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Financial Results Q3 2024

NYSE: RDN

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Safe Harbor Statements

All statements in this presentation that address events, developments or results that we expect or anticipate may occur in the future are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934 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. These statements speak only as of the date they were made, and we undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. We operate in a changing environment where new risks emerge from time to time and it is not possible for us to predict all risks that may affect us. The forward-looking statements are not guarantees of future performance, and the forward-looking statements, as well as our prospects as a whole, are subject to risks and uncertainties that could cause actual results to differ materially from those set forth in the forward-looking statements. These risks and uncertainties include, without limitation:

- the health of the U.S. housing market generally and changes in economic conditions that impact the size of the insurable mortgage market, the credit performