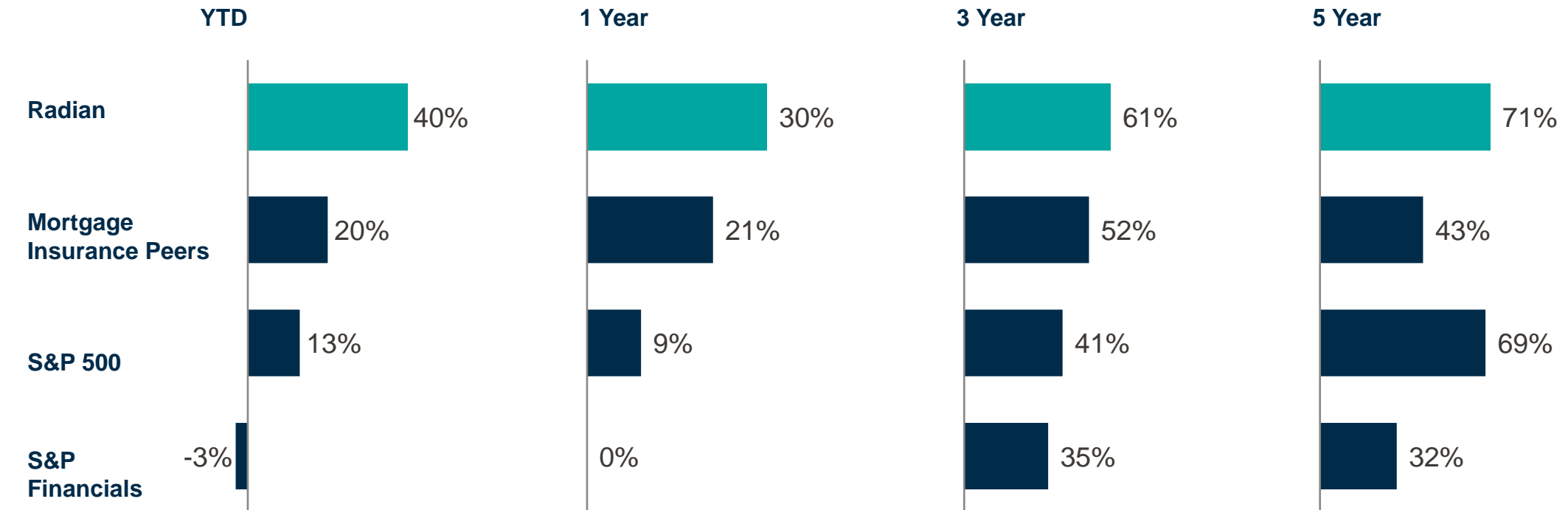
Mortgage Insurance Peers consist of Enact, Essent, MGIC and NMIH. Enact excluded from 3 and 5 year timeframes due to limited trading history.
Source: S&P Capital IQ as of 6/09/2023. Total stockholder returns includes the reinvestment of dividends.

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Compelling Relative Valuation Opportunity

Price / BV

	radian	P&C	Financial Institutions
Price/BV	1.0x	1.9x	1.7x
3-year average ROE	14%	11%	10%
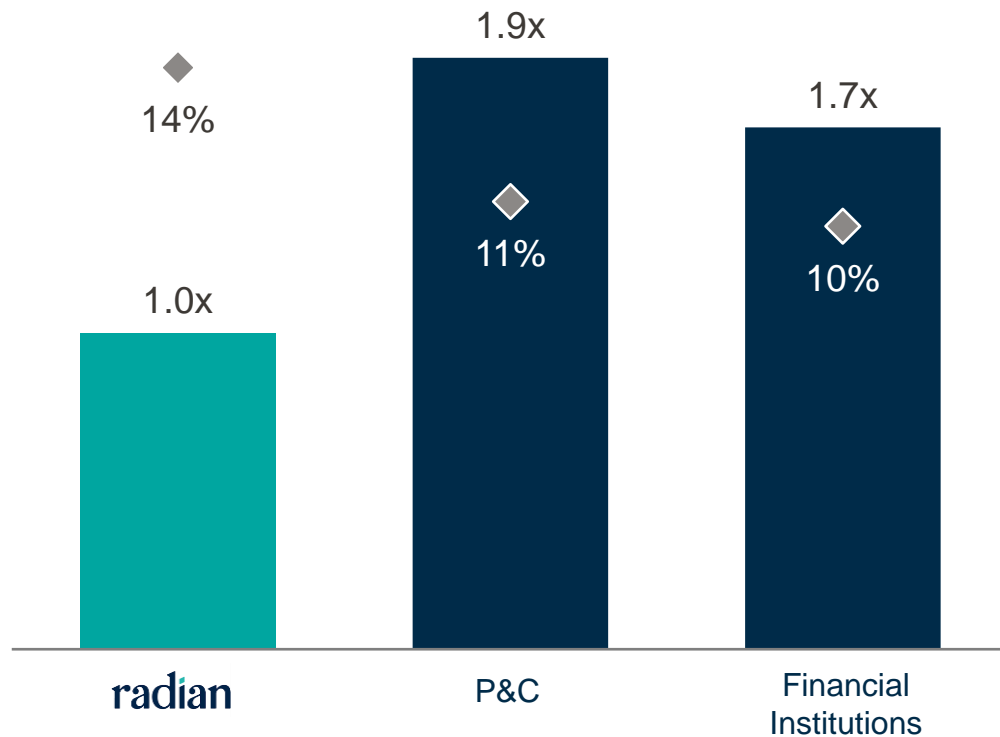
Price / Next Twelve Months EPS
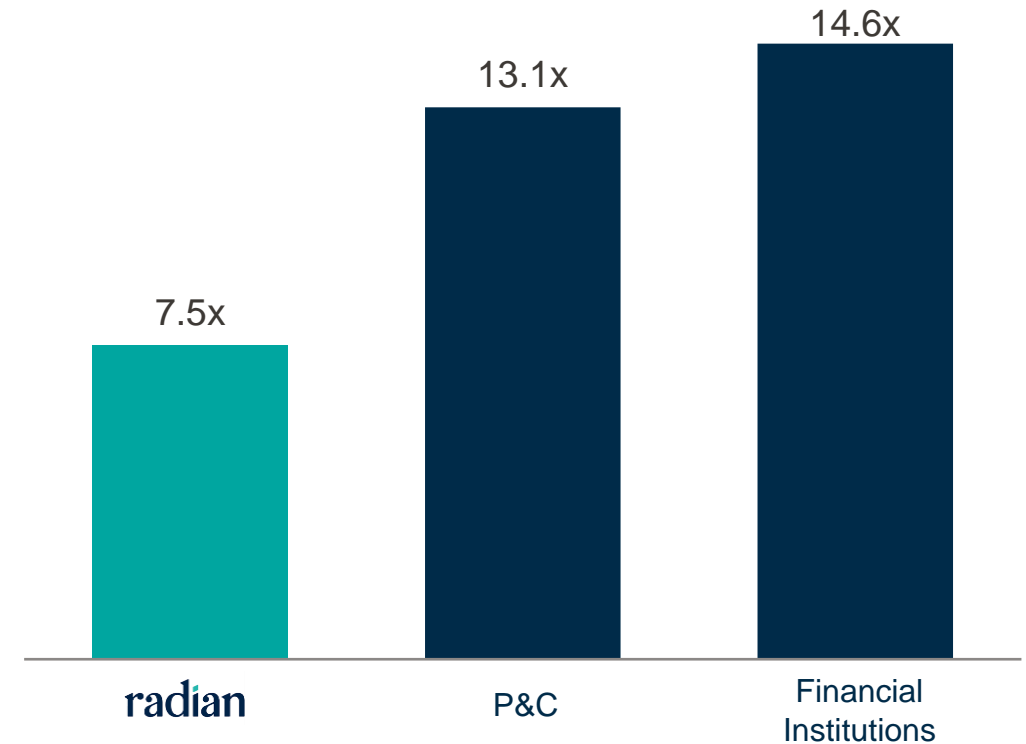
	radian	P&C	Financial Institutions
P/NTM EPS	7.5x	13.1x	14.6x

◆ **3-year average ROE**

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Trading Below 10-Year Historical Book Value Multiple
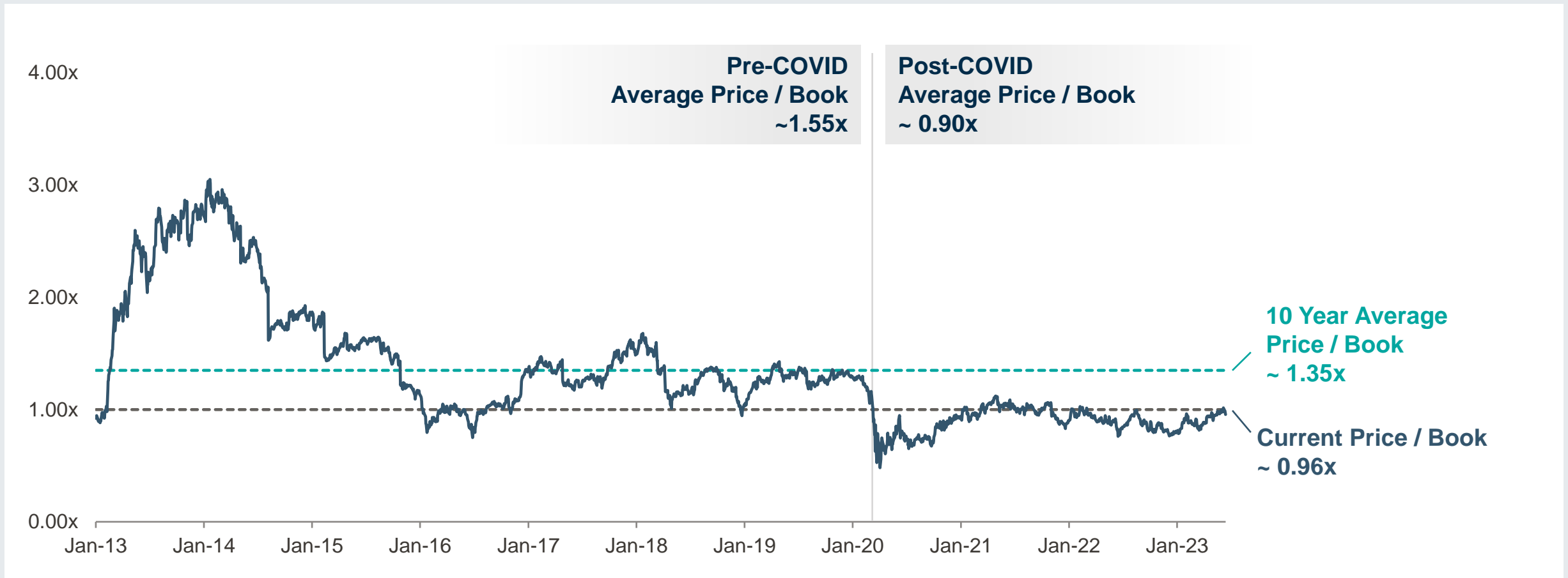
Pre-COVID
Average Price / Book
~1.55x

Post-COVID
Average Price / Book
~ 0.90x

10 Year Average
Price / Book
~ 1.35x

Current Price / Book
~ 0.96x

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Why we are excited about our future

Key Takeaways From What You Will Hear Today

1 Trusted, long-term customer relationships

2 Favorable multi-year industry tailwinds

3 Embedded future earnings of our large high quality insured portfolio

4 Differentiated economic value model leads to outsized portfolio alpha

5 Financial strength and flexibility, positioned to withstand a severe stress environment

6 Innovative data, analytics, and technology provide value opportunity

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Mortgage Insurance

Derek Brummer

President, Mortgage

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MI Business Fundamentals

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Key Takeaways

- Committed to mission of ensuring the American dream of affordable, responsible, and sustainable homeownership

- Focused on building the long-term economic value of our insured portfolio

- Supported by favorable market and business fundamentals

- Continuing to grow our large, high quality insured portfolio

- Delivering exceptional financial results, driven by strong insured portfolio performance

- Leveraging differentiated risk, modeling, pricing, and customer analytics

- Positioned to perform through market cycles

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Strong Demand: First-Time Homebuyers Demographics

Average age for a first-time homebuyer was 36 years in 2022[1]

- Made up 26% of home sales

- Typical down payment of 6%

- Continue to view purchasing a home as a good financial investment

- 26% said saving for a down payment was the most difficult step in the process

- Over 60% of purchase loans with private mortgage insurance (MI) went to first-time homebuyers in 2022[2]

- Affordability constraints support need for low down payment mortgage options with MI

National Population by Age
US Census Bureau 2022 Estimate

Entering peak first home buying age (31 – 35)
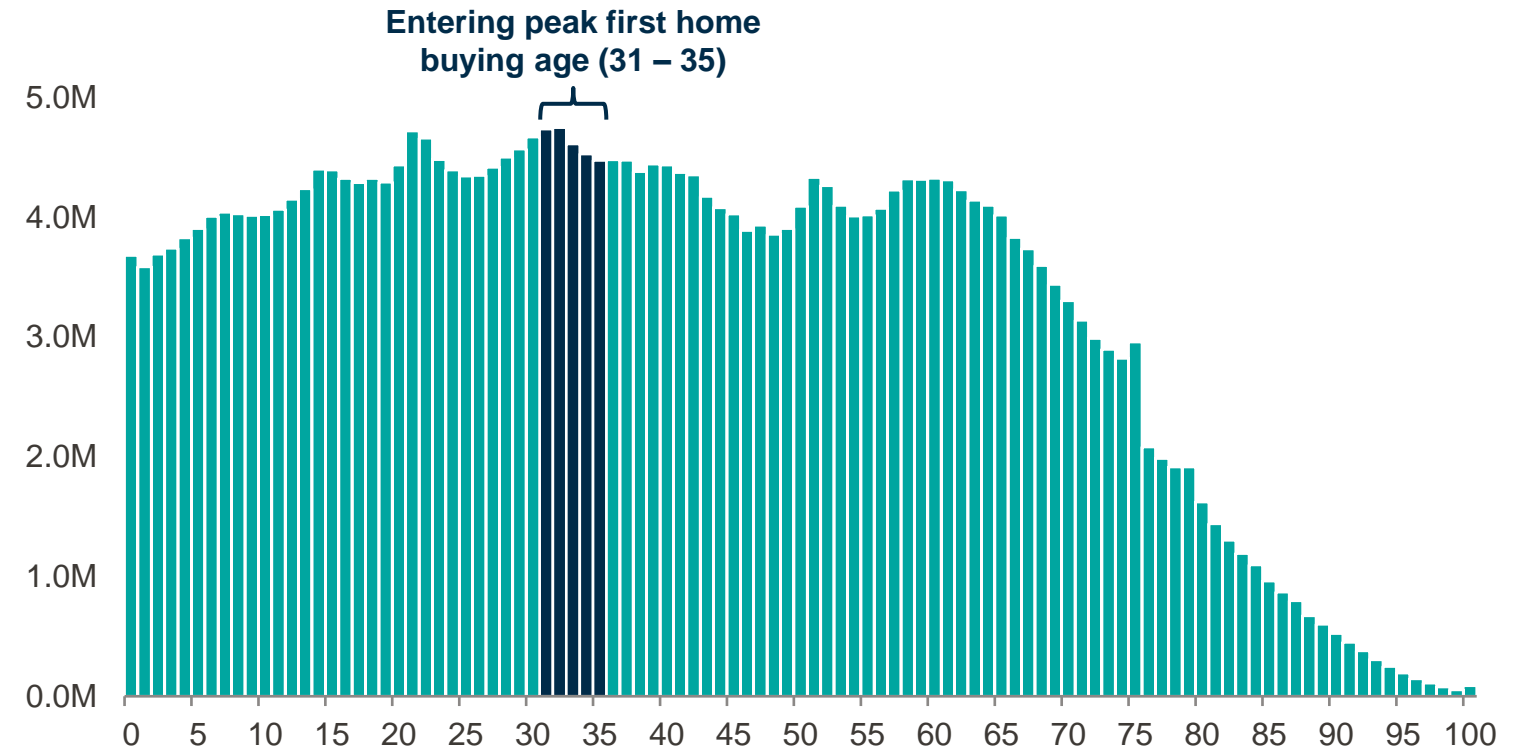
(1) National Association of Realtors 2022 Profile of Home Buyers and Sellers. (2) GSE aggregate data.

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Limited Inventory: Low Building Activity and Increasing Demand

Following the Great Financial Crisis

- New home building declined dramatically and hasn't fully recovered

- Number of households have grown 1.2M per annum

- Net housing supply has consistently failed to keep up with demand, resulting in a significant housing supply shortage

New Privately-Owned Single-Family Housing Units Completed
US Census Bureau 2022 Estimate, units in thousands

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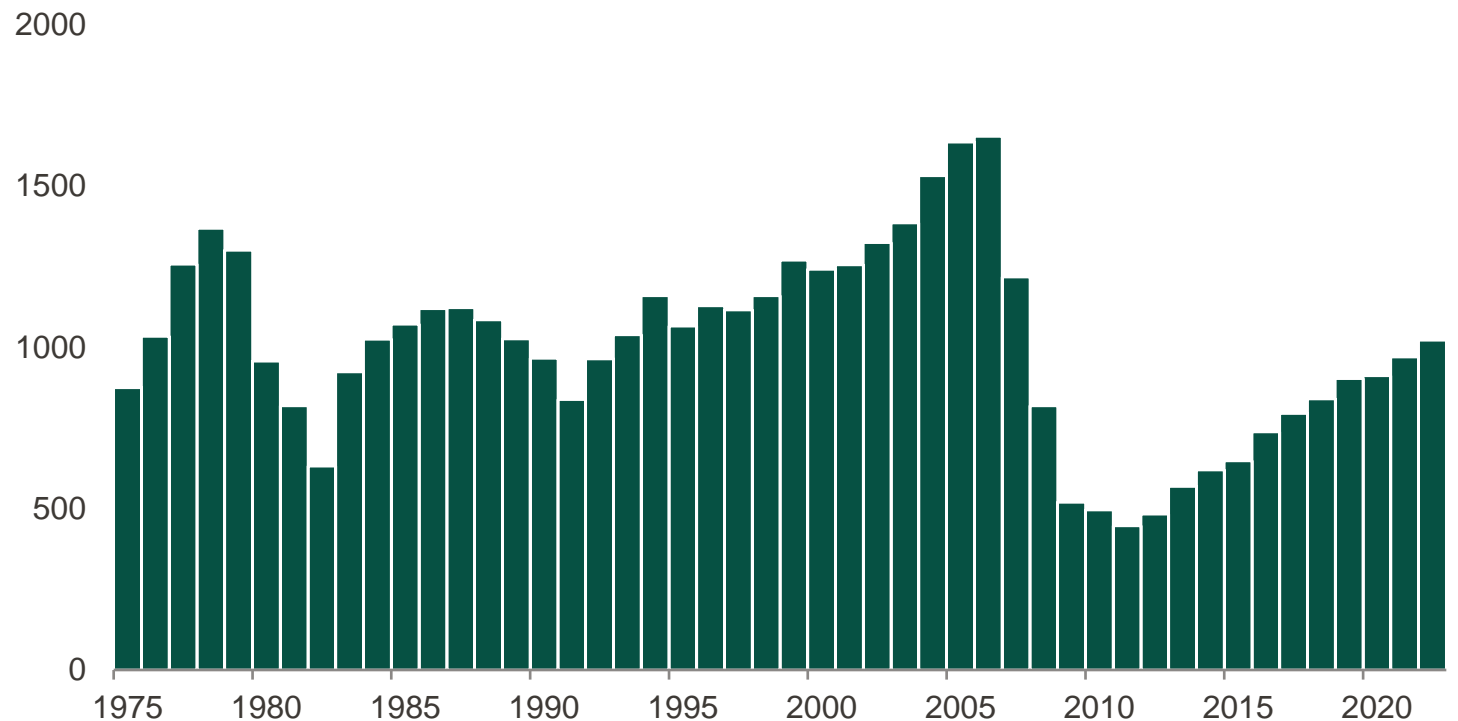
Limited Inventory: Available Homes near Historical Lows

Existing and New Single Family Home Inventory
Units in thousands, not seasonally adjusted, National Association of Realtors and US Census Bureau

1990 – 2009 Average Inventory 2.5M units

2010 – 2019 Average Inventory 2.2M units

2020-2023 Average Inventory 1.4M units
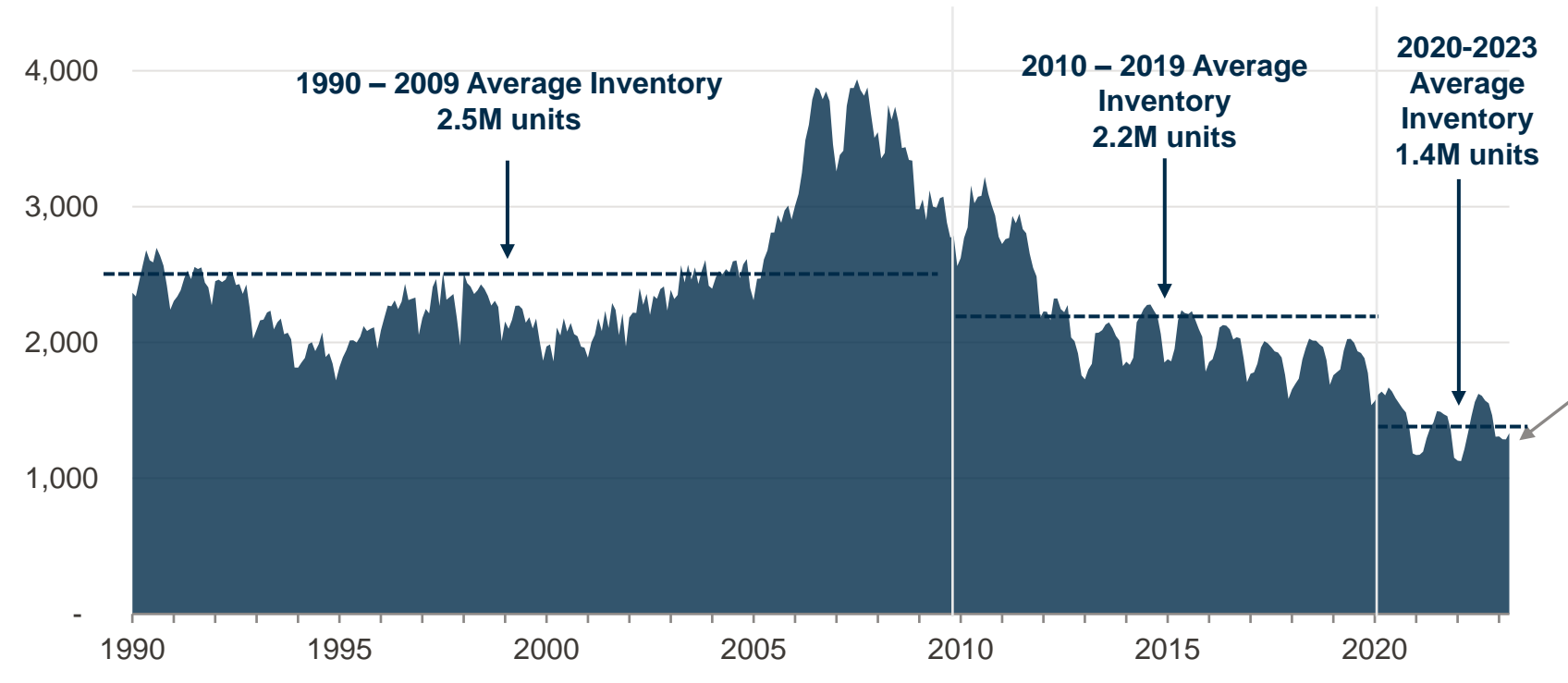
1.3M

Available units, April 2023

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Limited Inventory: Available Homes near Historical Lows

Months Supply of Existing Single-Family Homes
Units in thousands, not seasonally adjusted, National Association of Realtors
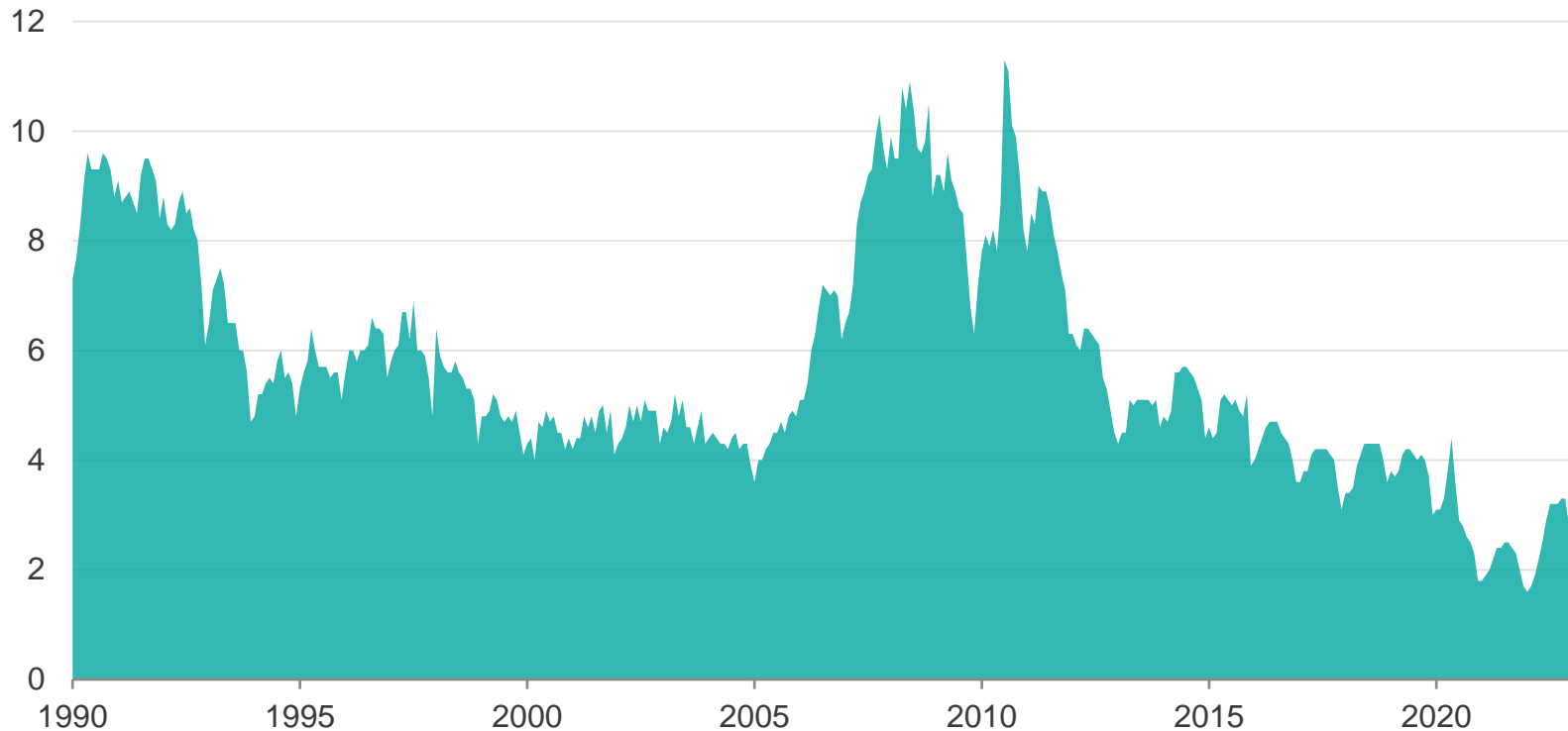
2.8

Months Supply, April 2023

Homes in Low and Low-Medium range price points more constrained, with only ~**2.1** Months Supply[1]

(1) April 2023, American Enterprise Institute Home Price Appreciation Index and Months' Remaining Inventory.

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Limited Inventory: Homeowner Vacancy Rate at Historical Lows

Homeowner Vacancy Rate

Units in thousands, not seasonally adjusted, National Association of Realtors and US Census Bureau

0.8%

Q1 2023

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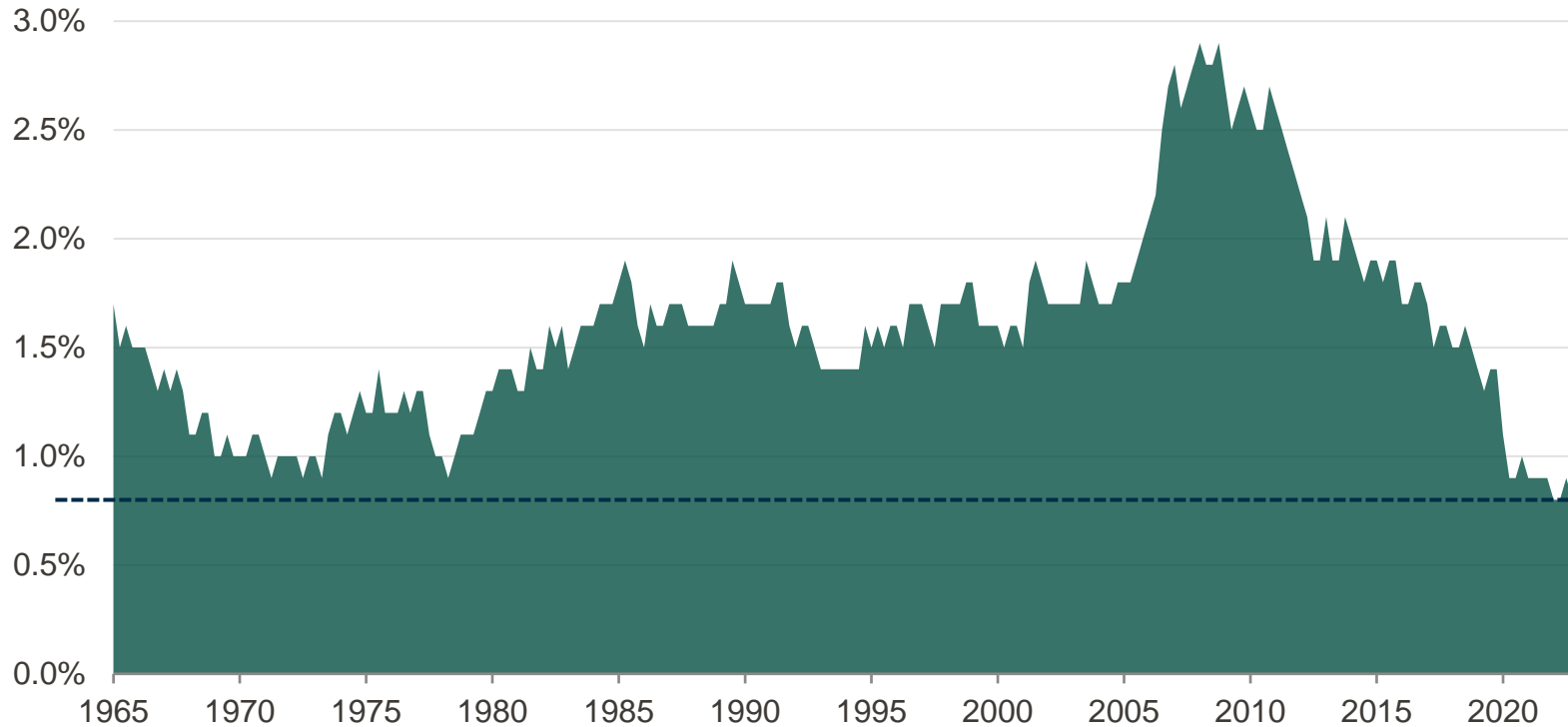
Home Price Trends More Sustainable

FHFA House Price Index, Year-over-Year Change
Purchase Only, Seasonally Adjusted

Positive annual appreciation since 2012
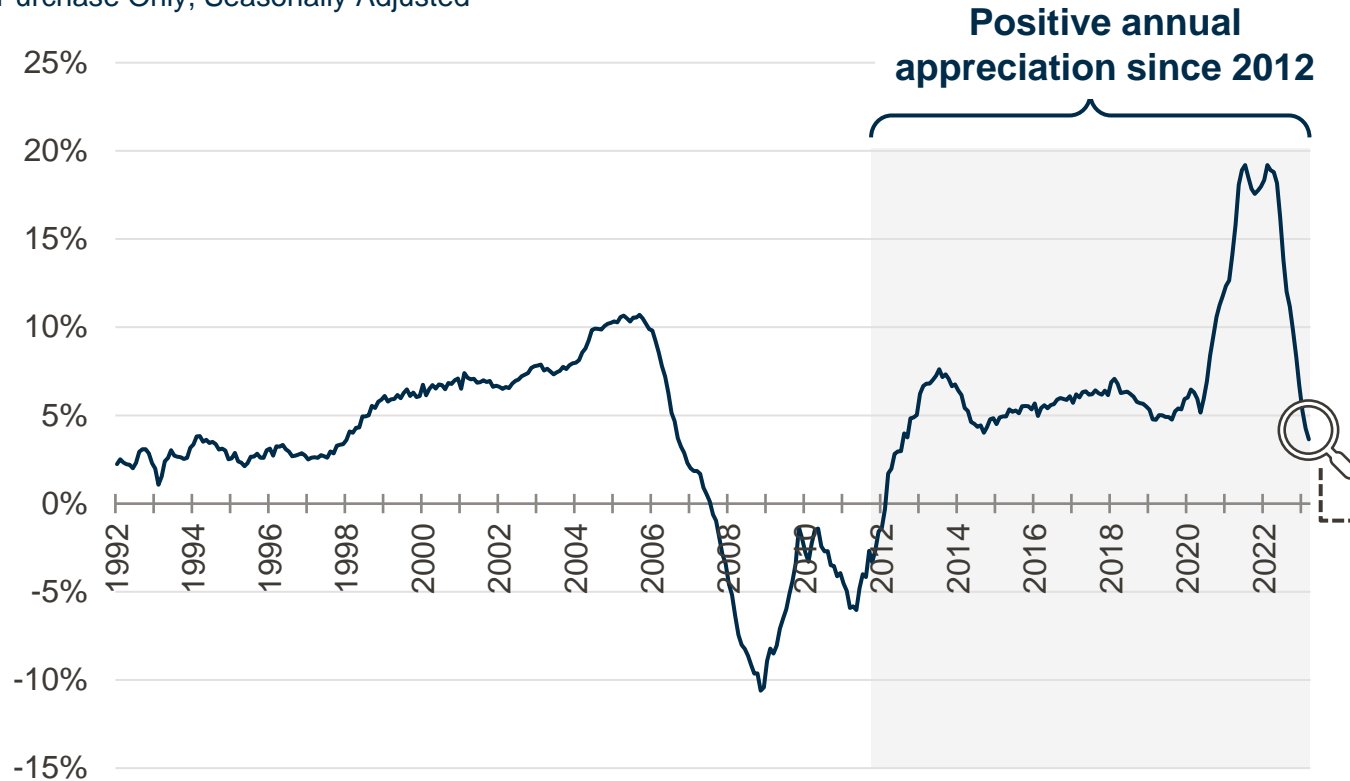
Nationally, the U.S. housing market has experienced positive annual appreciation each quarter since the start of 2012

While home prices declined on a national basis in July and August of 2022, prices were flat in Q4 22 and have been increasing in 2023

FHFA House Price Index,
Month-over-Month Change
Purchase Only, Seasonally Adjusted
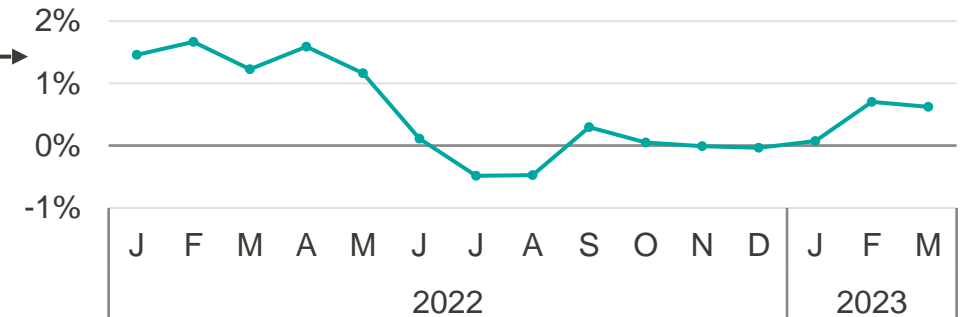
Declining Inflation and Robust Wage Growth

Inflation decreasing while wage growth remains strong

Hourly Wage Growth and the Consumer Price Index
Source: Federal Reserve Bank of Atlanta, Bureau of Labor Statistics

Avg. Hourly Wage Growth YoY

Consumer Price Index Increase YoY

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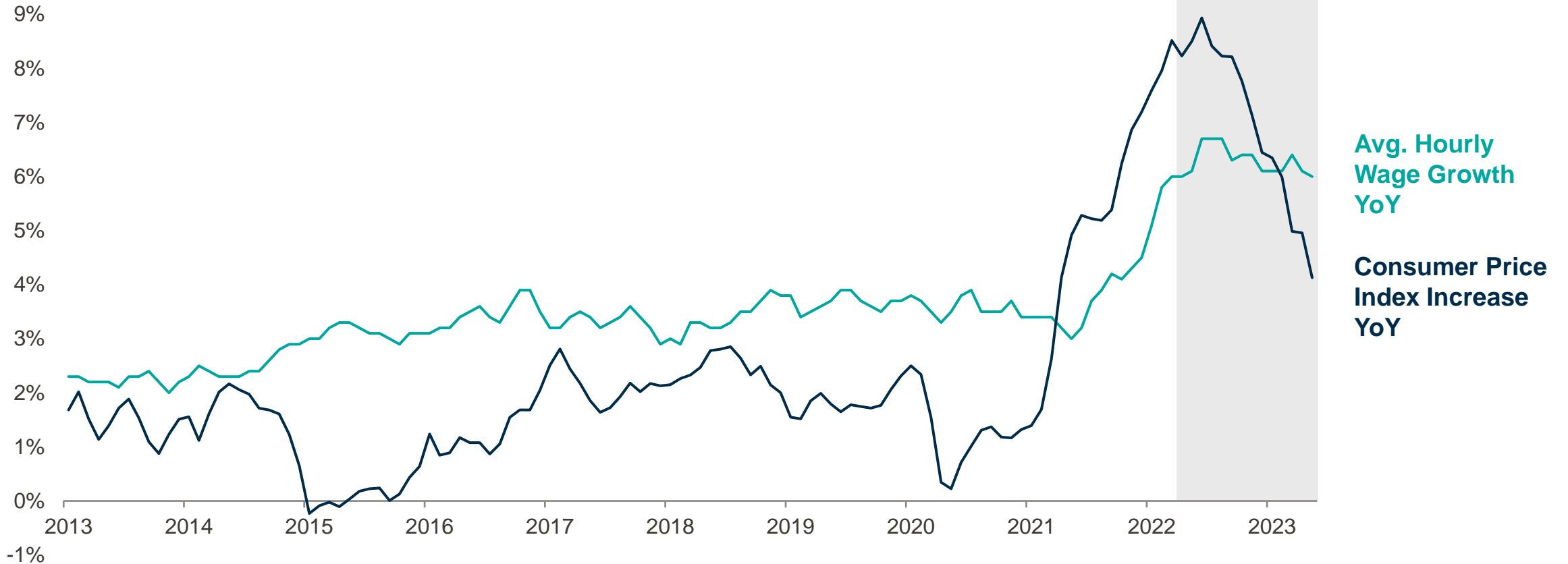
Low Unemployment

US Unemployment Rate
Bureau of Labor Statistics

MBA Economic Forecast
(May 2023)
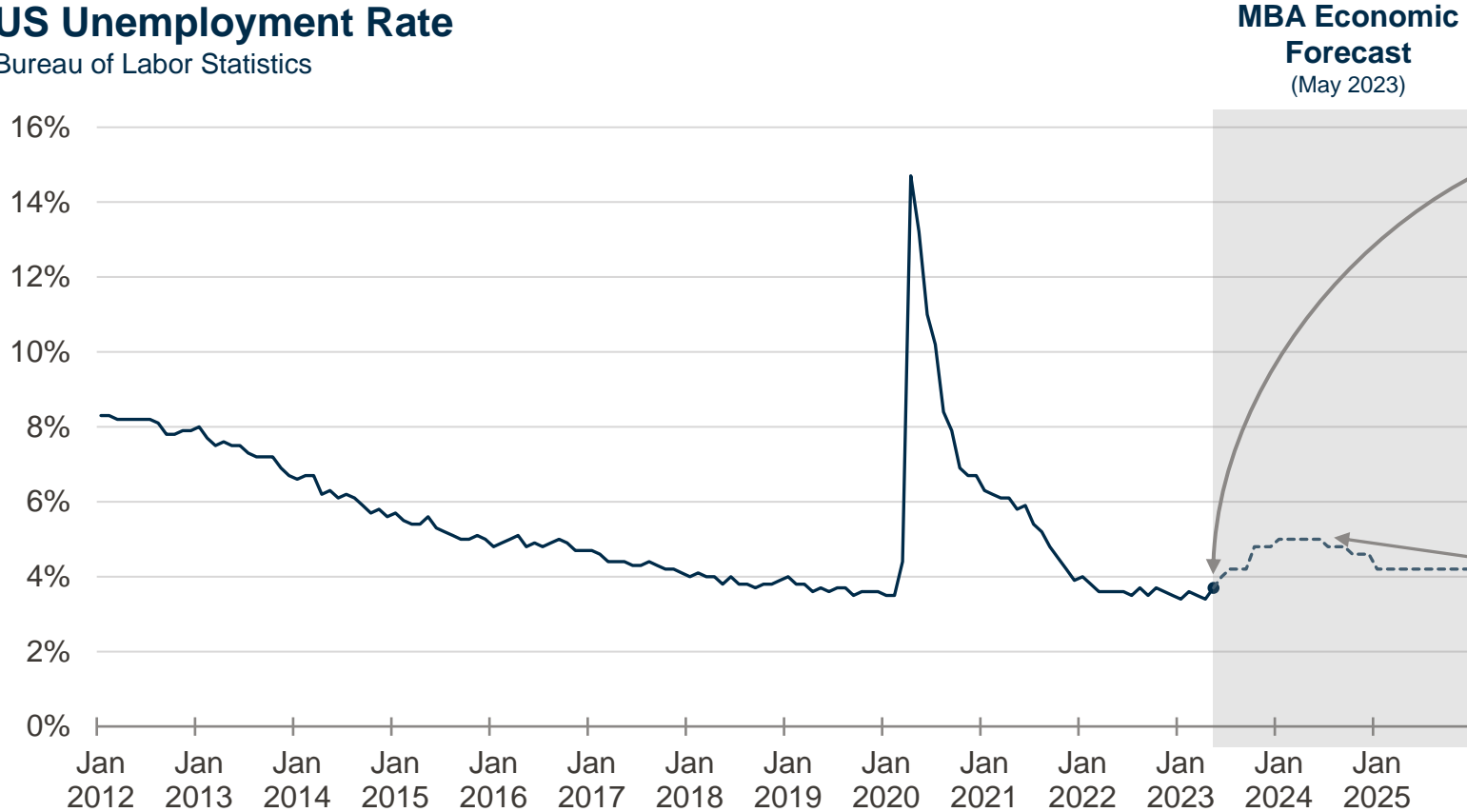
3.7%

Unemployment Rate May 2023
(3.1% for workers aged 25-54)

5.0%

MBA Projected
Unemployment Rate Peak
(1H 2024)

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Strong Employment Demand

Job Openings / Unemployed Worker
Bureau of Labor Statistics

Pre-pandemic Average of 0.6
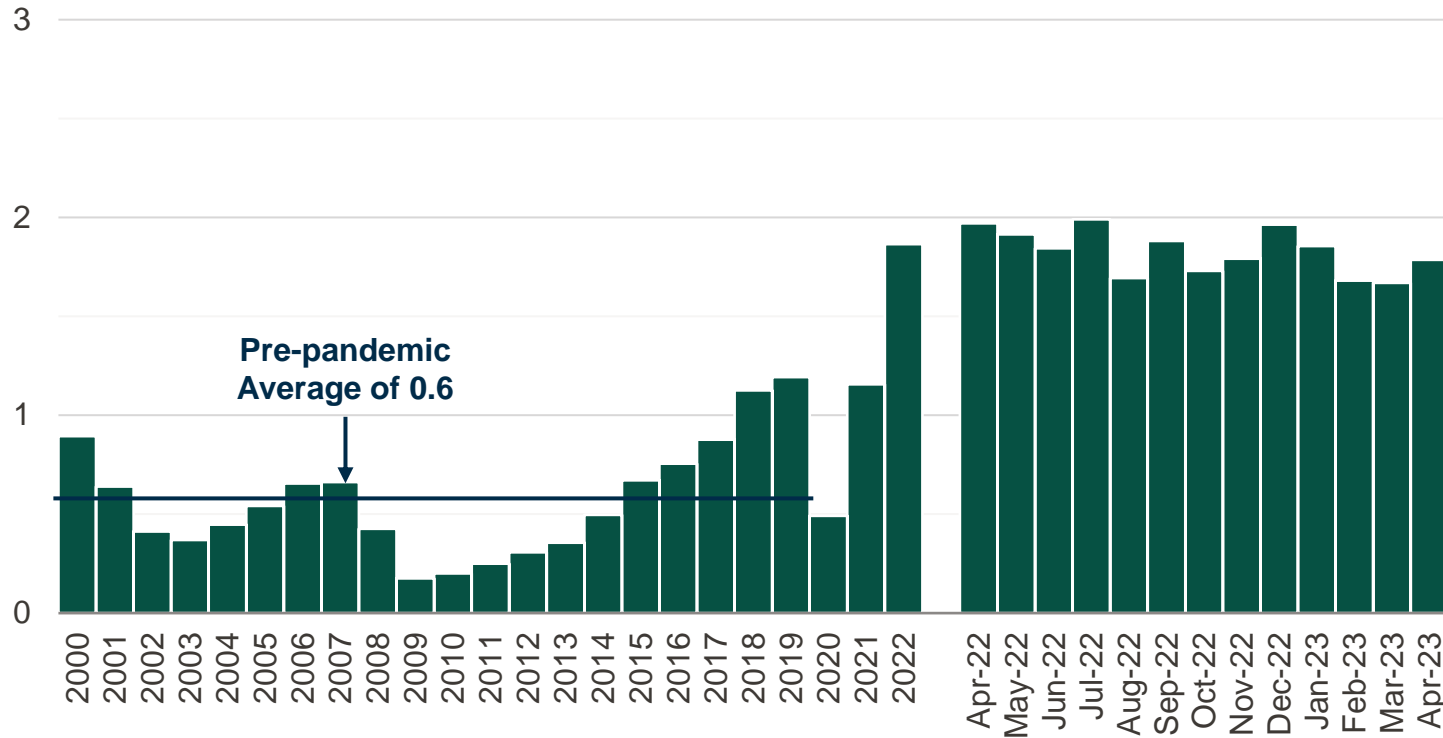
1.8

Job Openings per Unemployed Worker

April 2023

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Household Debt Payments as a Percentage of Income at Low Levels

Household Debt Service Payments as a Percent of Disposable Personal Income and its Components
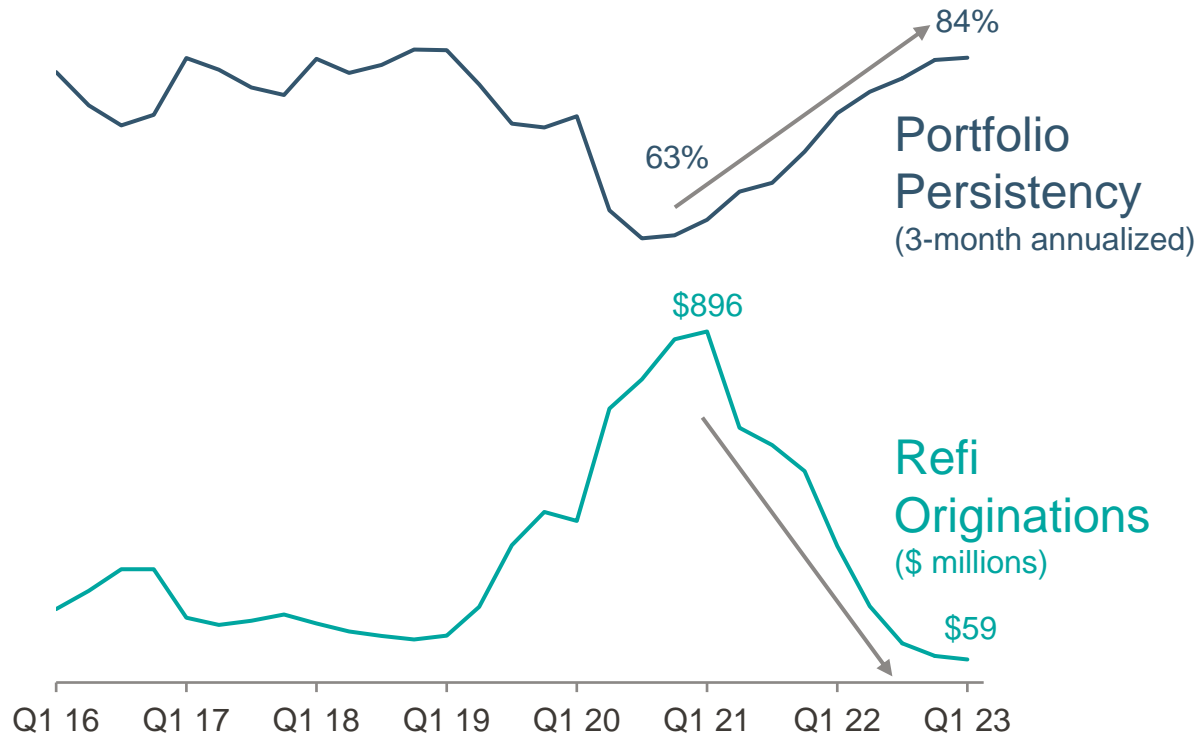
Source: Federal Reserve Bank of St. Louis

The decrease in **Household Debt Service Payments** is mainly due to a decrease in **Mortgage Debt Service Payments**

Household Debt Service Payments as a Percent of Disposable Personal Income

Mortgage Debt Service Payments as a Percent of Disposable Personal Income

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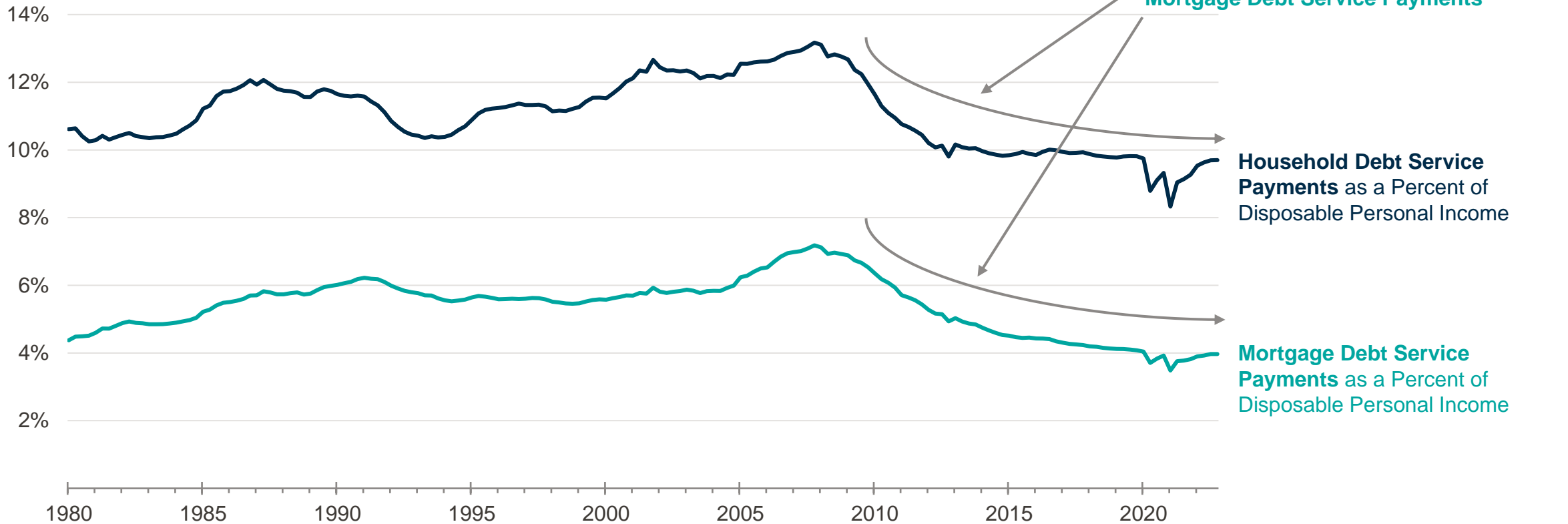
Steady Growth Expected in Purchase Originations

- Strong, pent-up demand and limited inventory expected to lead to slow but steady growth in purchase originations

- Approximately 45% of purchase mortgages currently have MI and 20-25% use private MI

- Purchase volume is the key driver of MI NIW and insured portfolio growth, given the low utilization of MI for refinances
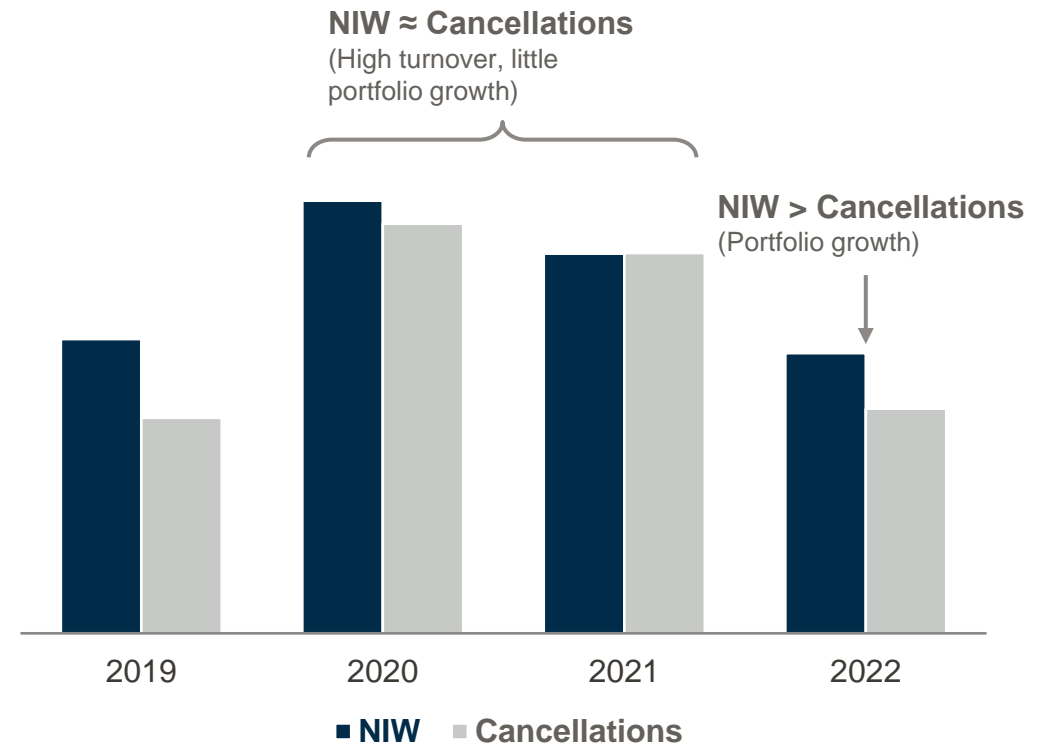
Purchase Mortgage Originations
MBA, Fannie Mae

6% CAGR

Year	Value
2017	$1,156B
2018	$1,194B
2019	$1,285B
2020	$1,547B
2021	$1,925B
2022	$1,621B
2023	$1,370B
2024	$1,541B
2025	$1,783B

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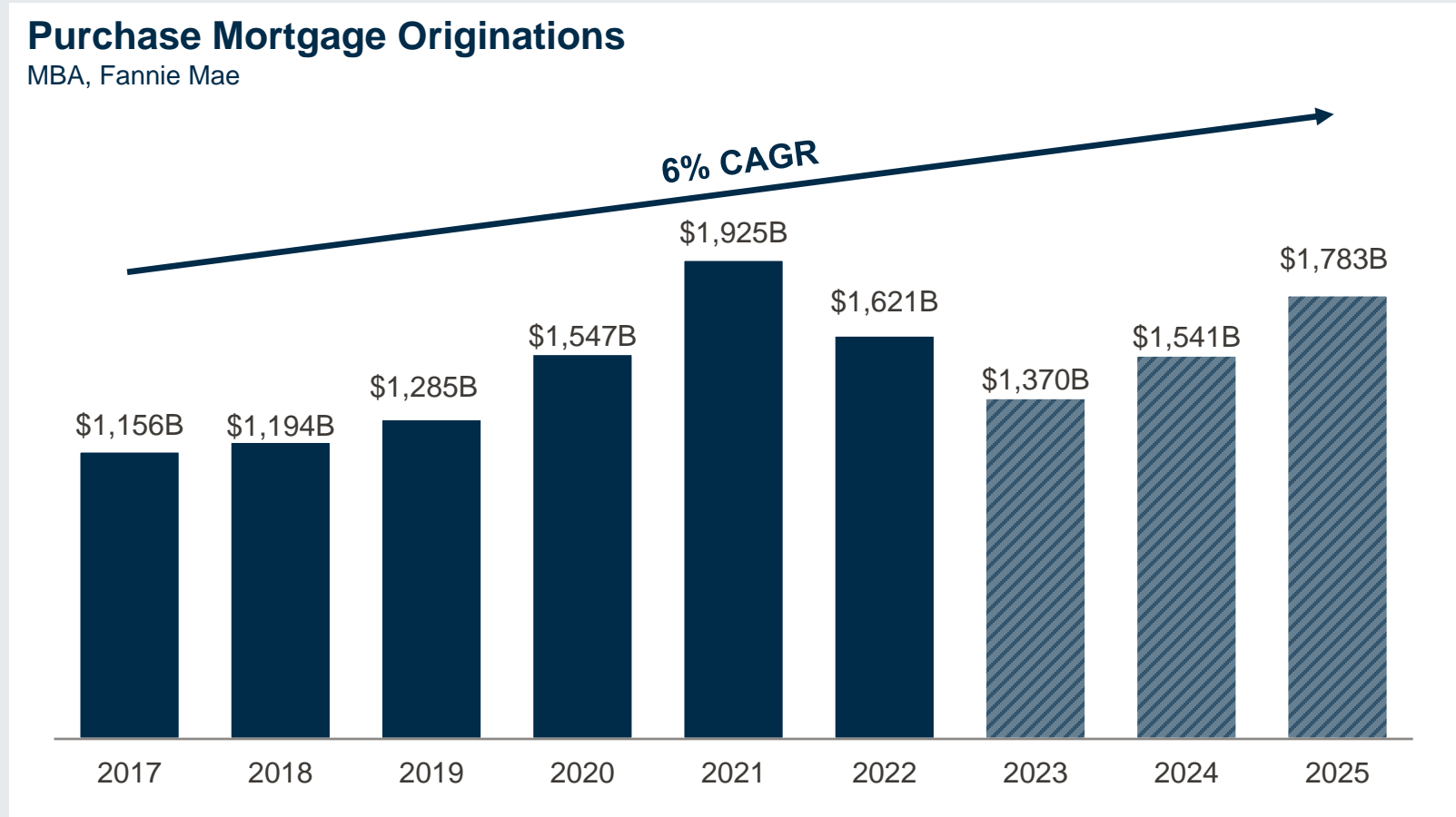
Strong NIW and Persistency Grows Insured Portfolio

Lower refinances drive **higher portfolio persistency**…

…which allows us to **grow our portfolio** despite lower NIW

84%

63%

Portfolio Persistency
(3-month annualized)

$896

Refi Originations
($ millions)

$59

Q1 16   Q1 17   Q1 18   Q1 19   Q1 20   Q1 21   Q1 22   Q1 23

NIW ≈ Cancellations
(High turnover, little portfolio growth)

NIW > Cancellations
(Portfolio growth)

2019   2020   2021   2022

■ **NIW**   ■ **Cancellations**

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Insurance In Force (IIF) Continues to Grow

Even as NIW has declined…
$ in billions
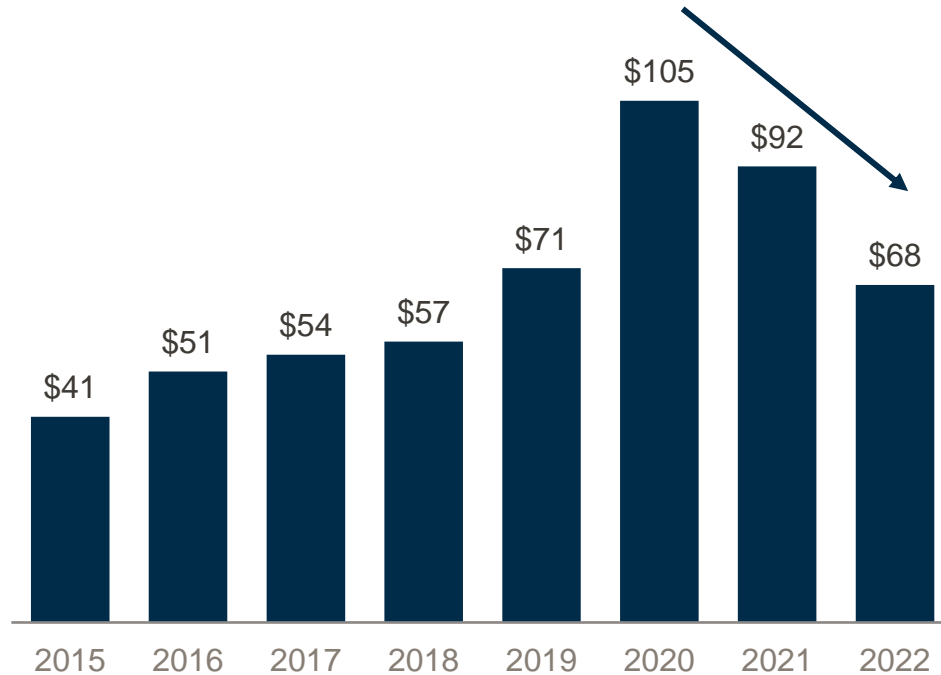
…our IIF continues to grow!
$ in billions

Total IIF has **grown 49%** from 2015 while Monthly Premium IIF has **grown 87%**

Left chart (NIW):
- 2015: $41
- 2016: $51
- 2017: $54
- 2018: $57
- 2019: $71
- 2020: $105
- 2021: $92
- 2022: $68

Right chart (IIF): Single Premium / Monthly Premium
- 2015: $175.5
- 2016: $183.5
- 2017: $200.7
- 2018: $221.4
- 2019: $240.6
- 2020: $246.1
- 2021: $246.0
- 2022: $261.0
- Q1 23: $261.5

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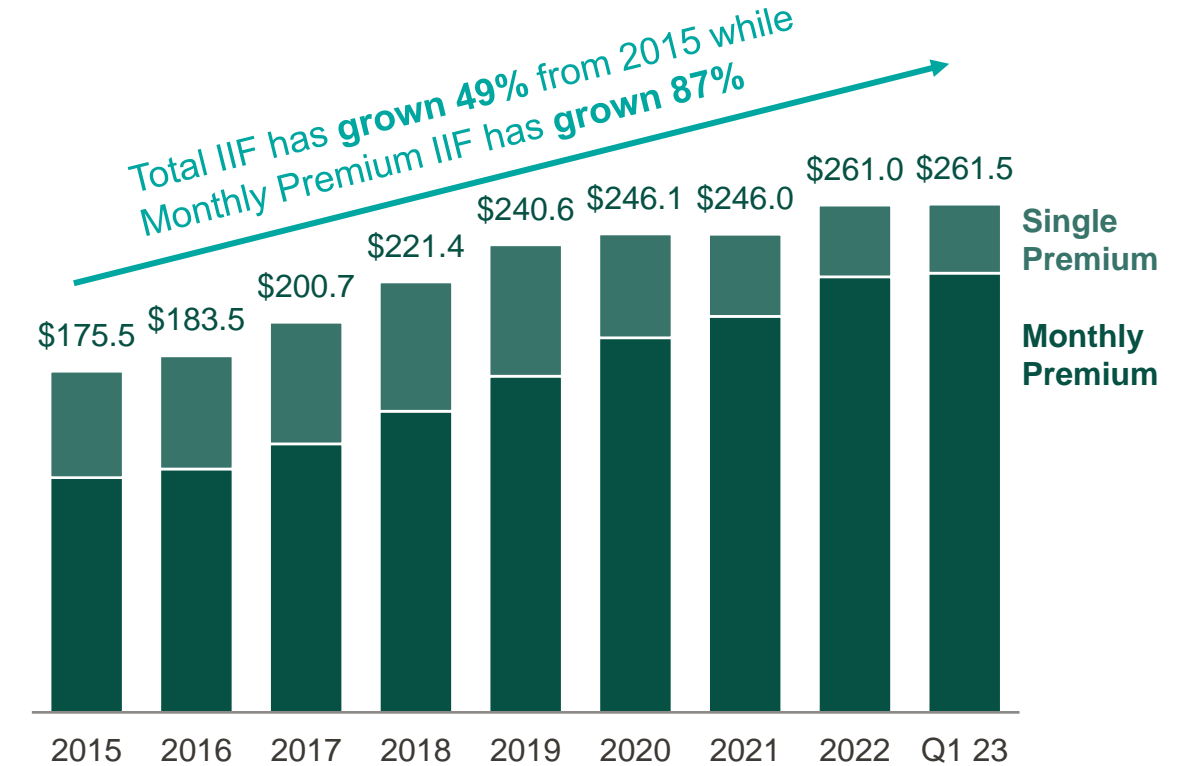
Strong New Business and Portfolio Fundamentals

New Business

Strict Credit Standards and Underwriting Guidelines

Robust Regulatory Environment and Quality Control Standards

Granular, Dynamic, Risk-based Pricing Model

Proactive Portfolio Selection Based on Economic Value

Portfolio

Risk-based Capital Standards (PMIERs)

Borrowers benefiting from Significant Home Equity and Manageable Debt Service Levels

Proactive Servicing Designed to Keep Borrowers in their Homes

Active Portfolio Management: Aggregate, Manage, and Distribute

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Credit Conditions Remain Tight

Default Risk Taken by the Government-Sponsored Enterprises Channel

Urban Institute, Q1 1998 – Q4 2022
(Sources: eMBS, CoreLogic, HMDA, IMF, and Urban Institute)

Legend:
- Total Default Risk
- Product Risk
- Borrower Risk
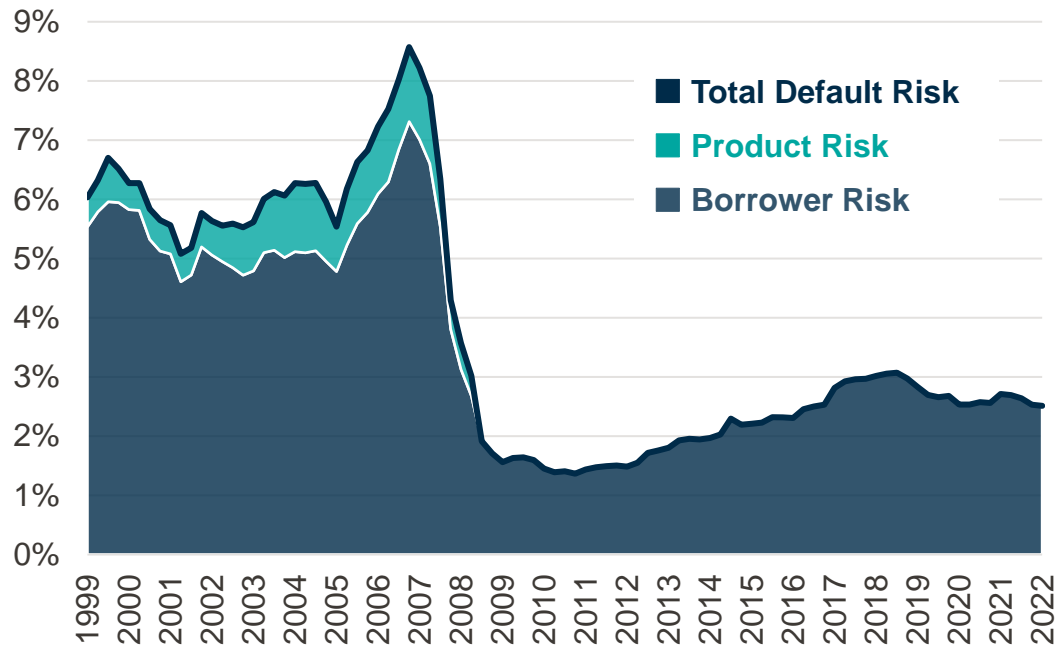
MBA Mortgage Credit Availability Index

Courtesy of Mortgage Bankers Association; Powered by ICE Mortgage Technology, May 2023

Mortgage Credit Availability Index, Index Level by Month
(NSA, 3/2012=100)
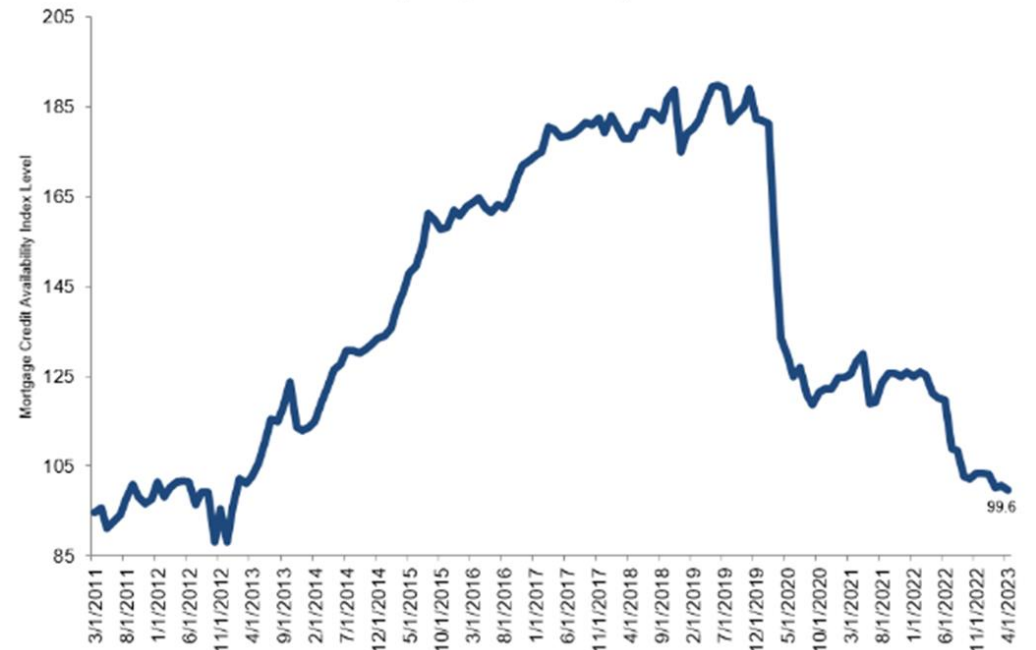
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Improved Portfolio Composition with Less Layered Risk

Primary Risk In Force Distribution

By Original FICO Score

AS of	>=740	680-739	620-679	<=619
Q1 2023	57%	35%	8%	
2018	55%	36%	10%	1%
2013	52%	31%	14%	3%
2008	30%	36%	27%	7%
2003	21%	33%	33%	13%

Legend: ■ >=740 ■ 680-739 ■ 620-679 ■ <=619

By Original LTV

AS of	<=85.00%	85.01-90.00%	90.01-95.00%	95.01-97.00%	97.01%+
Q1 2023	7%	27%	48%	17%	1%
2018	6%	29%	53%	10%	2%
2013	10%	37%	43%	3%	7%
2008	10%	35%	32%	3%	19%
2003	14%	37%	37%	5%	6%

Legend: ■ <=85.00% ■ 85.01-90.00% ■ 90.01-95.00% ■ 95.01-97.00% ■ 97.01%+
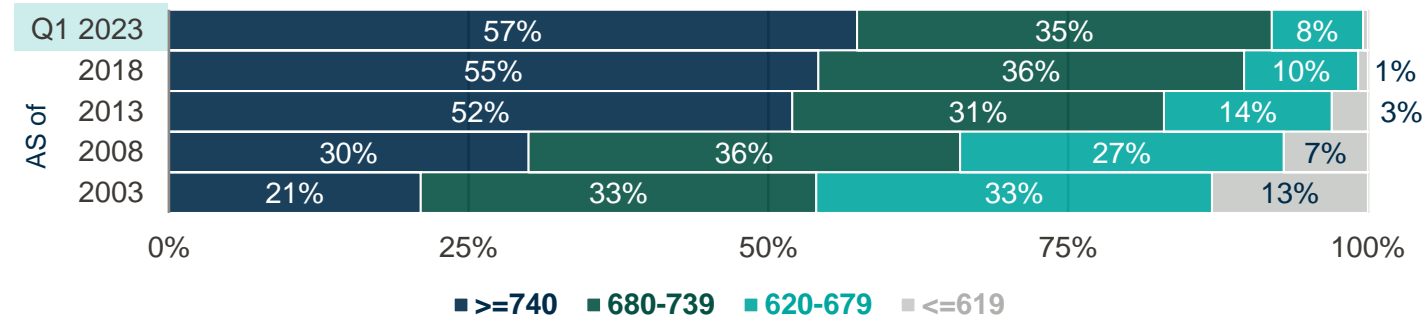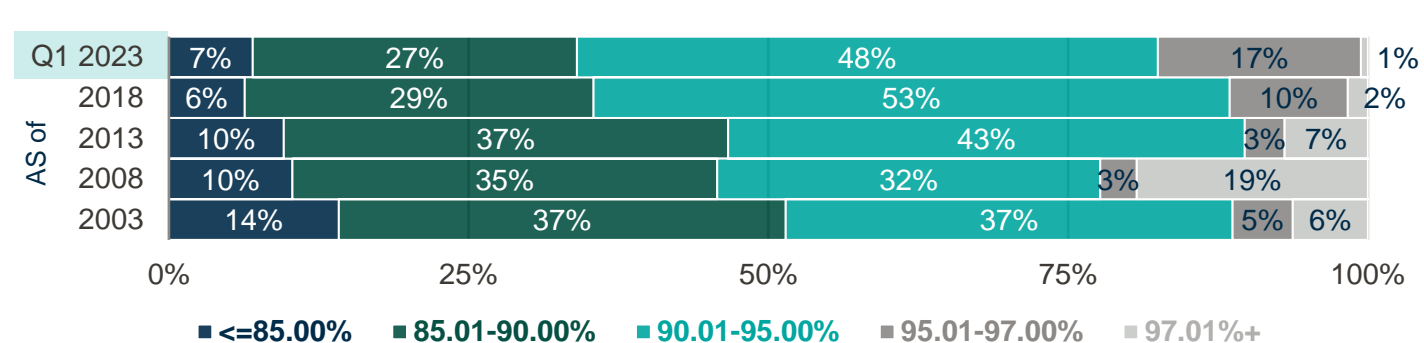
The high-quality NIW we have written since 2008 has favorably reshaped our Portfolio.

Select Portfolio Characteristics at Q1 23:

- 744 WAVG Original FICO
- 92% WAVG Original LTV
- 73% Estimated WAVG Mark-to-Market LTV
- 3.95% WAVG Note Rate
- 98% Fixed Rate
- 97% Principal Residence
- 88% Monthly / Other Recurring Premium
- Geographic footprint skewed toward areas expected to have favorable economic and housing trends

WAVG = Weighted Average

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Improved Portfolio Composition with Less Layered Risk

Primary Risk In Force Distribution

By Purpose

As of	Purchase	Rate/Term Refinance	Cash-Out Refinance
Q1 2023	89%	11%	1%
2018	86%	12%	2%
2013	71%	23%	7%
2008	70%	15%	15%
2003	64%	21%	15%

■ Purchase   ■ Rate/Term Refinance   ■ Cash-Out Refinance

By Layered Risks

- FICO < 680 & Original LTV > 95
- FICO < 680 & Cash-Out Refinance
- FICO < 720 & Investor or Second Home
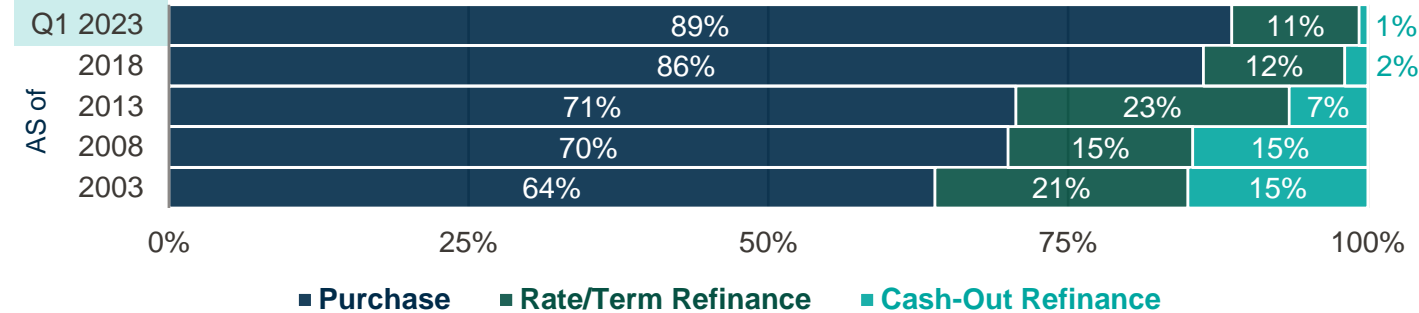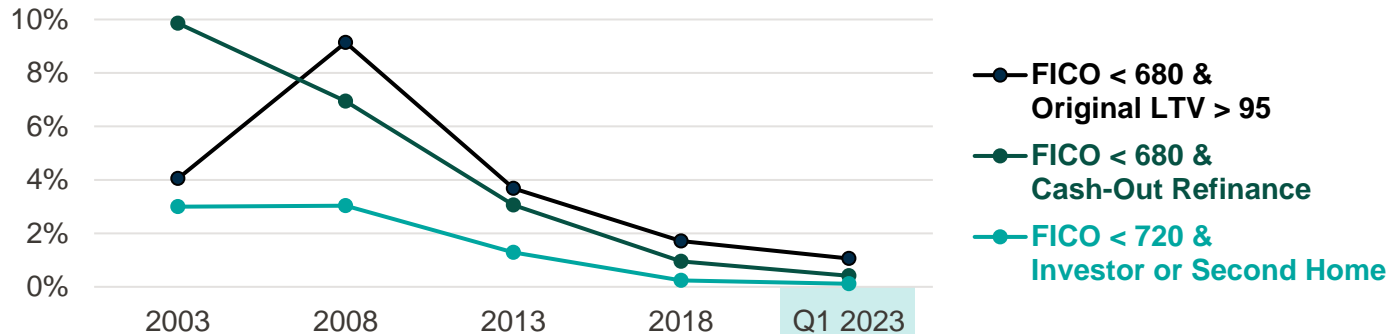
Exposure to certain higher-risk products and features continue to run off as policies cancel

- ~3% written prior to 2009
- <2% ARMs
- <1% Non-Prime
- <1% Cash-Out Refinance
- 0.1% Investment Properties
- 0.1% Interest Only or Negative Amortization Features

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Limited Refinance Incentive for Insured Portfolio

Distribution of Insurance In Force by Note Rate

March 31, 2023

In-the-money with a 200bps decline in rates

In-the-money with a 100bps decline in rates
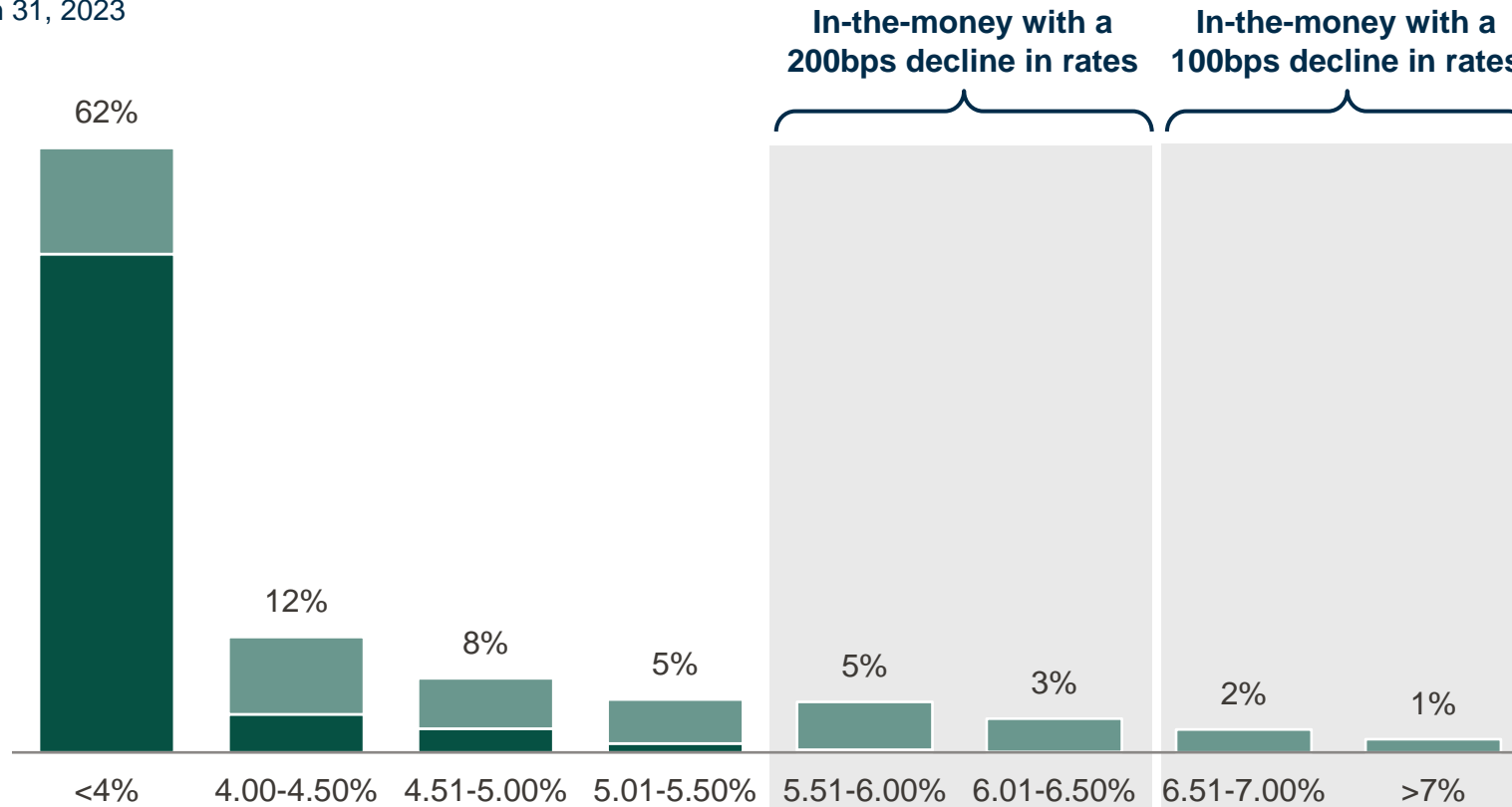
Even if rates were to decline 200bps, **only 12%** of our portfolio would have an incentive to refinance

- ■ **2022 and 2023 Vintages**
- ■ **2021 and Prior Vintages**

Note Rate	Percentage
<4%	62%
4.00-4.50%	12%
4.51-5.00%	8%
5.01-5.50%	5%
5.51-6.00%	5%
6.01-6.50%	3%
6.51-7.00%	2%
>7%	1%

Assumes rates need to be at least 50bps below note rate for borrower to have an incentive to refinance.

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Significant Borrower Equity Protects Our Insured Portfolio

Distribution of Insurance In Force by Mark-to-Market Equity

As of 12/31/2008	As of 3/31/2023	
66%	17%	**<10% equity**
17%	23%	**10-20% equity**
17%	60%	**>20% equity**
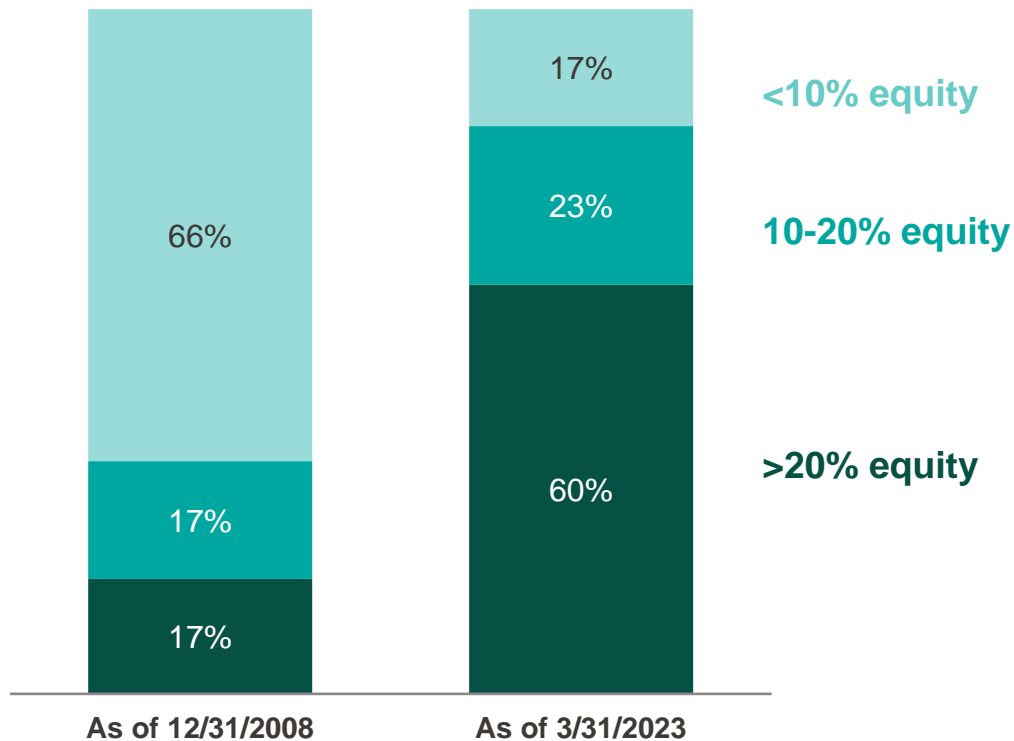
- 83% of our Insurance In Force has 10%+ equity

- 95% of our defaulted loans have 10%+ equity and 84% have 20%+ equity

- 91% of our Q1 23 new defaults have 10%+ equity and 78% have 20%+ equity

- This embedded equity significantly mitigates the risk of loss as it decreases both the frequency and severity of claims

Mark-to-Market Equity estimated using the FHFA Purchase-Only Home Price Index (by Metro Area where available, otherwise national).

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Strong Default and Cure Trends

Cures have consistently outpaced New Defaults, which are back to pre-COVID levels, reducing the Default inventory to pre-COVID levels as well

- Cures outpaced new defaults by 10% in Q1 and 36% in April

- Default inventory down 19% YoY as of Q1 23

- Our portfolio default rate is below 2%, down from 6.5% at Q2 20

- 99% of Q2 20 defaults have cured

Trend of New Defaults and Cures

Pre-Pandemic

Today

Q1 19 Q2 19 Q3 19 Q4 19 Q1 20 Q2 20 Q3 20 Q4 20 Q1 21 Q2 21 Q3 21 Q4 21 Q1 22 Q2 22 Q3 22 Q4 22 Q1 23

■ New Defaults   ■ Cures

Default Rate Trend

Q1 19 Q2 19 Q3 19 Q4 19 Q1 20 Q2 20 Q3 20 Q4 20 Q1 21 Q2 21 Q3 21 Q4 21 Q1 22 Q2 22 Q3 22 Q4 22 Q1 23

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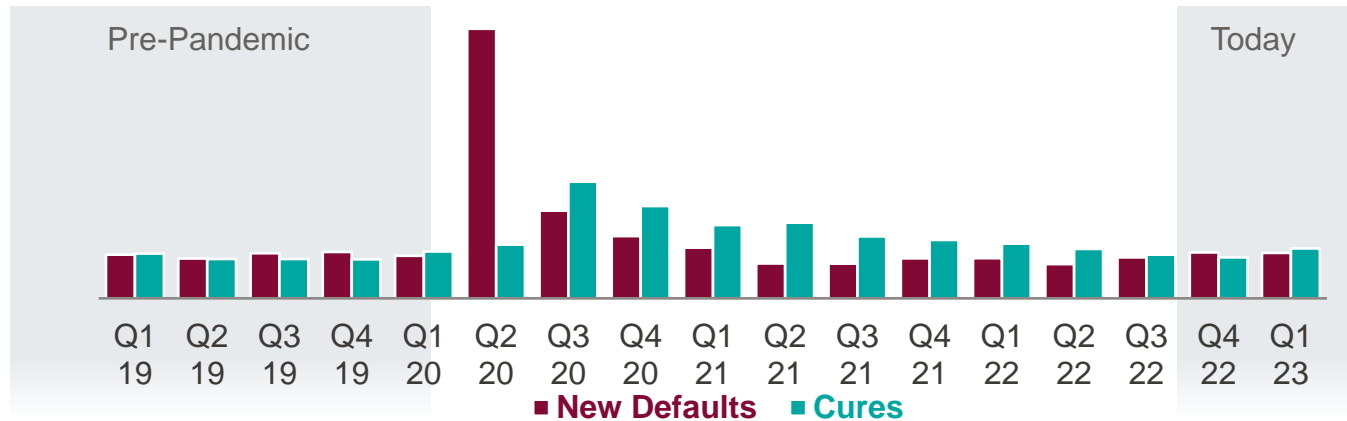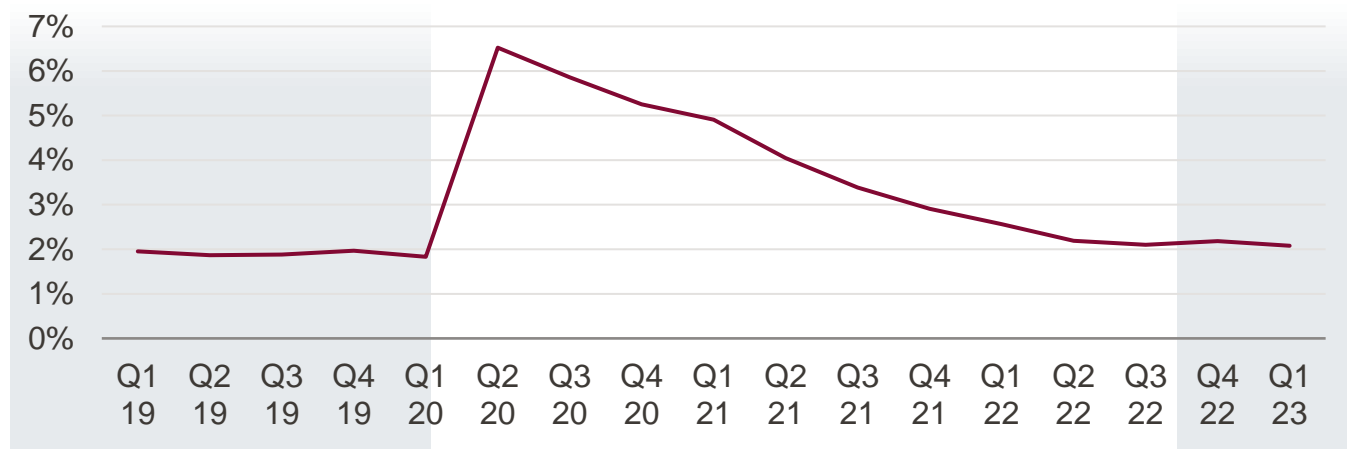
Cure Rates Continue to Increase

Quarterly Cure Rates

Legend:
- 2-3 Missed Payments
- 4-11 Missed Payments
- 12+ Missed Payments
- Pending Claim
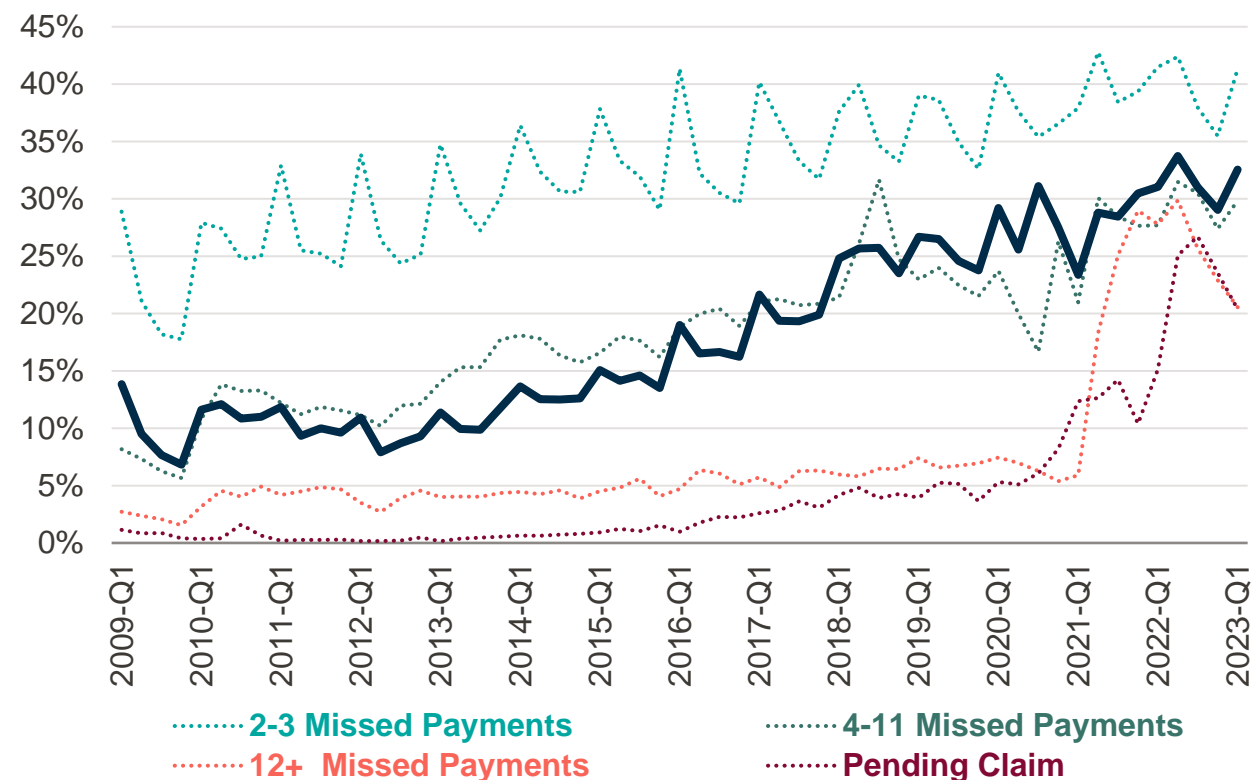
- While seasonal variations exists, overall cure rates have been gradually increasing since 2009 and are at some of the highest levels ever observed

- Cure activity for defaults that are 12 or more payments behind surged in Q2 21 and have remained at high levels

- Significant borrower equity embedded within the default inventory is resulting in favorable claim experience including:

  - Servicers withdrawing Pending Claims in cases where Radian's claim liability is fully offset by the equity

  - Claim severity levels have decreased considerably with ~80% of claim payments in recent quarters being partially or fully offset due to equity

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Radian Competitive Differentiation

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Economic Value

- Our focus is on maximizing long-term Economic Value (EV), not on NIW market share

- EV is simply the amount of future earnings on deployed capital less the cost of holding required capital, discounted to present value

- EV provides a consistent value-based framework to evaluate the efficiency of capital deployment opportunities

- Identifying and acquiring NIW with the highest expected EV allows us to take **an outsized share of EV available in the MI market (relative to our competitors)** ➜ **Generating Alpha**

EV = (NIW x Capital % x Duration) x (Return on Capital % – Cost of Capital %)

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Our Analytics Align with Today's Drivers of Success

Projecting loan performance

Predicting local economics

Outperforming in a fast-paced, sealed-bid auction environment

Applying analytics to segment lenders and servicers

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Proprietary Models Leveraging AI and Machine Learning

RADAR (*Radian Default and Risk*) assesses the risk and projects performance, including premiums, losses, required capital, EV, etc.

SONAR (*Surveillance and Optimization of New-business Acquisition Rates*) analyzes and optimizes pricing, leveraging market clearing estimates to maximize EV

Loan Performance Predictor: predicts loan performance based on borrower, loan, and property attributes and economic conditions

Clearing Rates Estimator: estimates competitor pricing for over 11 million Loan Types (i.e., over 55 million estimated prices)

Economic Scenario Generator (ESG): simulates future Metropolitan Statistical Area (MSA) level house price appreciation, unemployment, mortgage interest rates, etc.

Radian MI Rates Optimizer: optimizes MI rates for over 11 million Loan Types with a goal of maximizing the EV of NIW, subject to certain prescribed constraints

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Our Modeling Schematic

- Data: proprietary, procured, and curated

- 100% in-house developed models

- State-of-the-art cloud computing

- Thousands of scenarios, millions of loans, trillions of calculations

Recent MI Clearing Rate Data

Noise Filters & Calibration

SONAR ®
Clearing Rates Estimator

SONAR ®
Radian MI Rates Optimizer

Reporting
- EV and Returns
- Risk Measures
- Forecasts
- Visualization

Historic Economic Data
- House Prices
- Unemployment
- Population Growth
- Income Growth
- Housing Stock
- Mortgage Rates
- Etc.

Noise Filters & Calibration

RADAR ®
Economic Scenario Generator

RADAR ®
Loan Performance Predictor

Historic Borrower Performance Data
- Loan & Borrower Attributes
- Default and Prepayment Events
- Etc.

Data   Models

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RADAR – Loan Performance Predictor

- Every new version of RADAR is subjected to granular testing along many dimensions of loan attributes and "layered risk"

- Our models are tested against and outperform leading external models

- Persistently reviewed and challenged, including ongoing comparisons to "challenger" AI and machine learning models

- Provides predictions for any economic scenario – single (deterministic) and stochastic (Monte Carlo) paths

Claim Rates: RADAR Projected vs. Actual
GSE Data: Full Doc, Fixed Rate, Prime

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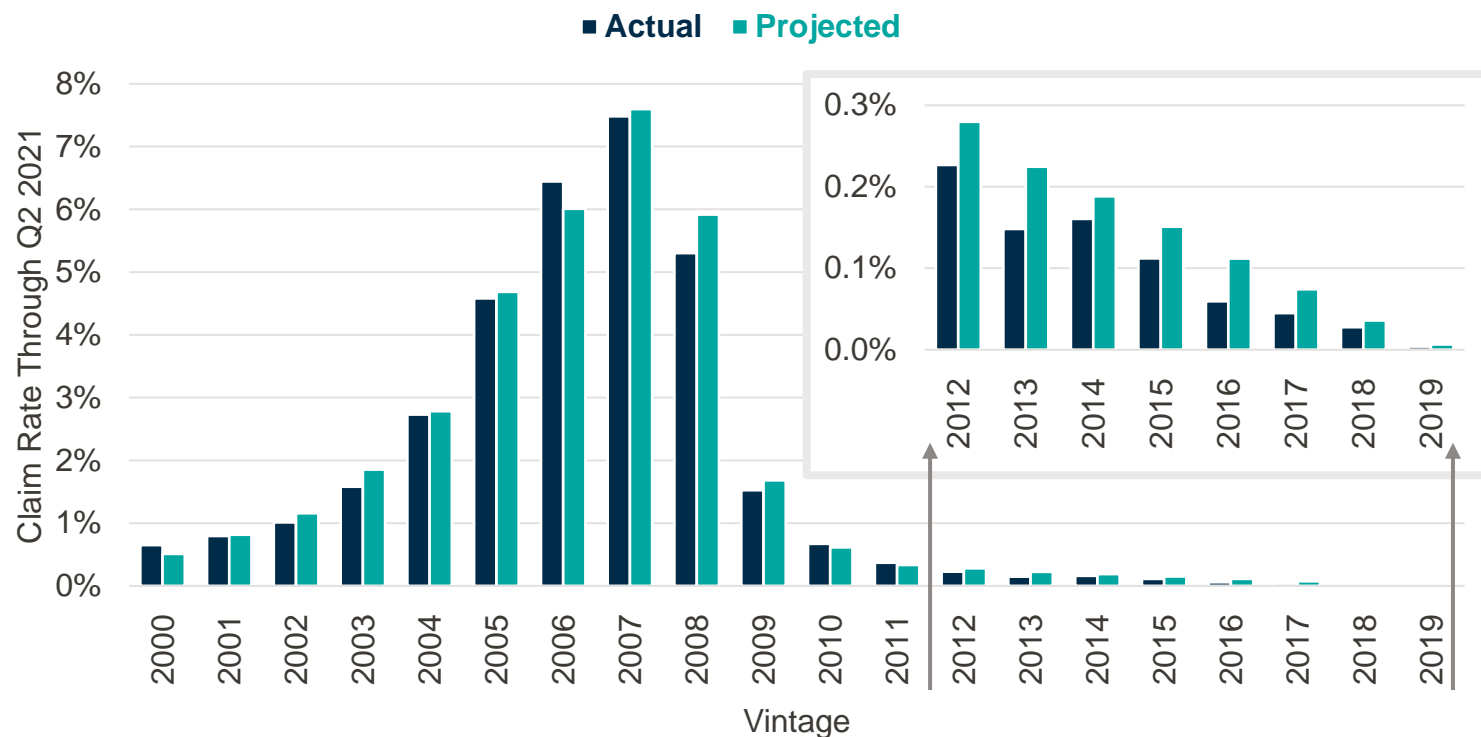
RADAR – Economic Scenario Generator

Accurate and Granular Economic Forecasting Ability

- The **RADAR Economic Scenario Generator** uses economic and housing value measures specific to each MSA, including

  - Home Price Appreciation (HPA) and unemployment, historic and current conditions

  - Fundamental housing value indicators: per capita income, population growth, household formations, rental data, etc.

  - Real-time housing market indicators: days-on-market, inventory levels, listing prices, % distressed sales, etc.

- **Millions** of MSA-specific scenarios are simulated

- **1,000s** of calibrated model parameters

- **MSA-specific pricing and returns** for each combination of loan attributes (FICO, LTV, DTI, etc.)

DETROIT
DENVER
MIAMI
NEW YORK CITY
PHOENIX

HOUSE PRICE   UNEMPLOYMENT

10,000 economic scenarios

FUNDAMENTAL HOUSING VALUES

NATIONAL

MORTGAGE RATES

MULTIPLE OTHER EMPLOYMENT METRICS

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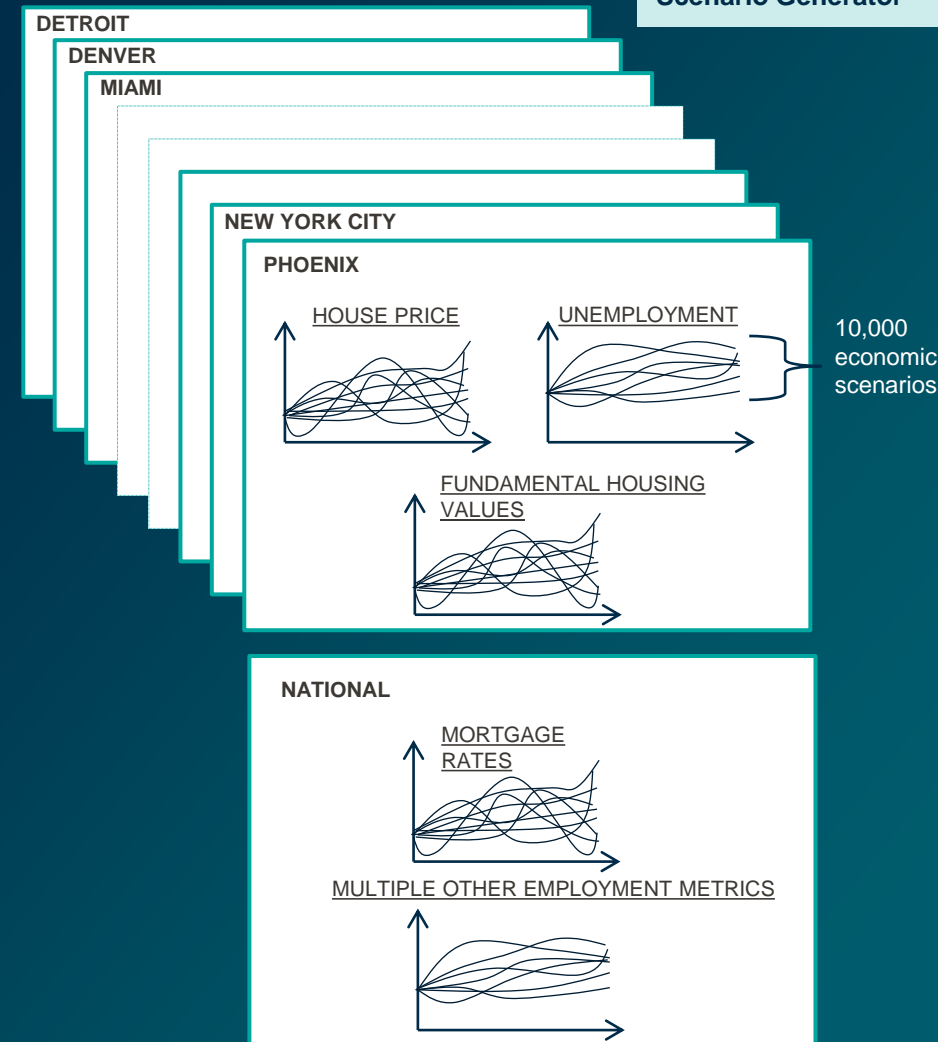
RADAR – Economic Scenario Generator

- Forecast back testing is performed individually on all ~450 MSAs

- Forecasting accuracy is demonstrated by back testing

- For example, in Phoenix, our HPA projections were accurate for the downturn, recovery, significant growth, and moderate growth periods

- Our forecasts outperform in a benchmark test against a leading rating agency's economic forecasts across history and MSAs

  - 25% better HPA forecast accuracy

  - 20% better unemployment forecast accuracy

Phoenix (AZ) HPA: RADAR Projected vs. Actual

46

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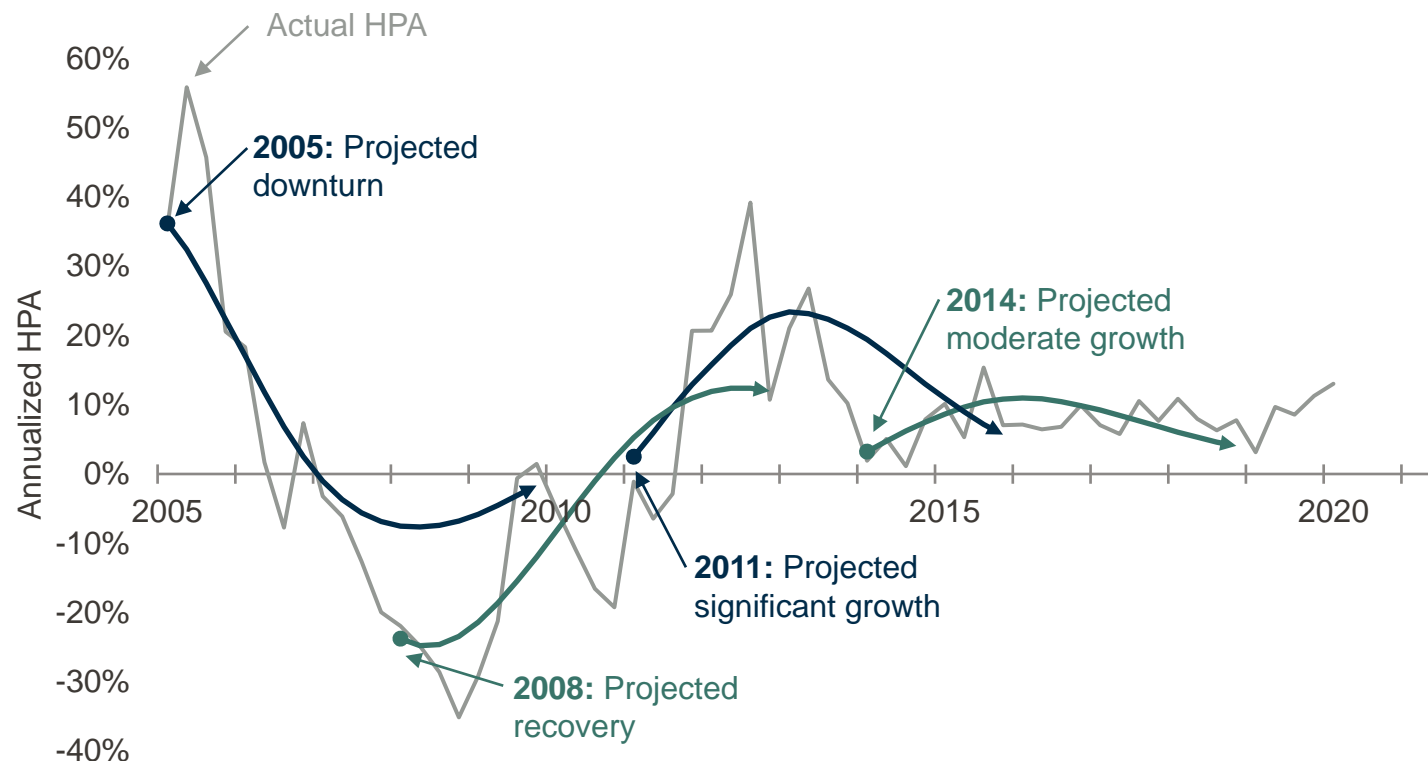
SONAR – Clearing Rate Estimator

- Estimates competitor pricing and market clearing levels for each of the millions of Loan Types

- Employs a probabilistic approach

  - Near-neighbor/clustering

  - Sparse and noisy data analysis

- Updates frequently whenever new information is available

- A demand curve is created from market clearing rate estimates

Price Probability Distribution (Illustrative)

Probability of Bid Price

Competitor Bid Price (bps)
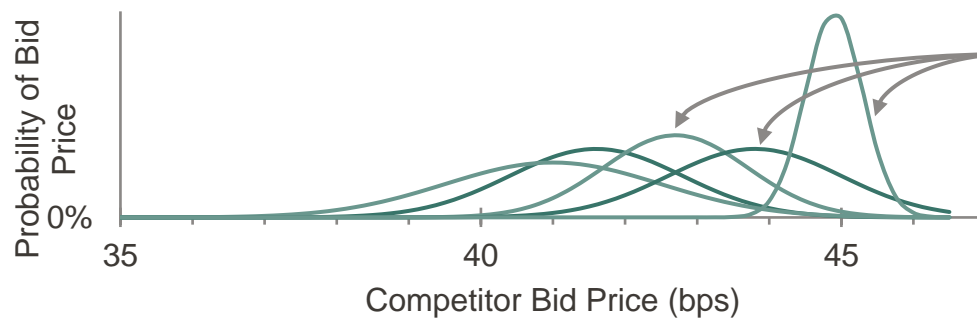
1 **SONAR estimates competitors' likely bid prices**

Demand Curve (Illustrative)

Probability of Radian Winning the Sealed-Bid Auction vs. Bid Price

Probability of Win

Radian Bid Price (bps)
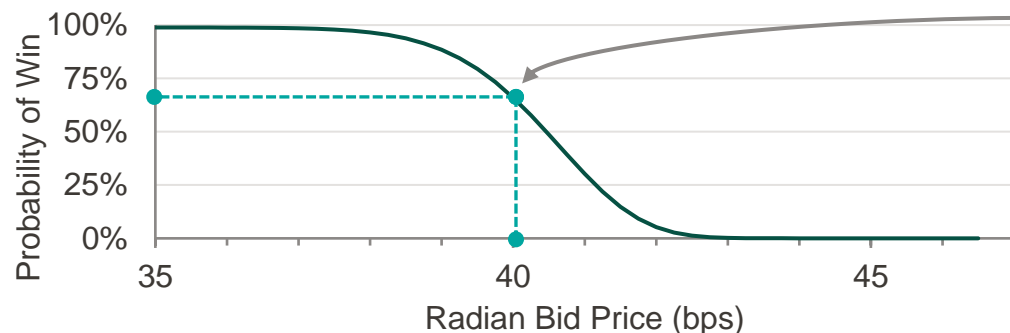
2 **SONAR estimates how likely Radian is to win the bid at each price**

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SONAR – Radian MI Rates Optimizer

- Objective function in setting prices is to maximize EV

- Millions of bid prices are optimized simultaneously

- Management applies constraints on the overall solution (e.g., risk mix and geo concentration)

- Updated frequently as management considers new constraints, clearing rate intelligence, actual vs. expected NIW, etc.

- Balances pricing up (for more value) with pricing down (for more NIW) based on SONAR-derived elasticity

Demand Curve and EV (Illustrative)

Probability of Radian Winning the Sealed-Bid Auction vs. Bid Price and EV for each price
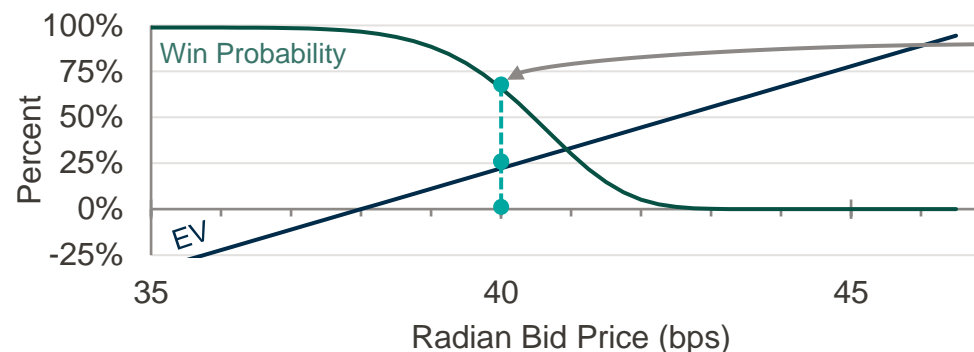
3 SONAR overlays EV for each price

Expected EV (Illustrative)

Expected EV = Probability of Winning x EV
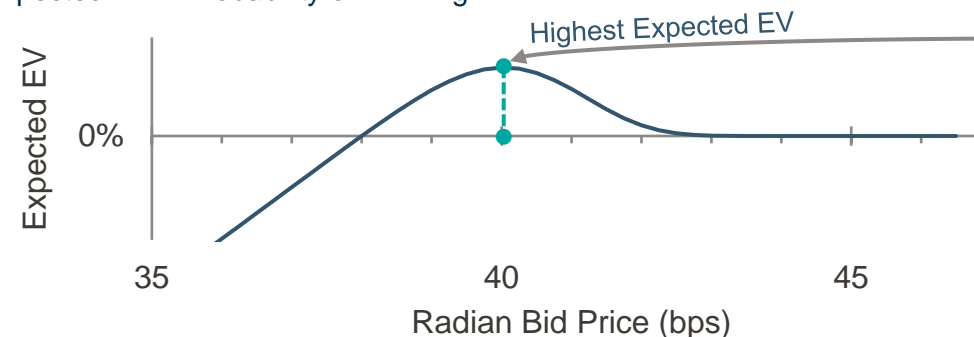
4 SONAR looks for the optimum price, within constraints
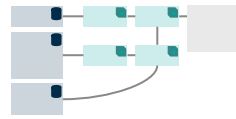
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Generating Alpha via Geographic Pricing

- Our MSA economic forecasts have a significant dispersion around the mean - supporting the importance of Radian's geographic focus from a risk and pricing perspective

- Back testing consistently demonstrates our methodology successfully predicts the top and bottom performing MSA cohorts (see graph)

- Our projected top 15% MSAs consistently outperform the average risk-adjusted return by 2-6 points historically

- We expect our pricing strategy to generate significant alpha throughout growth, downturn, and recovery periods

Actual Returns for MSAs vs. Projections

Return as a percent deviation from vintage average

Our projected top performing MSAs consistently outperform the average

Y-axis: Return (Deviation from Vintage Average), 8% to -12%
X-axis: 2001 to 2017

Legend:
— Actual Top 15%
- - Projected Top 15%
— Actual Middle 70%
- - Projected Middle 70%
— Actual Bottom 15%
- - Projected Bottom 15%
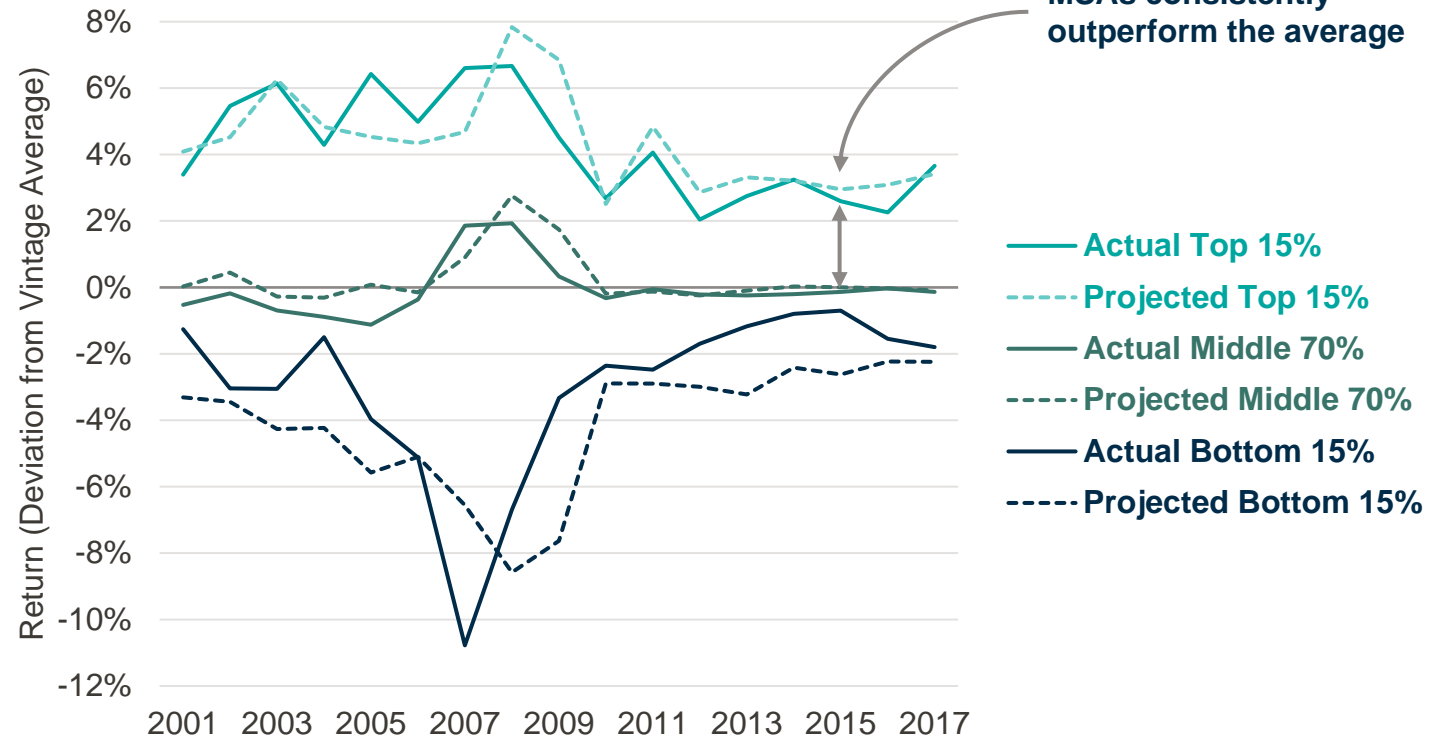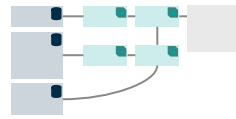
Geographic Pricing Strategy in Action

- Our geographic MI pricing purposely steers our new business toward our favored MSAs

- For example, for Q2 2022

  - Our most-favored MSAs comprised 15% of the industry NIW and 26% of our NIW

  - Our least-favored MSAs comprised 15% of the industry NIW and 5% of our NIW

- Since mid-2022, actual HPA has aligned with our projections, outperforming in our most-favored MSAs and underperforming in our least-favored MSAs

NIW Concentration among Radian Projection Cohorts

■ RDN NIW Concentration: Q2 22   ■ MI Market NIW Concentration: Q2 22
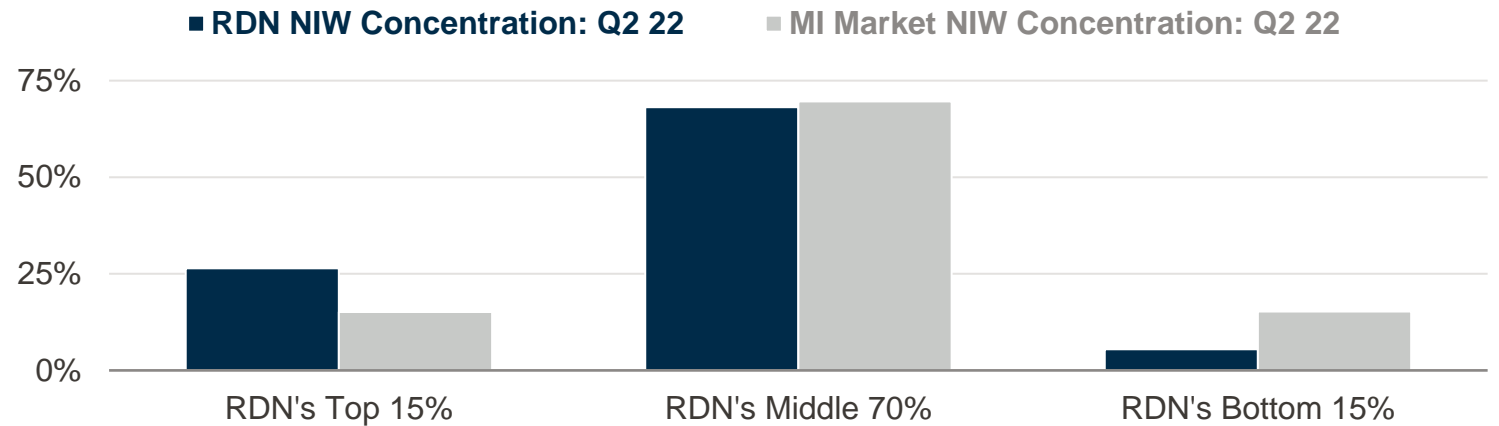
Radian Projection Cohort's Deviation from National HPA
Q2 22 – Q1 23 (FHFA All-Transaction non-seasonally adjusted)
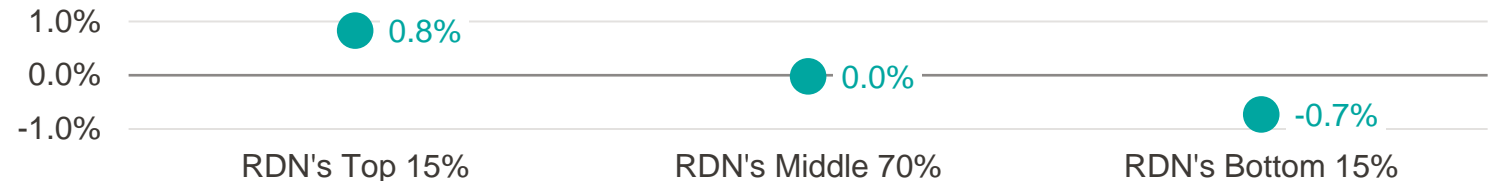
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Lender Segmentation: Data and Analytics Driven

Consolidates hundreds of credit, performance, operational, risk/return, and EV metrics, providing Radian with a common view of its lenders' business performance and relative value, which supports pricing, portfolio, operational, and strategic decisions.

Radian produces Insight Reports for over 500 of our top customers. These reports summarize Lender Segmentation information, evaluations, and analytics on a lender-specific basis, providing valuable information for our lenders and setting clear expectations regarding performance, mix of business, and underwriting quality.

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Servicer Segmentation: Data and Analytics Driven

Utilizes a robust set of servicer-level metrics to evaluate our servicers and generate internal and external servicer-specific dashboards, providing a common view of servicer performance.

Servicers are evaluated on a variety of operations, credit-adjusted performance, default, and claims servicing metrics (e.g., persistency, default aging, loss mitigation activities).

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Sales Strategy Changed with the Market

Landscape Changed…

- MI decision methods/selections generally shifted to best-ex pricing

- Pandemic changed lender workplace strategies

- Originations decreased due to interest rate increases

- Lenders significantly reduced branch network footprints

…and Radian Repositioned

- Radian's sales headcount is now more than 50% lower than in 2019 and the smallest in the industry at 39, including management

- Local Account Management makes in-person sales calls on management contacts

- Inside Sales team calls top loan officers and submitters, most of which now work from home

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Leveraging Pricing for Relative Value

Robust Risk Assessment

- Leverage RADAR to project performance
- Stochastic simulation as well as deterministic paths
- Historical performance for specific Lenders/Servicers incorporated
- Costing based on a risk-neutral return

Monitoring the Competitive Landscape

- Monitor market-clearing levels at a granular level
- Account Management team takes data-driven approach to understand all aspects of our customers

Continual Surveillance and Fine-Tuning

- Most attractive opportunities will change as market pricing moves and/or our performance projections change
- Conduct daily pricing meetings to review trends and take action as warranted

Pricing for Relative Value

- SONAR optimizes our pricing for value based on the competitive landscape
- Our granular, differentiated pricing enables us to over allocate deployed capital in the most attractive segments of the market

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Approach to Capital Deployment

Radian's EV-driven strategy guides where we **over/under allocate our capital** relative to our competitors and the overall market via the following steps:

1 Identify capital deployment opportunities by Loan Type (e.g., granular combinations of borrower, loan, and property characteristics including geography)

2 Sort Loan Types by attractiveness of opportunity

3 Deploy our capital to the most attractive Loan Types subject to certain imposed constraints

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We could identify opportunities by the level of **Risk** (Step 1)

Loan Type 5

Lower Risk

Loan Type 1

Loan Type 2

Loan Type 3

Loan Type 7

Higher Risk

Loan Type 4

Loan Type 6

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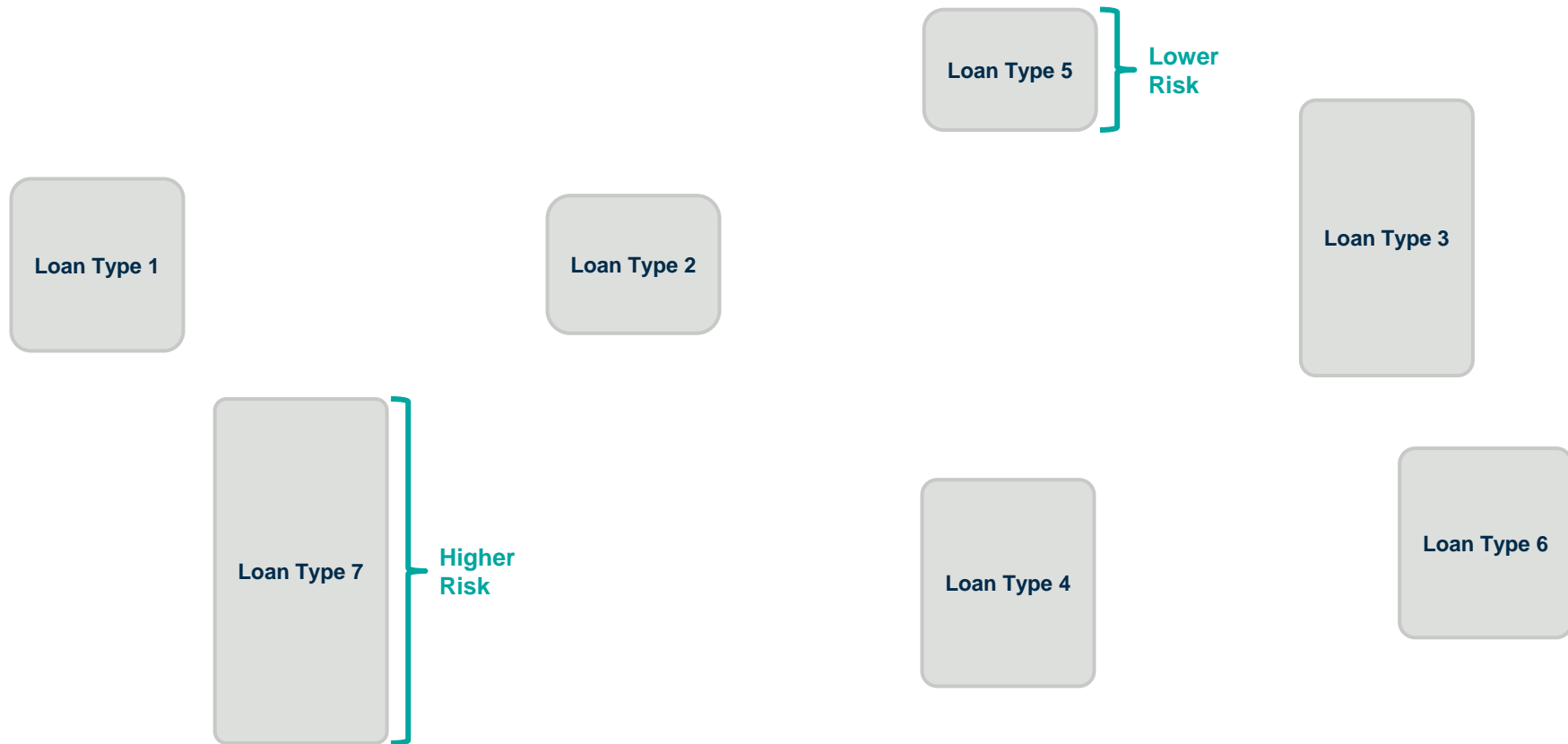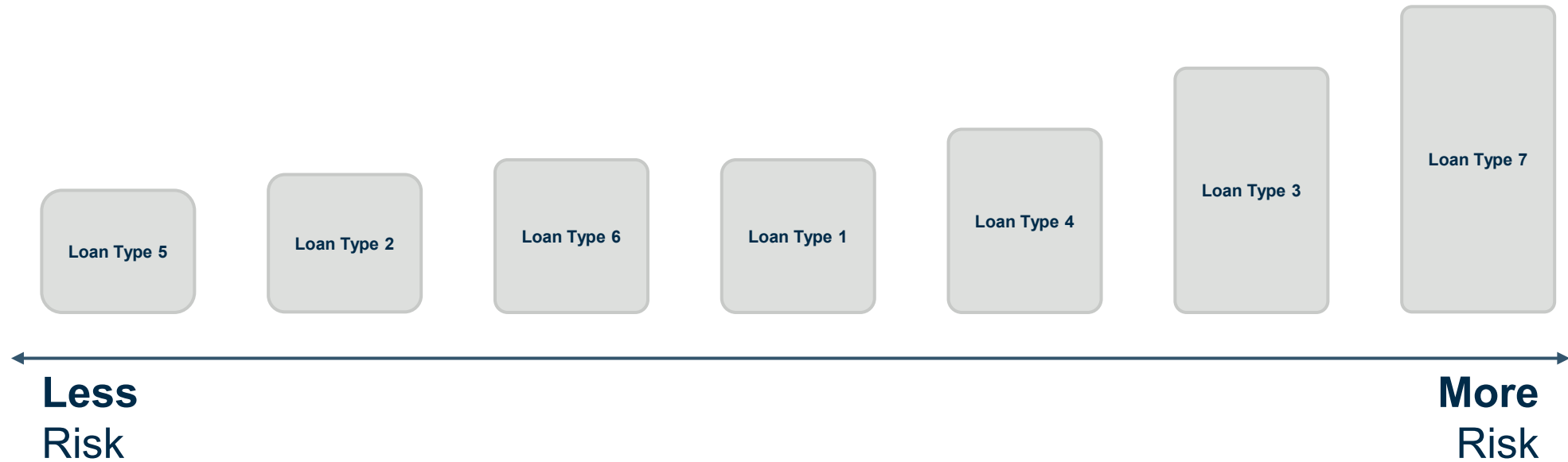
Instead, we identify (Step 1) and sort (Step 2) opportunities by EV

Higher EV

Lower EV

Loan Type 6
Loan Type 4
Loan Type 1
Loan Type 5
Loan Type 3
Loan Type 7
Loan Type 2

More Economic Value

Less Economic Value

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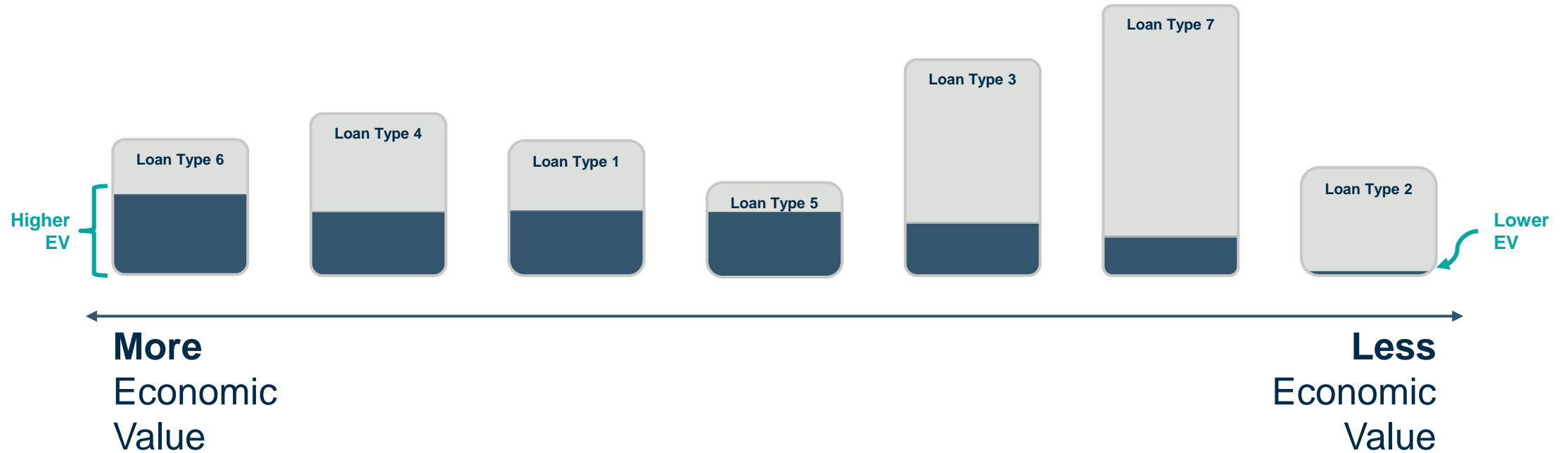
Then deploy capital starting with highest **EV** opportunities (Step 3)

START

Deploy Capital

Loan Type 6

Loan Type 4

Loan Type 1

Loan Type 5

Loan Type 3

Loan Type 7

Loan Type 2

More
EV

Less
EV

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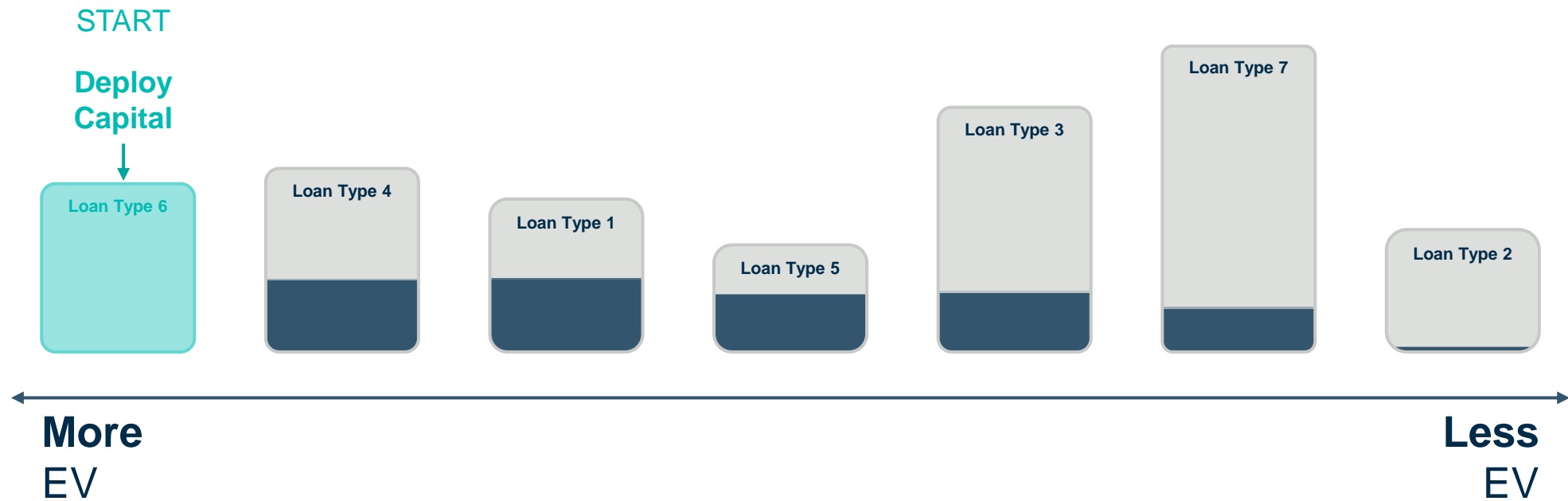
Illustrative Loan Selection

	A	B	C
LTV	85%	90%	95%
FICO	770	750	730

Assuming all else equal and only one loan could be selected, **which loan would we target**?

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Illustrative Loan Selection

	A	B	C
LTV	85%	90%	95%
FICO	770	750	730

Loan A is the lower risk option, but our goal is **value maximization**, not risk minimization.

Value **cannot be assessed without additional information.**

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Illustrative Loan Selection

	A	**B**	**C**
LTV	85%	90%	95%
FICO	770	750	730
Loss Ratio	25%	20%	22%

While Loan A has less risk, **Loan B is more favorable when factoring in price…**

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Illustrative Loan Selection

	A	B	C
LTV	85%	90%	95%
FICO	770	750	730
Loss Ratio	25%	20%	22%
Return on Capital	12%	13%	14%

…but **Loan C is preferable in terms of Return on Capital**

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Illustrative Loan Selection

	A	B	C
LTV	85%	90%	95%
FICO	770	750	730
Loss Ratio	25%	20%	22%
Return on Capital	12%	13%	14%
Lifetime Capital(1)	0.7%	4.1%	9.3%

Loan C also provides the greatest capital deployment opportunity…

(1) Lifetime Capital represents required capital as a percentage of loan balance

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Illustrative Loan Selection

	A	B	C
LTV	85%	90%	95%
FICO	770	750	730
Loss Ratio	25%	20%	22%
Return on Capital	12%	13%	14%
Lifetime Capital[1]	0.7%	4.1%	9.3%
EV	$100	$500	$1,600

…and therefore generates the highest Economic Value

(1) Lifetime Capital represents required capital as a percentage of loan balance

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Value Creation that Rises Above

We are generating Alpha and creating value for stockholders by leveraging our differentiated risk, modeling, pricing, and customer analytics to acquire an outsized share of EV available in the MI market

Generating Alpha

Outperforming in a fast-paced, sealed-bid auction environment

Projecting loan performance

Predicting local economics

Applying analytics to segment lenders and servicers

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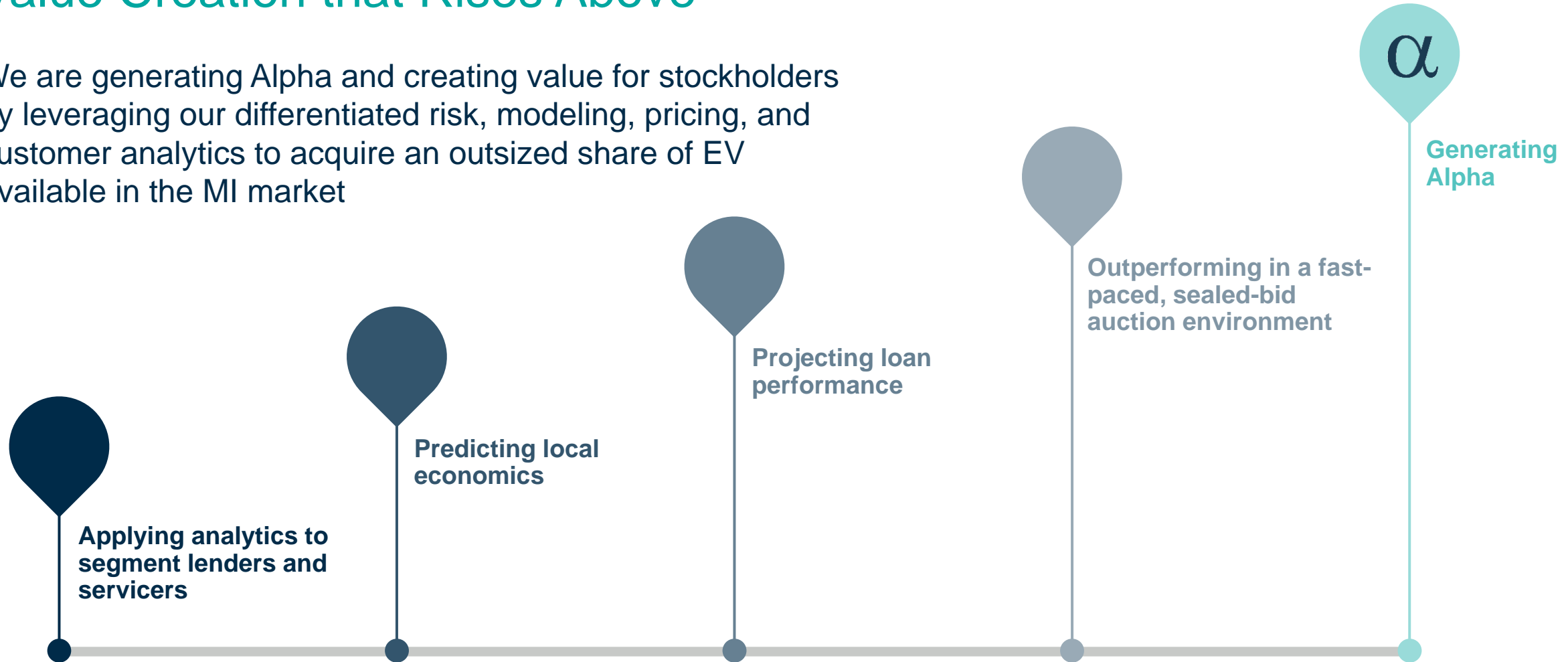
Audience Q&A

Derek Brummer

President, Mortgage

Ted Cubbin

EVP, Chief Analytics Officer

Steve Keleher

EVP, Portfolio Management and Pricing

Meghan Bartholomew

EVP, Credit and Counterparty Risk Management

Marshall Gayden

EVP, MI and National Account Sales

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homegenius Update

Rick Thornberry

Chief Executive Officer

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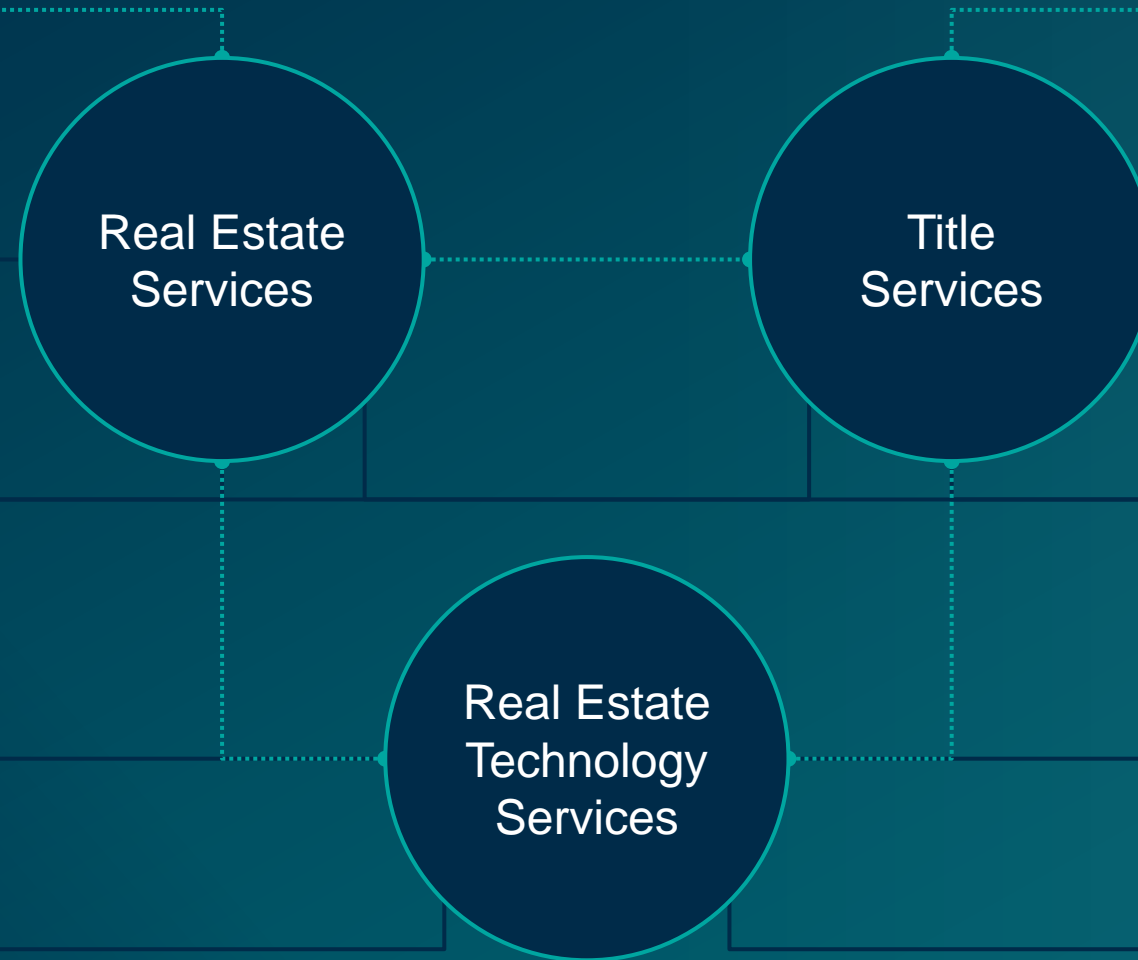
Real Estate Services

Revenue[1]	2021	2022	Q1 2023
	$70M	$66M	$8M

Description

Residential real estate management, valuation, and due diligence services

Key Customers

Single family rental investors, GSEs, mortgage lenders and servicers, mortgage investors

Why we are well positioned

Strong relationships with institutional residential real estate and mortgage investors, servicers and GSEs

Track record and reputation for delivering exceptional customer service

Industry leading digital real estate asset management platform, the Pyramid Platform

Data and analytics capabilities combined with local broker network to deliver valuable real estate valuations and insights

Current State

Market leader in the space with deep investor and partner relationships

Navigating business through challenging market

Expected to continue delivering profitable contribution margin through the cycle

(1) All periods presented reflect an immaterial reclass of certain revenue components from Real Estate Technology Services to Real Estate Services, as a result of a reporting change made in the second quarter of 2023.

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Title Services

Revenue	2021	2022	Q1 2023
	$79M	**$44M**	**$5M**

Description

National title insurance underwriter and agency delivering closing and settlement services for purchase, refinance, home equity and default real estate transactions

Key Customers

Mortgage lenders, real estate agents, mortgage investors, GSEs and consumers

Why we are well positioned

Broad set of existing relationships

National title and settlement services footprint

Title underwriter vehicle provides control over product and price structures

Innovative digital platforms including a blockchain purchase title transaction platform - titlegenius, automated decision engines, digital closing capabilities, etc.

Current State

Expanding and adding new lender relationships

Investing in digital purchase platform, titlegenius

Continuing our focus on managing expenses to address current operating losses

Evaluating opportunities for revenue growth and path to profitability considering market forecasts

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Real Estate Technology Services

Revenue	New to market
Description	Early-stage digital residential real estate business with a national footprint leveraging unique data, analytics and technology assets, including AI and computer vision technology
Key Customers	Lenders, financial institutions, real estate agents and brokers, real estate investors, technology service providers, and other consumer focused organizations

Why we are well positioned	National real estate brokerage and agent network
	Strong market relationships across the mortgage and real estate ecosystem
	Extensive real estate data and proprietary analytics
	Innovative digital platforms including our innovative AI and computer vision technology – homegeniusIQ, and our personalized search capabilities
Current State	Launching our real estate platform delivering a digital search to close toolkit for enterprise relationships
	Receiving positive feedback related to our capabilities from multiple market participants
	Managing the investment in this business with a disciplined and measured approach based on the opportunity that we see to create value

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Our homegenius businesses have the right to win

Real Estate Services

Title Services

Real Estate Technology Services
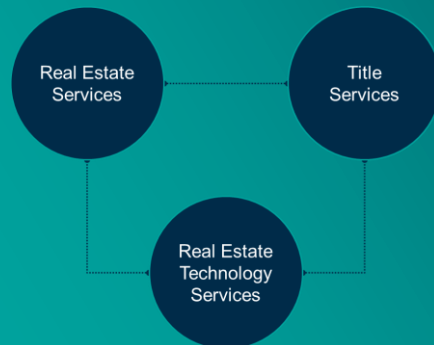
- Depth of our market relationships

- National footprint

- Unique real estate data and proprietary analytics

- Innovative digital platforms

- Talented team

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Financial Snapshot

Sumita Pandit

Chief Financial Officer

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Financial Strength and Flexibility

Consolidated
As of Q1 2023

$7.2 billion
Total Assets

$6.0 billion
Total Investments[1]

$4.1 billion / $26.23
Book Value / Book Value Per Share[2]

$1.2 billion
Total Holding Company Liquidity[3]

Radian Guaranty - Operating Company
As of Q1 2023

$1.7 billion
PMIERs Excess Available Assets[4]

44%
PMIERs Excess Available Assets %

$5.3 billion
Statutory Capital

$721 million
Statutory Surplus

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Consistently Strong Operating Performance

$ in millions

COVID Stress

Year	Adjusted Operating Return on Equity[1]	Total Adjusted Pretax Operating Income[1]
2014	14.7%	$342
2015	14.5%	$511
2016	13.1%	$542
2017	13.7%	$617
2018	18.2%	$745
2019	17.9%	$855
2020	8.2%	$432
2021	14.0%	$758
2022	20.3%	$1,053
Q1 23	15.7%	$200

■ **Adjusted Operating Return on Equity**[1]

■ **Total Adjusted Pretax Operating Income**[1]
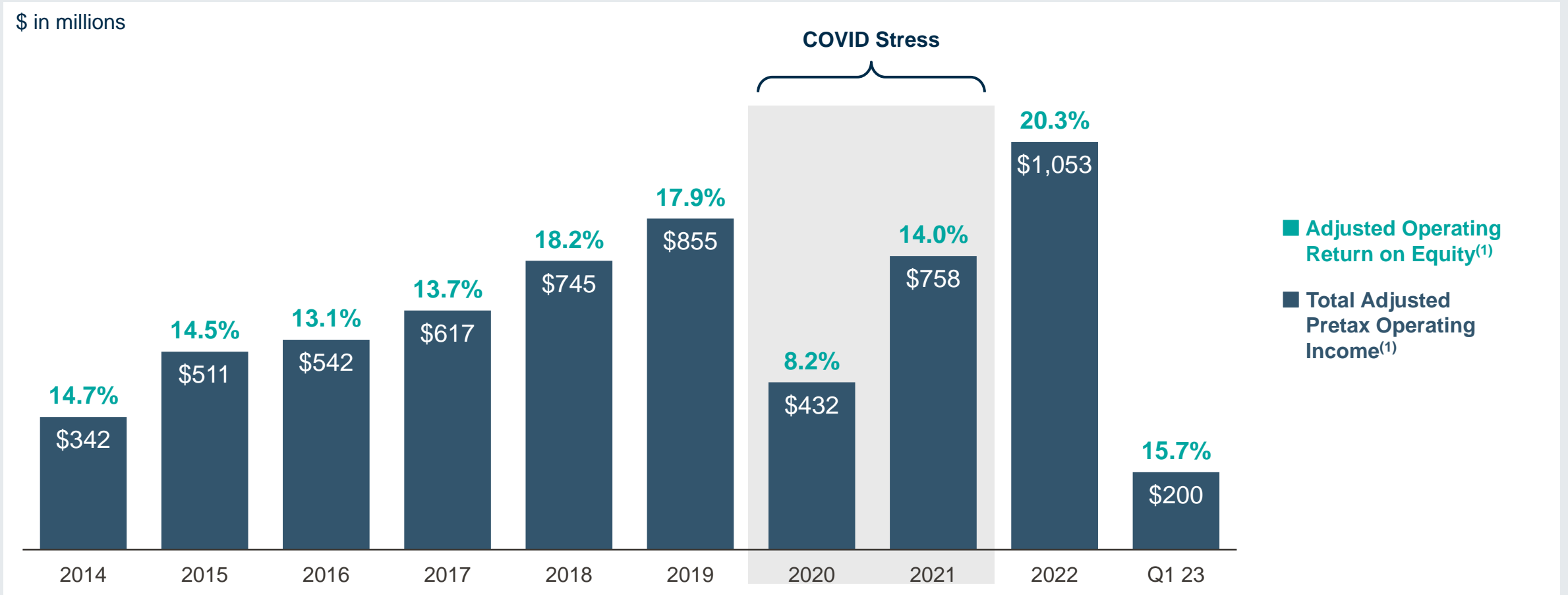
(1) Total adjusted pretax operating income and adjusted operating return on equity are non-GAAP measures. For a reconciliation to the most comparable GAAP measures, consolidated pretax income from continuing operations and return on equity, respectively, please refer to the Non-GAAP reconciliation slides in the back of this presentation or the Investors section of the company's website at radian.com.

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Broadly Diversified, High Quality $6.0B Investment Portfolio[1]

Highlights:

- 95.8% of total portfolio[2] are rated fixed income securities

- 98.7% of fixed income securities are rated investment grade

- Diversified across industry segments and geographies

- Actively monitored on continual basis both internally and by outside asset managers

- Adjust positioning as we see markets and risks change

- Attractive new money rates of ~5-6% in high quality fixed income sectors

- Reinvested ~$1.2B into a higher rate environment over the past 12 months[3]

$6.0B Investment Portfolio by Rating

As of March 31, 2023

Pie chart segments:
- BB and below 1.3%
- Not rated[4] 4.2%
- BBB 13.5%
- U.S. government / AAA 37.8%
- A 28.4%
- AA 14.8%
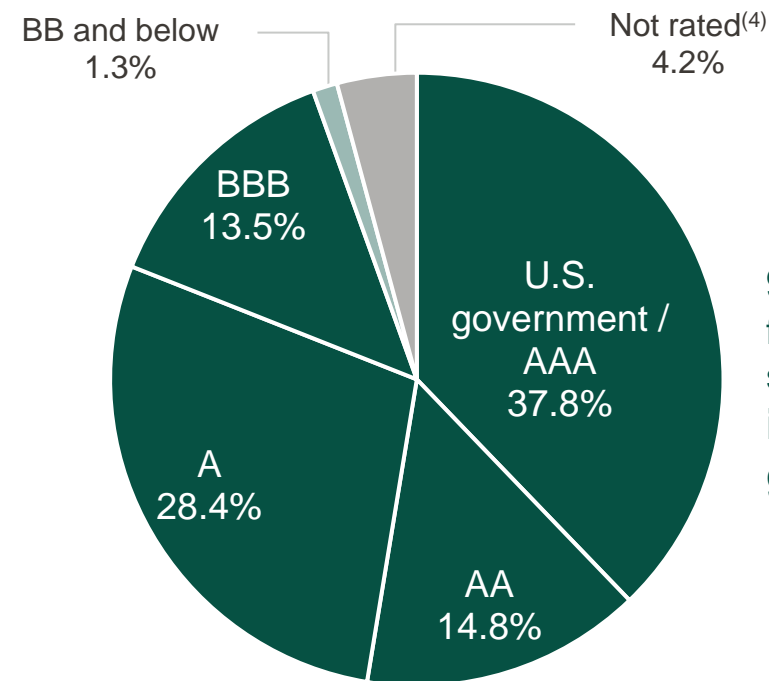
98.7% of fixed income securities are **investment grade**

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Investment Income Has Increased by 55% Over the Past Two Years

Investment Income
$ in millions

55% Increase

$38.3 | $36.3 | $36.0 | $37.4 | $38.2 | $47.0 | $51.4 | $59.1 | $59.2

Q1 21 | Q2 21 | Q3 21 | Q4 21 | Q1 22 | Q2 22 | Q3 22 | Q4 22 | Q1 23
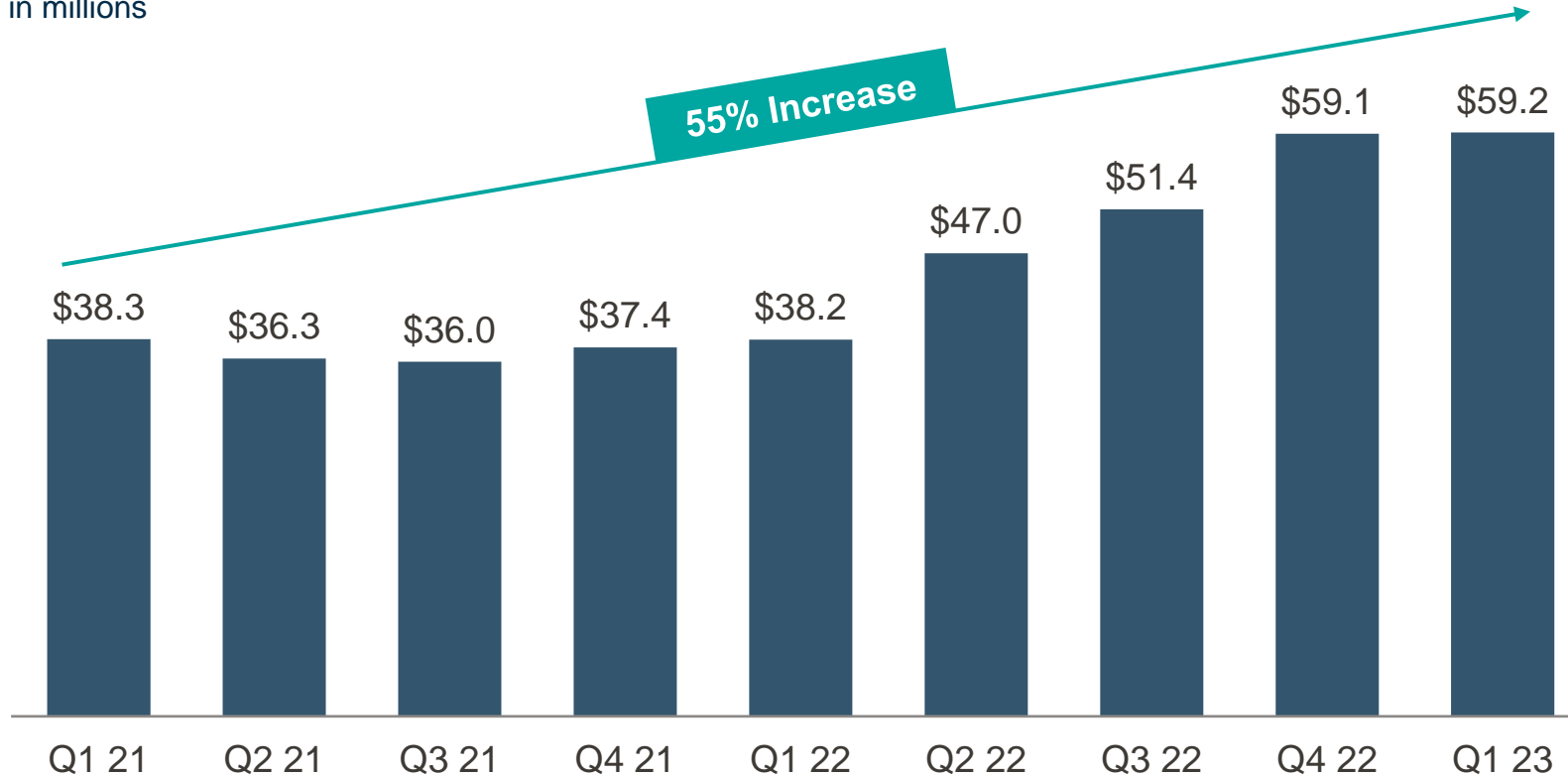
Average Investment Yield of **3.8%** on our **$6.0B Portfolio** as of March 31, 2023

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Strong Balance Sheet

- **Excess regulatory capital**

- **Strong liquidity at holdco**

- **High quality and diversified investment portfolio**

- **Embedded earnings power**

- **Growth in equity value**

Radian's Capital Structure
$ in billions

Debt[1]
$1.4B

Stockholders' Equity
$4.1B

Q1 23 Debt / Total Capital[2] = 25.6%

Net Debt[3] = $459 million

Select Key Balance Sheet Metrics

$ in millions	3/31/2023
Holdco Available Liquidity	$956
Total Holdco Liquidity	$1,231
PMIERs Available Assets	$5,651
PMIERs Minimum Required Assets	$3,911
PMIERs excess Available Assets	$1,740
% over Minimum Required Assets	44%

(1) Represents the carrying value of senior notes as of March 31, 2023. (2) Debt / capital ratio is calculated as carrying value of senior notes divided by carrying value of senior notes and stockholders' equity. (3) Represents the carrying value of senior notes ($1.415 billion) less available holding company liquidity ($956 million) as of March 31, 2023.

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Significant Earnings Power Through the Cycle

Dan Kobell

Executive Vice President, Finance

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Scenario Analysis and Stress Testing

- We consistently evaluate different macroeconomic scenarios, including internal and third-party views

- We use RADAR to estimate the performance of our existing MI portfolio as well as new business through a variety of scenarios

- For illustration purposes today, we will use **Base** and **Stress** scenarios consistent with recent Moody's Baseline and S4 downside scenarios to illustrate the potential embedded earnings in our portfolio, even under a severe economic stress

  - Moody's considers its Baseline scenario to be the most likely outcome and the S4 has only a 4% chance of occurring
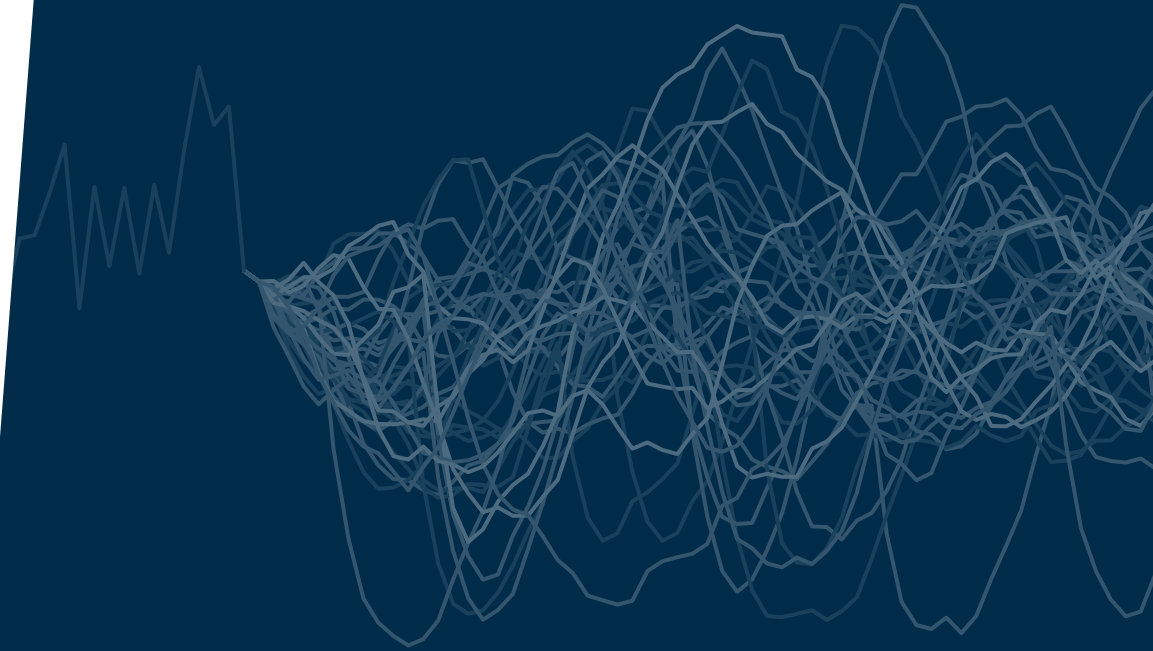
Scenarios and illustrations are hypothetical scenarios for illustration purposes only. Does not represent actual or projected results. Results could differ materially based on risks and uncertainties, including those described in the Safe Harbor Statements included at the end of this presentation.
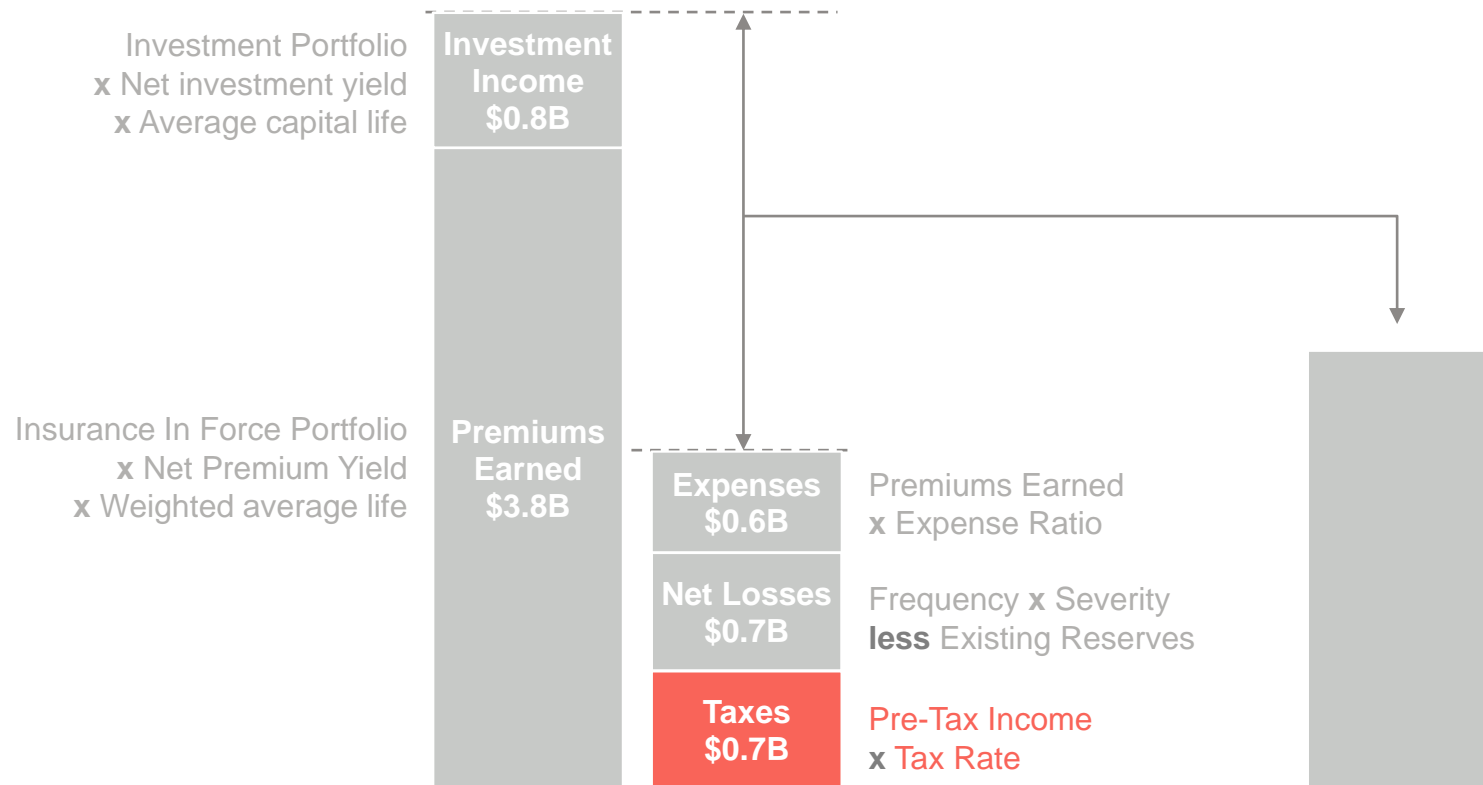
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Embedded Future Earnings From Existing Insurance In Force

Embedded Future Earnings
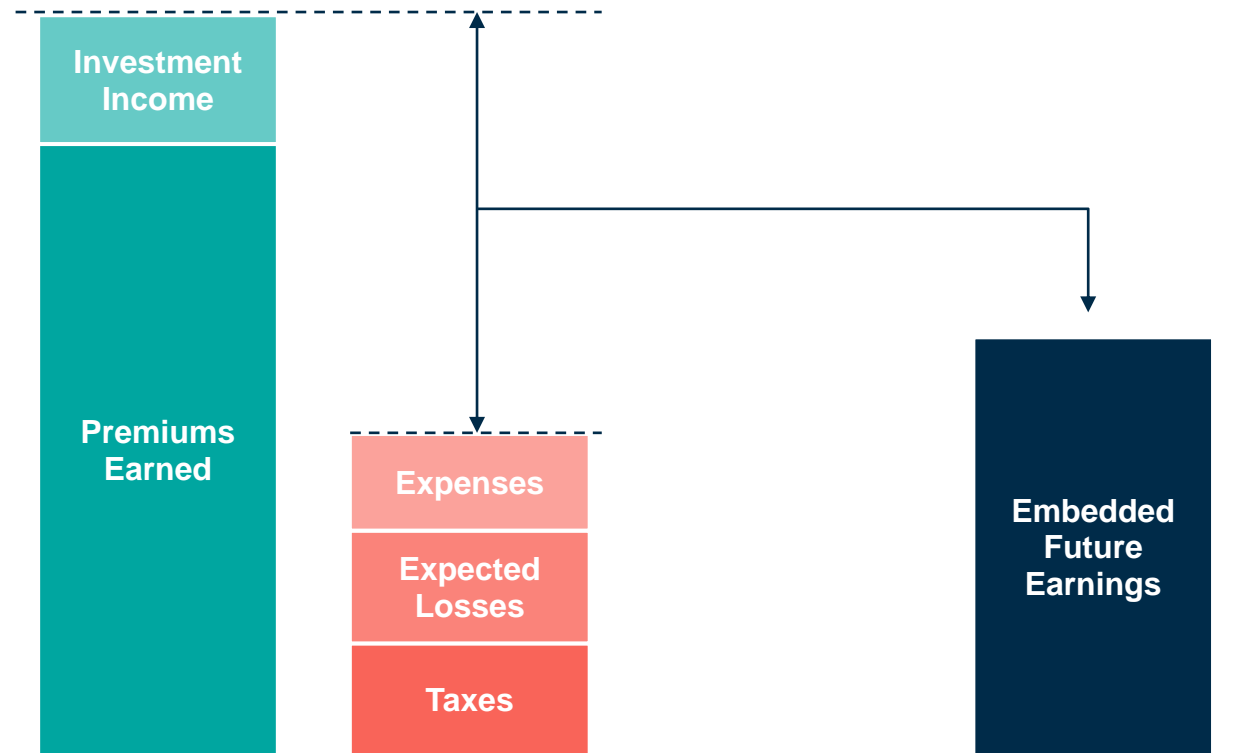
Radian has significant expected **embedded earnings** within its existing **$261B Insurance In Force** portfolio

The estimated earnings anticipated to be recognized from the existing in-force portfolio include the following components:

- Earned premiums

- Investment Income on required PMIERs capital and Unearned Premium Reserve

- Losses

- Expenses

- Corporate Taxes

(1) Hypothetical scenario for illustration purposes only. Does not represent actual or projected results. Results could differ materially based on risks and uncertainties, including those described in the Safe Harbor Statements included at the end of this presentation.

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Embedded Future Earnings Illustration

Base Scenario & MI Portfolio as of Q1 2023[1]

Insurance In Force Portfolio
x Net Premium Yield
x Weighted average life

Premiums Earned $3.8B

MI Portfolio with the following illustration inputs:

$261B Beginning Insurance In Force

34 bps Premium yield

79% Avg. Persistency =
4.2 year average life

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Embedded Future Earnings Illustration

Base Scenario & MI Portfolio as of Q1 2023[1]

Investment Portfolio
x Net investment yield
x Average capital life

Investment Income $0.8B

Insurance In Force Portfolio
x Net Premium Yield
x Weighted average life

Premiums Earned $3.8B

MI Portfolio with the following illustration inputs:

$261B Beginning Insurance In Force

34 bps Premium yield

79% Avg. Persistency = **4.2 year** average life

$4.0B Investment Portfolio

4.0% Investment income yield

4.9 year Avg capital life
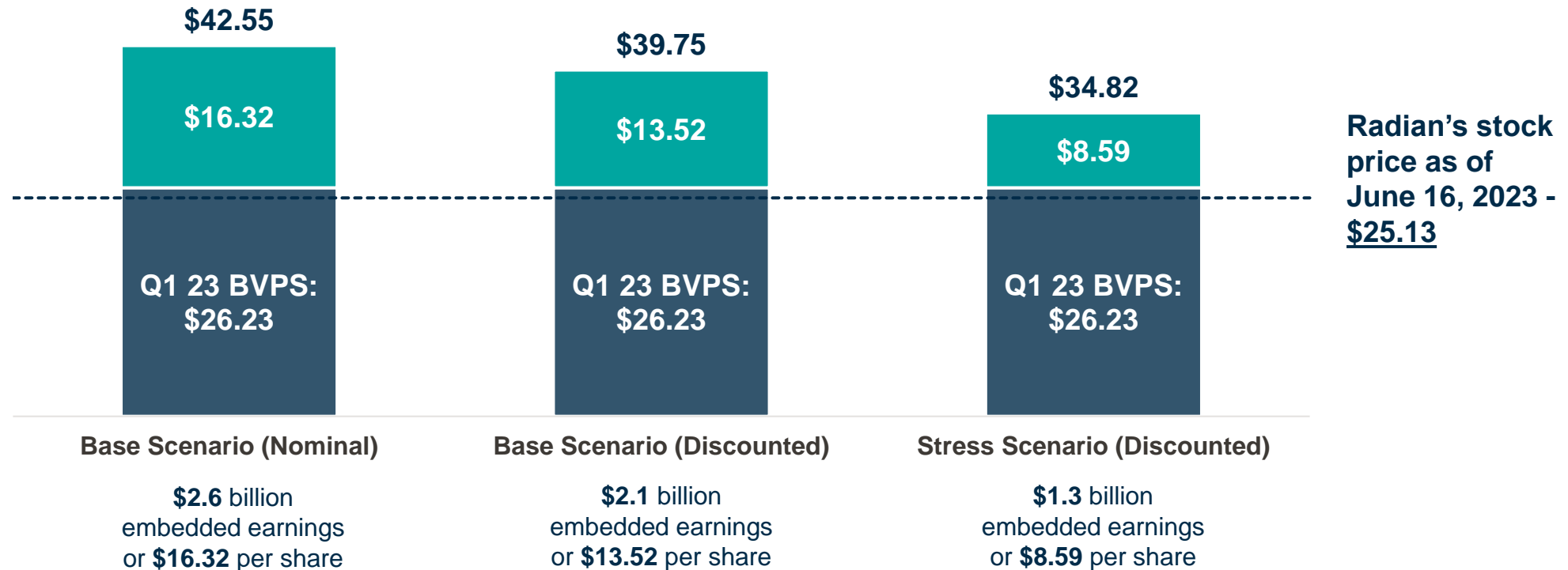
(1) Hypothetical scenario for illustration purposes only. Does not represent actual or projected results. Results could differ materially based on risks and uncertainties, including those described in the Safe Harbor Statements included at the end of this presentation.

$4.0B investment portfolio is derived from required PMIERs Capital and Unearned Premium Reserve projected by RADAR under this economic scenario.

4.0% investment income yield is an assumption consistent with recent observed performance.

4.9 year capital life is estimated by RADAR under this economic scenario.

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Embedded Future Earnings Illustration

Base Scenario & MI Portfolio as of Q1 2023[1]

Investment Portfolio
x Net investment yield
x Average capital life

Investment Income $0.8B

Premiums Earned $3.8B

Insurance In Force Portfolio
x Net Premium Yield
x Weighted average life

Expenses $0.6B

Premiums Earned
x Expense Ratio

MI Portfolio with the following illustration inputs:

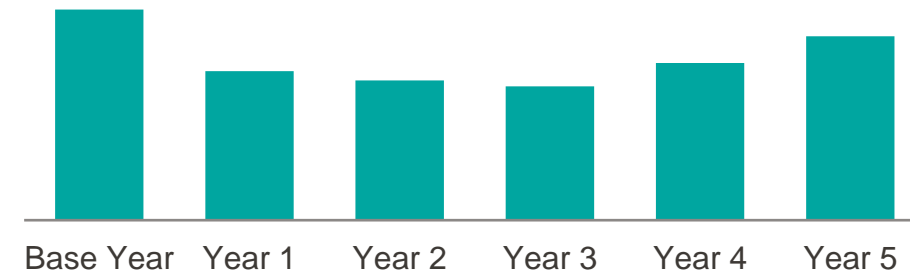|	
$261B Beginning Insurance In Force	**15%** Expense ratio
34 bps Premium yield	
79% Avg. Persistency = **4.2 year** average life	
$4.0B Investment Portfolio	
4.0% Investment income yield	
4.9 year Avg capital life	

(1) Hypothetical scenario for illustration purposes only. Does not represent actual or projected results. Results could differ materially based on risks and uncertainties, including those described in the Safe Harbor Statements included at the end of this presentation.
15% expense ratio is an assumption applied to estimated premiums earned from our existing in-force portfolio.

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Embedded Future Earnings Illustration

Base Scenario & MI Portfolio as of Q1 2023[1]

Investment Portfolio
x Net investment yield
x Average capital life

Investment Income $0.8B

Insurance In Force Portfolio
x Net Premium Yield
x Weighted average life

Premiums Earned $3.8B

Expenses $0.6B

Premiums Earned
x Expense Ratio

Net Losses $0.7B

Frequency x Severity
less Existing Reserves

MI Portfolio with the following illustration inputs:

$261B Beginning Insurance In Force

34 bps Premium yield

79% Avg. Persistency = 4.2 year average life

$4.0B Investment Portfolio

4.0% Investment income yield

4.9 year Avg capital life

15% Expense ratio

Loss Frequency = ~20,000 Claims

Loss Severity = ~$55K avg claim amount
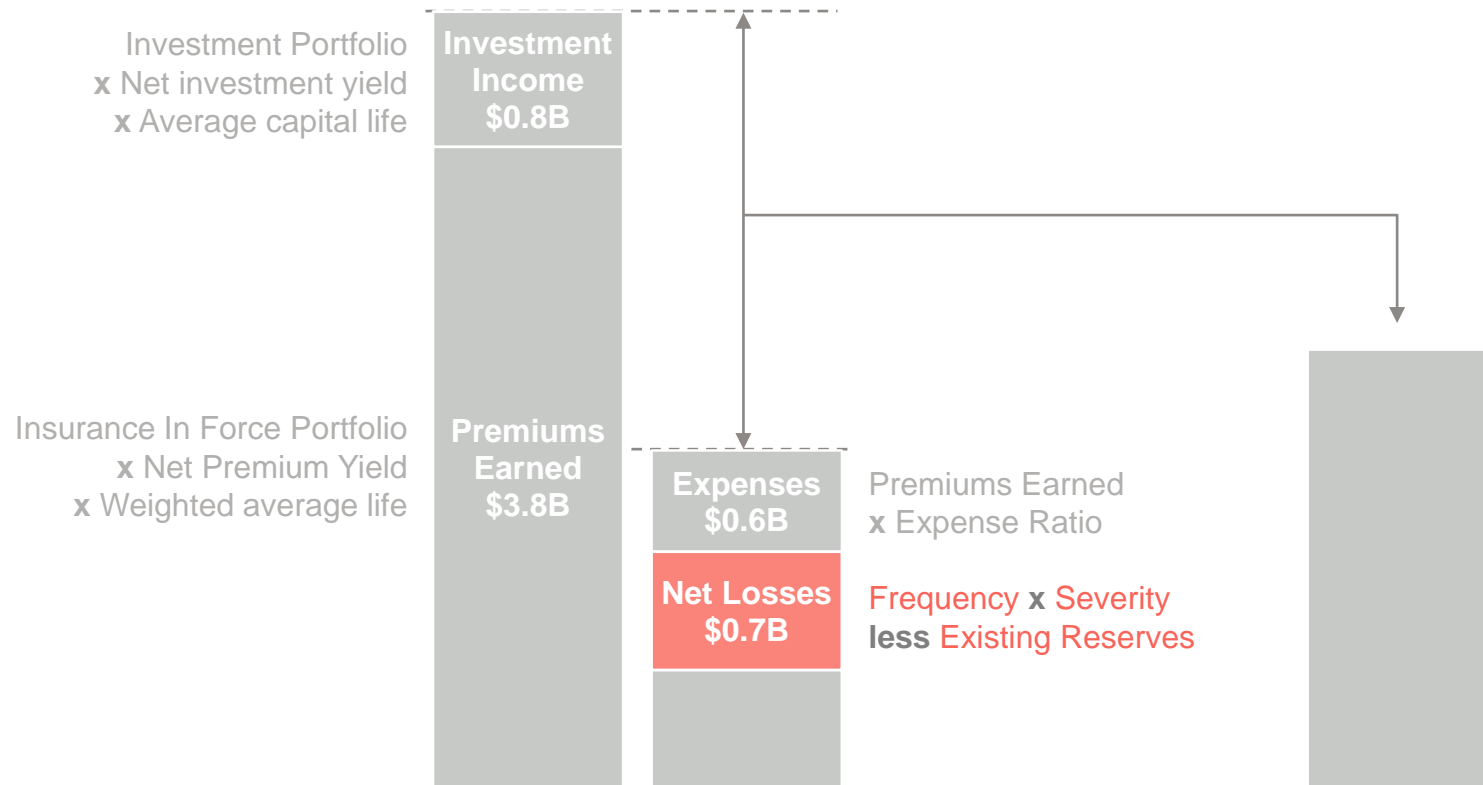
Existing Loss Reserves = $390M

(1) Hypothetical scenario for illustration purposes only. Does not represent actual or projected results. Results could differ materially based on risks and uncertainties, including those described in the Safe Harbor Statements included at the end of this presentation.
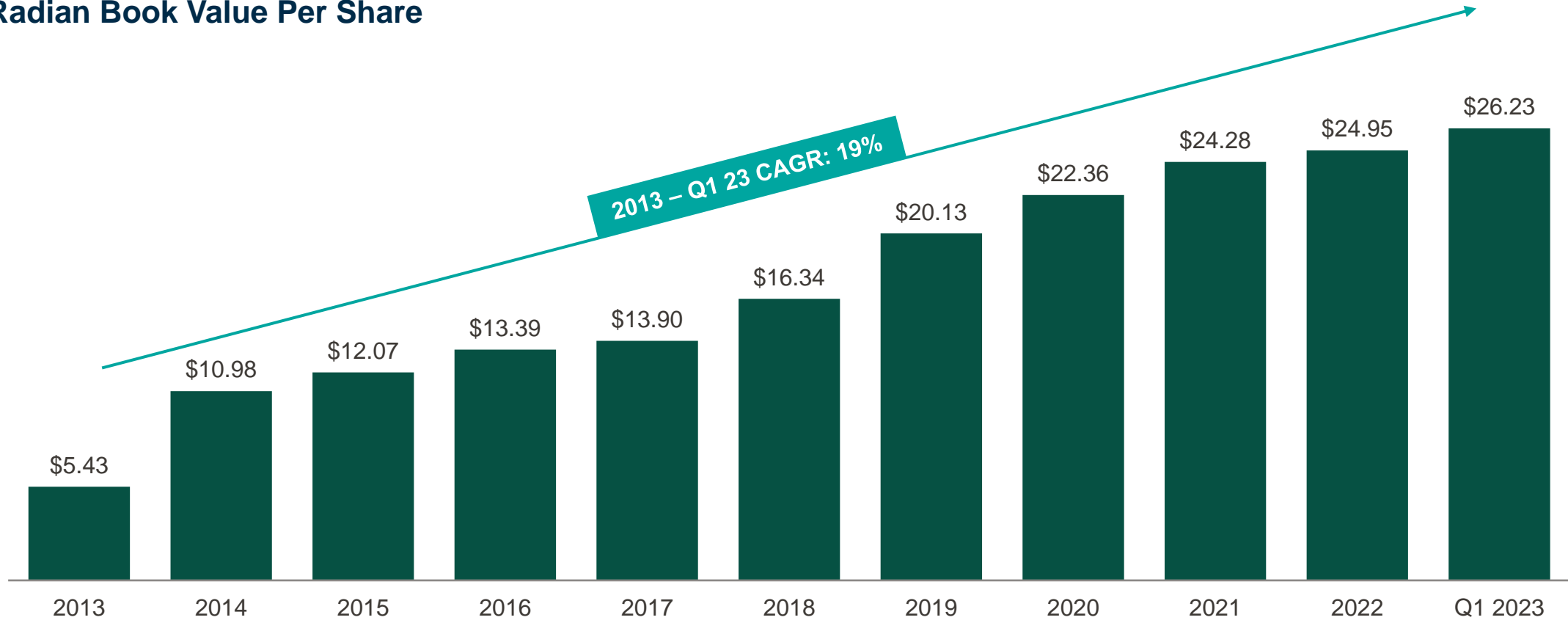20,000 claim Loss Frequency is the projected number of claims from our existing portfolio estimated by RADAR.
$55K Severity is the estimated average dollar per claim estimated by RADAR under this economic scenario .
$390M Existing Loss Reserves are the primary loss reserves held as of March 31, 2023.

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Embedded Future Earnings Illustration

Base Scenario & MI Portfolio as of Q1 2023[1]

Investment Portfolio
x Net investment yield
x Average capital life

Investment Income $0.8B

Insurance In Force Portfolio
x Net Premium Yield
x Weighted average life

Premiums Earned $3.8B

Expenses $0.6B — Premiums Earned **x** Expense Ratio

Net Losses $0.7B — Frequency **x** Severity **less** Existing Reserves

Taxes $0.7B — Pre-Tax Income **x** Tax Rate

MI Portfolio with the following illustration inputs:

$261B Beginning Insurance In Force

34 bps Premium yield

79% Avg. Persistency = **4.2 year** average life

$4.0B Investment Portfolio

4.0% Investment income yield

4.9 year Avg capital life

15% Expense ratio

Loss Frequency = ~20,000 Claims

Loss Severity = ~$55K avg claim amount

Existing Loss Reserves = $390M

21% Effective tax rate

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(1) Hypothetical scenario for illustration purposes only. Does not represent actual or projected results. Results could differ materially based on risks and uncertainties, including those described in the Safe Harbor Statements included at the end of this presentation.
21% effective tax rate is based on the current statutory tax rate.

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Embedded Future Earnings Illustration

Base Scenario & MI Portfolio as of Q1 2023[1]

Investment Portfolio
x Net investment yield
x Average capital life

Investment Income $0.8B

Insurance In Force Portfolio
x Net Premium Yield
x Weighted average life

Premiums Earned $3.8B

Expenses $0.6B — Premiums Earned x Expense Ratio

Net Losses $0.7B — Frequency x Severity less Existing Reserves

Taxes... — Pre-Tax Income x Tax Rate

$2.6B Embedded Future Earnings

MI Portfolio with the following illustration inputs:

$261B Beginning Insurance In Force

34 bps Premium yield

79% Avg. Persistency = **4.2 year** average life

$4.0B Investment Portfolio

4.0% Investment income yield

4.9 year Avg capital life

15% Expense ratio

Loss Frequency = **~20,000** Claims

Loss Severity = **~$55K** avg claim amount

Existing Loss Reserves = **$390M**

21% Effective tax rate

(1) Hypothetical scenario for illustration purposes only. Does not represent actual or projected results. Results could differ materially based on risks and uncertainties, including those described in the Safe Harbor Statements included at the end of this presentation. Most of the embedded earnings are expected to be recognized over a period of approximately 3-5 years. Includes the impact of reinsurance in effect as of March 31, 2023.

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Embedded Future Earnings Illustration

Base vs **Stress** Economic Scenario - **MI Portfolio as of Q1 2023**[1]

Embedded earnings are **over $1B** even in a severe downside scenario:

Base Scenario

Embedded
Future Earnings:

$2.6
billion

Stress Scenario

Embedded
Future Earnings:

$1.3
billion

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Book Value and Embedded Future Earnings

Book Value Plus Embedded Future Earnings[1]

$42.55

$16.32

$39.75

$13.52

$34.82

$8.59

Radian's stock price as of June 16, 2023 - $25.13

Q1 23 BVPS: $26.23

Q1 23 BVPS: $26.23

Q1 23 BVPS: $26.23

Base Scenario (Nominal)

$2.6 billion embedded earnings or **$16.32** per share

Base Scenario (Discounted)

$2.1 billion embedded earnings or **$13.52** per share

Stress Scenario (Discounted)

$1.3 billion embedded earnings or **$8.59** per share

(1) Hypothetical scenario for illustration purposes only. Does not represent actual or projected results. Results could differ materially based on risks and uncertainties, including those described in the Safe Harbor Statements included at the end of this presentation. Per Share amounts reflect outstanding share count of 156.5 million as of 3/31/2023. $26.23 is the book value per share as of March 31, 2023. Discount rate used is 10%

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Incorporating NIW Adds Incremental Earnings and Financial Strength

Mortgage Insurance Earnings[1]
Existing Portfolio and New Insurance Written

Earnings from NIW
from 3/31/23+

Earnings from
Existing Portfolio
as of 3/31/23

2023   2024   2025   2026   2027
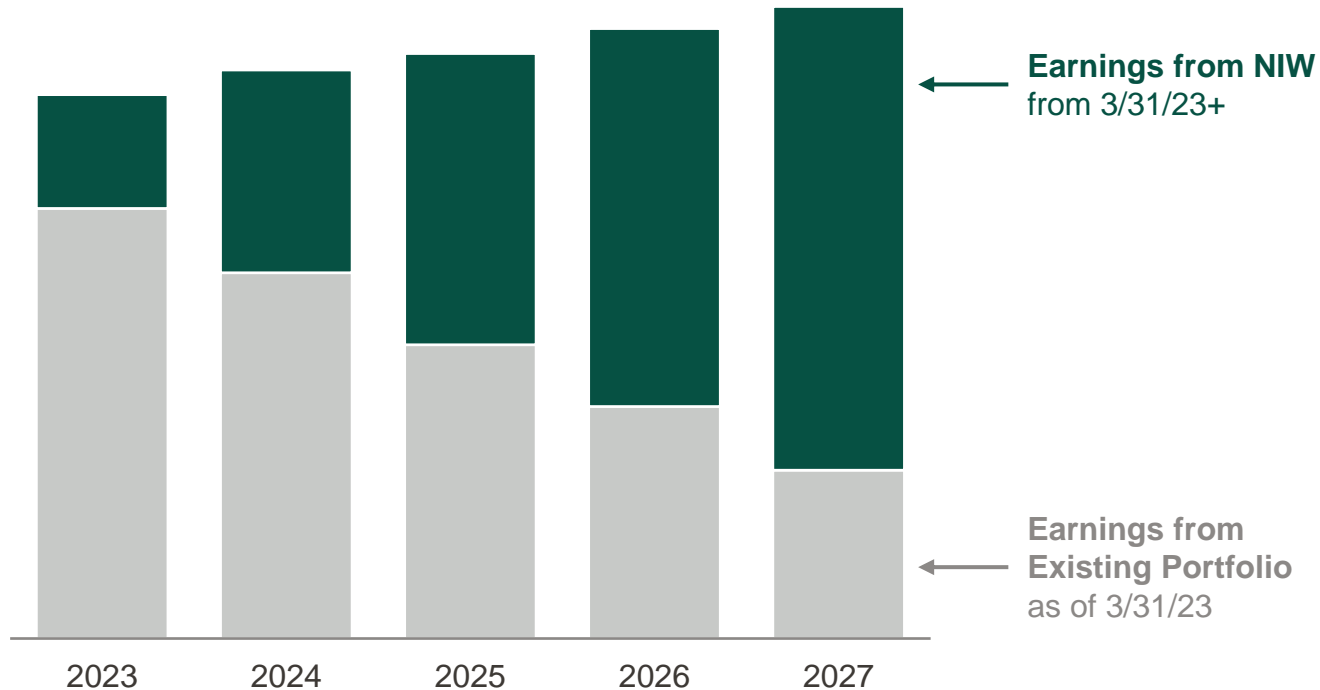
In addition to the existing portfolio, our Mortgage Insurance earnings will include the contribution from future **New Insurance Written**

Our capital strength positions us to write significant NIW even through a potentially adverse economic environment

We expect our future statutory earnings to become available to our holding company over time via ordinary dividends, providing significant excess capital and financial flexibility

(1) Hypothetical scenario for illustration purposes only. Does not represent actual or projected results. Results could differ materially based on risks and uncertainties, including those described in the Safe Harbor Statements included at the end of this presentation.

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Insurance In Force plus New Insurance Written

	Base	Stress
Positive Earnings Each Year	✓	✓
Book Value Growth	✓	✓
Adequate PMIERs cushion	✓	✓
Ordinary Dividend Capacity from Radian Guaranty	✓	✓

Illustrative PMIERs Cushion and Return on Equity in a Stress Scenario[1]

PMIERs Cushion
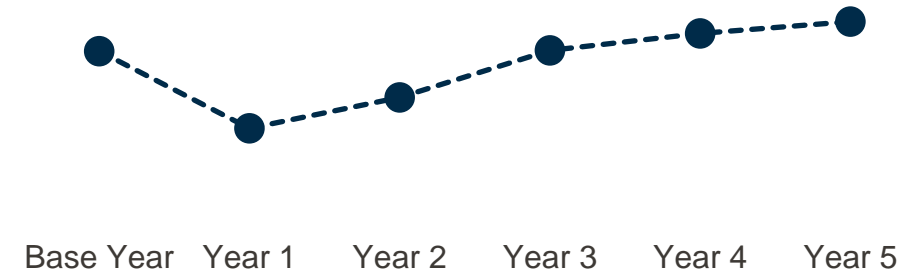
Base Year — Year 1 — Year 2 — Year 3 — Year 4 — Year 5

Return on Equity

Base Year — Year 1 — Year 2 — Year 3 — Year 4 — Year 5

(1) Hypothetical scenario for illustration purposes only. Does not represent actual or projected results. Results could differ materially based on risks and uncertainties, including those described in the Safe Harbor Statements included at the end of this presentation.

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Capital Management

Sumita Pandit

Chief Financial Officer

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Radian Book Value Per Share Growth

Radian Book Value Per Share

2013 – Q1 23 CAGR: 19%

Year	Value
2013	$5.43
2014	$10.98
2015	$12.07
2016	$13.39
2017	$13.90
2018	$16.34
2019	$20.13
2020	$22.36
2021	$24.28
2022	$24.95
Q1 2023	$26.23

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Capital Strength of Radian Guaranty

PMIERs Available Assets at year-end
$ in billions

Year	Value
2018	$3.5
2019	$3.6
2020	$4.7
2021	$5.4
2022	$5.6

60% growth
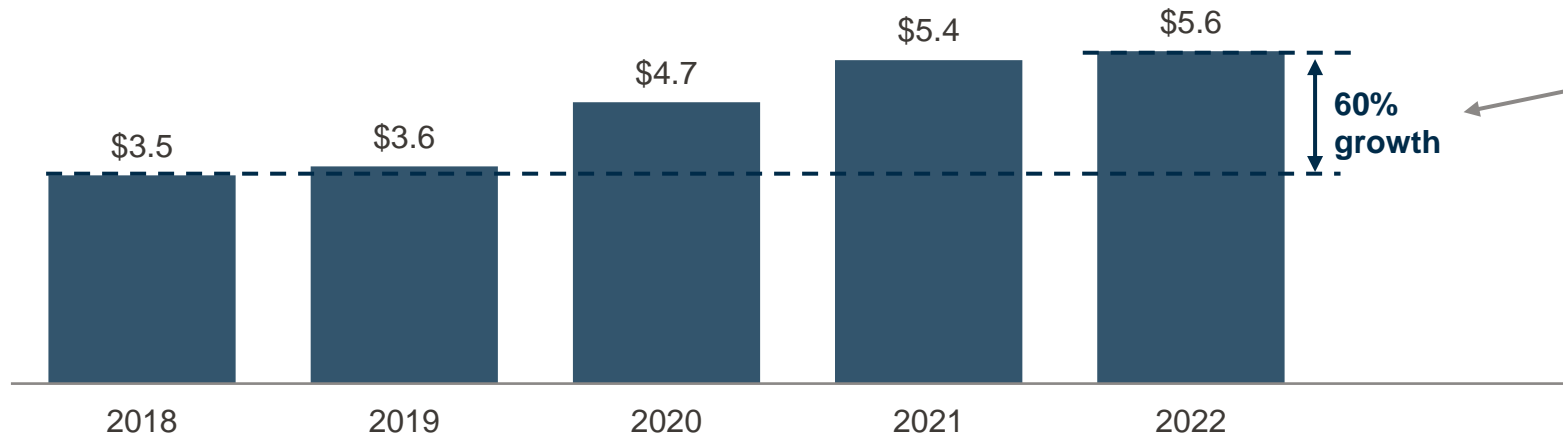
Radian Guaranty's PMIERs Available Assets have **grown 60%** over the past 4 years

Net Capital Returned to Radian Group
$ in billions

Year	Value
2018	$0.5
2019	$0.3
2020	$0.3
2021	$0.0
2022	$0.9
Total	$2.0
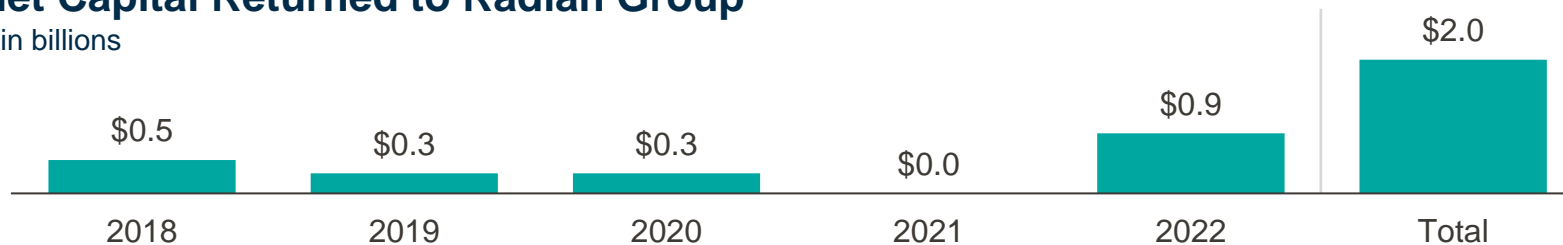
During this time, Radian has also **returned $2.0 billion** in net capital to the holding company from its insurance operating subsidiaries

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Positive Unassigned Funds Surplus Allows for Ordinary Dividend

- **In Q4 2022, the unassigned funds became positive, allowing Radian Guaranty to pay ordinary dividends**

Unassigned Funds Surplus:

Beginning Balance

+ / - Statutory Net Income

- Contingency Reserve Set-Up[1]

+ Contingency Reserve Release[2]

- Dividends to Parent

_____

Closing Balance

Unassigned Funds Surplus

Year	Value
2010	($169)
2011	($768)
2012	($685)
2013	($623)
2014	($716)
2015	($680)
2016	($691)
2017	($765)
2018	($702)
2019	($503)
2020	($859)
2021	($563)
2022	$258
Q1 23	$221
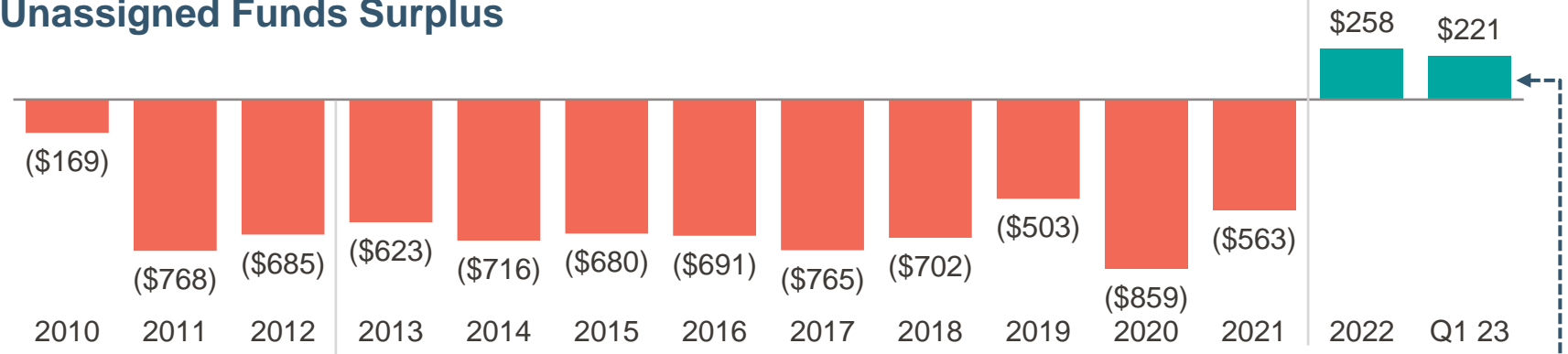
Scheduled Contingency Reserve Releases

Part of Unassigned Funds Surplus

Year	Value
2023	$16
2024	$433
2025	$466
2026	$475
2027	$478
2028	$517
2029	$554
2030	$538
2031	$498
2032	$478
2033	$116
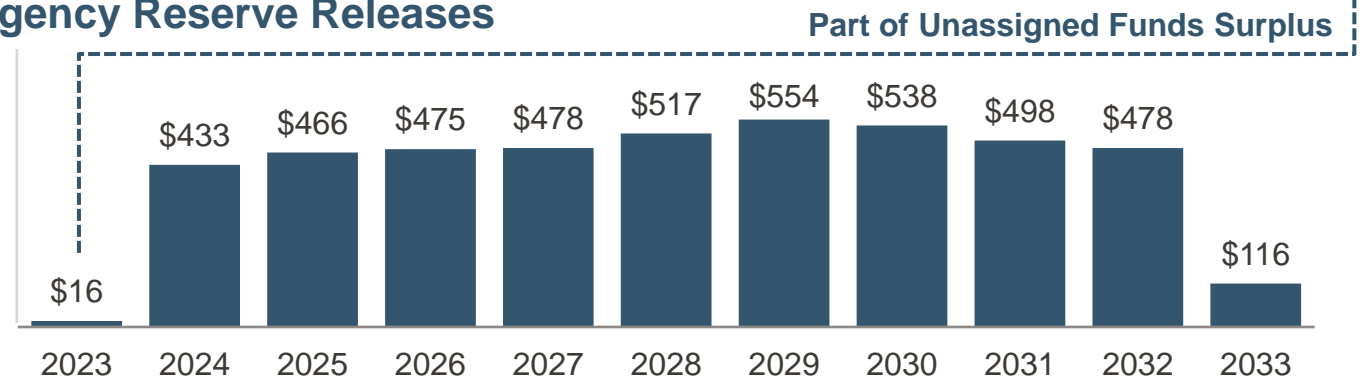
$ in millions. (1) Typically based on 50% of current year net premiums earned. (2) Typically based on the reserve amount established 10 years prior, although releases prior to the 10-year anniversary are permitted on a first in, first out basis to the extent the annual loss ratio exceeds 35%.

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Balanced Approach to Capital Allocation

- Strong capital position

- Organic growth

- Sustainable dividends

- Opportunistic share repurchases

- Optimizing capital structure

- Investing in non-organic growth opportunities

Share Repurchases and Dividends
$ in millions

	2018	2019	2020	2021	2022
	$52	$354	$678	$1,181	$1,716

■ Cumulative Share Repurchases   ■ Cumulative Dividends

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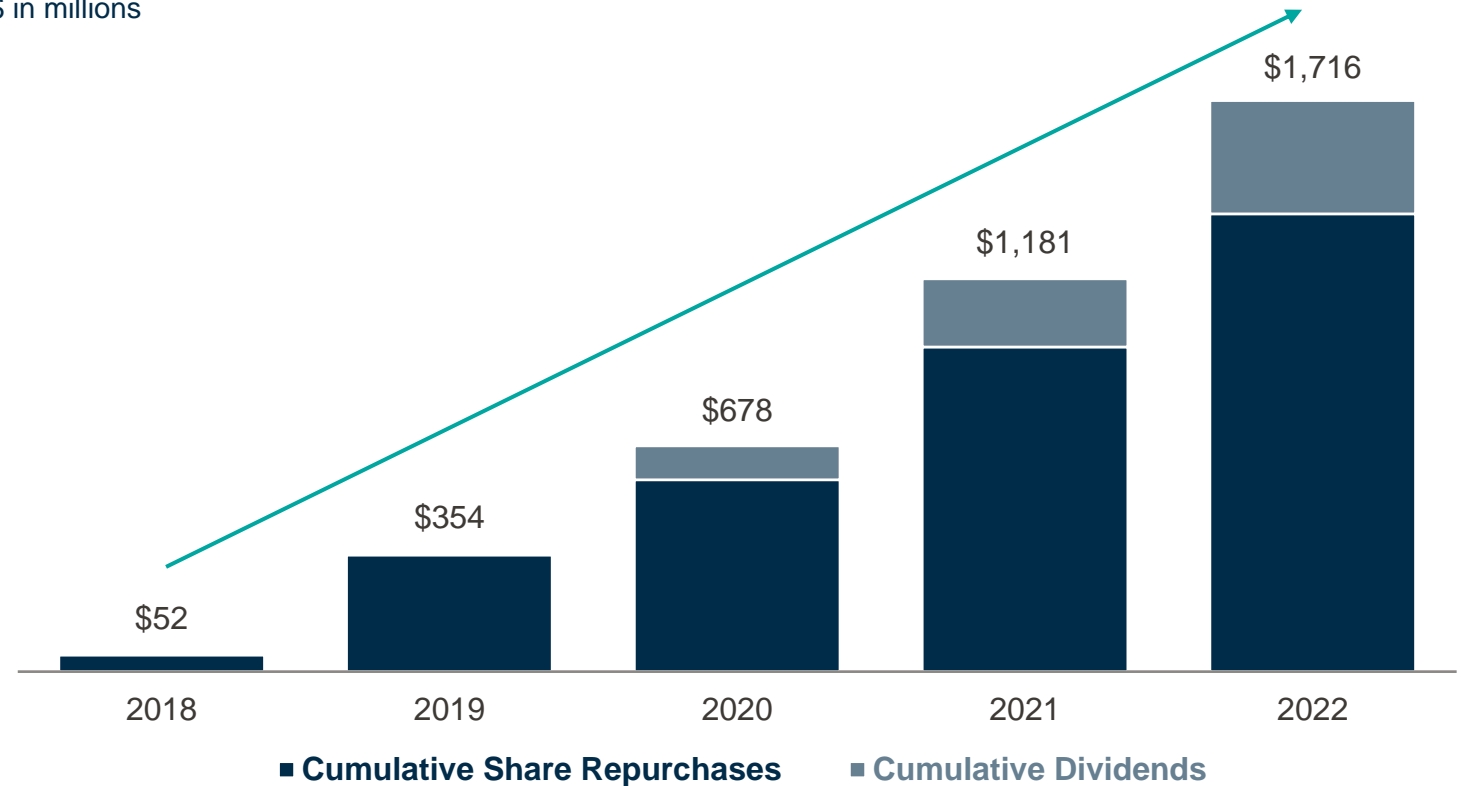
Dividend Growth Supported by Strong Earnings and Cash Flows

Quarterly Dividends Per Share
Source: S&P Capital IQ Pro. Market data as of 6/14/23.

22% CAGR

$0.125	$0.125	$0.125	$0.125	$0.125	$0.140	$0.140	$0.140	$0.200	$0.200	$0.200	$0.200	$0.225
Q1 20	Q2 20	Q3 20	Q4 20	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22	Q3 22	Q4 22	Q1 23
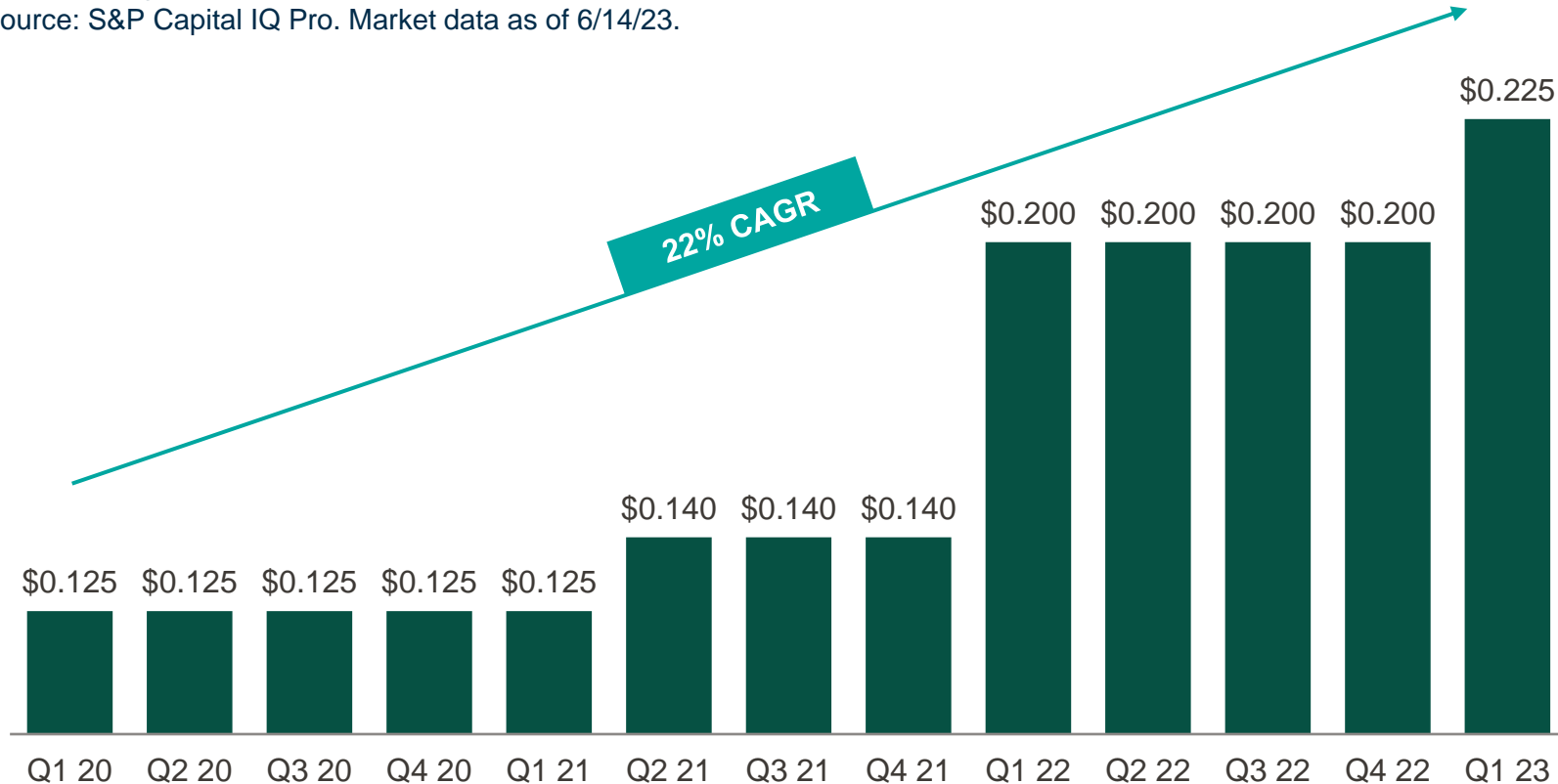
3.6%

Current Dividend Yield is the Highest in MI Peer Group

Three consecutive years of dividend increases since 2020

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Radian Returned 2.3x Capital Compared to Pureplay MI Peers

$ in millions

	Total 2021 & 2022 Capital Returned
radian	$1,038
Peer	$882
Peer	$453
Peer	$432
Peer	$57
Peer Average[1]	$456

2.3x the amount of capital that peers returned in 2021 & 2022

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- ◼ Shares Repurchased
- ◼ Dividends

Remaining Industry
- ◼ Shares Repurchased
- ◼ Dividends

2021: $502 (radian), $385 (Peer), $242 (Peer), $200 (Peer), $0 (Peer)

2022: $536 (radian), $497 (Peer), $253 (Peer), $190 (Peer), $57 (Peer)
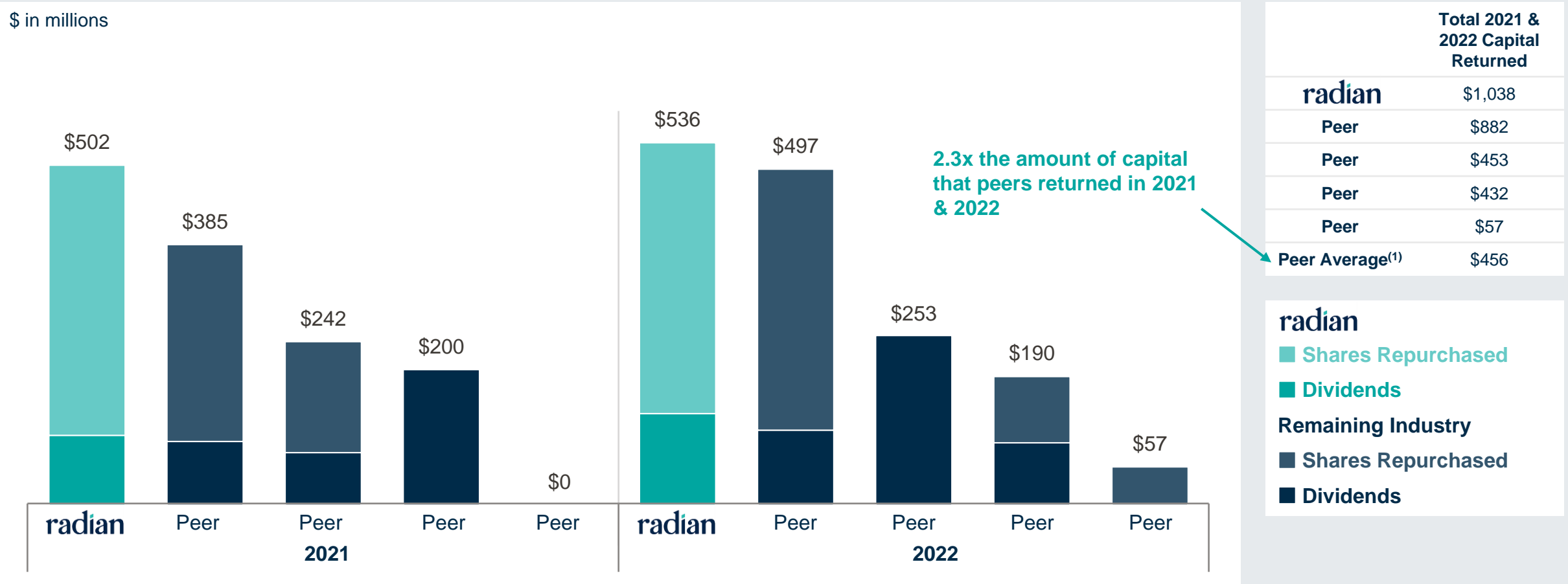
$ in millions. Data as of December 31, 2022. Capital return includes special non-ordinary dividends. Dividend and share repurchase numbers were sourced from earnings call transcripts, press releases, financial supplements, 10-K, and 10-Q documents. Capital return calculated over two years for 2021 and 2022. (1) Peer average number excludes Radian. Pureplay MI Peers consist of ACT, ESNT, MTG and NMIH.

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Audience Q&A

Rick Thornberry

Chief Executive Officer

Sumita Pandit

Senior EVP, Chief Financial Officer

Dan Kobell

EVP, Finance

Rob Quigley

EVP, Controller and Chief Accounting Officer

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Wrap-Up

Rick Thornberry

Chief Executive Officer

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Why we are excited about our future

1 Trusted, long-term customer relationships

2 Favorable multi-year industry tailwinds

3 Embedded future earnings of our large high quality insured portfolio

4 Differentiated economic value model leads to outsized portfolio alpha

5 Financial strength and flexibility, positioned to withstand a severe stress environment

6 Innovative data, analytics, and technology provide value opportunity

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Panel Discussions

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Data and Analytics Panel & Questions

Steve Keleher

EVP, Portfolio Management and Pricing

Ted Cubbin

EVP, Chief Analytics Officer

Steve Gaenzler

SVP, homegenius Data and Analytics

Meghan Bartholomew

EVP, Credit and Counterparty Risk Management

Elizabeth Emmons

SVP, homegenius Marketing

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Technology Panel & Questions

Eric Ray

Senior EVP, Chief Digital Officer and Co-Head of homegenius

Suzanne Powell

EVP, Mortgage Underwriting and Loan Services

Mark Wai

EVP, Chief Technology Officer

Jeff Berg

SVP, homegenius.com Product Owner

Jim Tighe

EVP, Mortgage Operations and Technology

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Reconciliation of Consolidated Pretax Income to Adjusted Pretax Operating Income

($ in millions)

	Q1 2023	2022	2021	2020	2019	2018	2017	2016	2015 [1]	2014 [1]
Consolidated pretax income from continuing operations	$204	$953	$765	$479	$849	$684	$347	$484	$438	$407
Less income (expense) items:										
Net gains (losses) on investments and other financial instruments [2]	5	(81)	14	60	52	(43)	4	31	36	80
Loss on induced conversion and debt extinguishment	—	—	—	—	(23)	—	(51)	(75)	(94)	—
Impairment of goodwill	—	—	—	—	(5)	—	(184)	—	—	—
Amortization and impairment of other acquired intangible assets	(1)	(4)	(3)	(5)	(22)	(12)	(28)	(13)	(13)	(8)
Impairment of other long-lived assets and other non-operating items [3]	0	(15)	(4)	(8)	(8)	(6)	(11)	(1)	(2)	(7)
Total adjusted pretax operating income [4][5]	$200	$1,053	$758	$432	$855	$745	$617	$542	$511	$342

1. Excludes income (loss) from discontinued operations, net of tax.
2. Excludes certain net gains (losses), if any, on investments and other financial instruments that are attributable to specific operating segments and therefore included in adjusted pretax operating income (loss).
3. Includes activities that we do not view to be indicative of our fundamental operating activities, such as: (i) impairment of internal-use software and other long-lived assets; (ii) gains (losses) from the sale of lines of businesses; and (iii) acquisition-related income and expenses.
4. Total adjusted pretax operating income on a consolidated basis consists of adjusted pretax operating income (loss) for our Mortgage segment, homegenius segment and All Other activities.
5. A complete description of our non-GAAP financial measures may be found on the Investors section of the company's website at radian.com.

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Reconciliation of Return on Equity to Adjusted Operating Return on Equity

	Q1 2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Return on equity [1]	15.7 %	18.2 %	14.1 %	9.4 %	17.8 %	18.7 %	4.1 %	11.5 %	12.3 %	83.0 %
Less impact of reconciling income (expense) items [2]										
Net gains (losses) on investments and other financial instruments	0.5	(2.0)	0.4	1.4	1.4	(1.3)	0.1	1.1	1.6	5.3
Loss on induced conversion	—	—	—	—	(0.6)	—	(1.8)	(2.8)	(4.1)	—
Impairment of goodwill	—	—	—	—	(0.1)	—	(6.3)	—	—	—
Amortization and impairment of other acquired intangible assets	(0.1)	(0.1)	(0.1)	(0.1)	(0.6)	(0.4)	(0.9)	(0.5)	(0.6)	(0.6)
Impairment of other long-lived assets and other non-operating items [3]	—	(0.4)	(0.1)	(0.2)	(0.2)	(0.2)	(0.4)	—	(0.1)	(0.4)
Income tax (provision) benefit on other reconciling income (expense) items [4]	(0.1)	0.5	—	(0.2)	—	0.4	3.2	0.8	1.1	(1.5)
Difference between statutory and effective tax rates	(0.3)	(0.1)	(0.1)	0.3	—	2.0	(3.5)	(0.2)	(0.1)	65.5
Impact of other income (expense) items	0.0	(2.1)	0.1	1.2	(0.1)	0.5	(9.6)	(1.6)	(2.2)	68.3
Adjusted operating return on equity [4][5]	**15.7 %**	**20.3 %**	**14.0 %**	**8.2 %**	**17.9 %**	**18.2 %**	**13.7 %**	**13.1 %**	**14.5 %**	**14.7 %**

1. Generally calculated by dividing net income by average stockholders' equity, except for Q1 2023, where the net income has been annualized, and for 2014 and 2015, where income (loss) from discontinued operations, net of tax, has been excluded.
2. As a percentage of average stockholders' equity, except for Q1 2023, which has been annualized.
3. Includes activities that we do not view to be indicative of our fundamental operating activities, such as: (i) impairment of internal-use software and other long-lived assets; (ii) gains (losses) from the sale of lines of businesses; and (iii) acquisition-related income and expenses.
4. Calculated using the Company's federal statutory tax rates for each respective year. Any permanent tax adjustments and state income taxes on these items have been deemed immaterial and are not included.
5. A complete description of our non-GAAP financial measures may be found on the Investors section of the company's website at radian.com

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Safe Harbor Statements

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ensuring the American dream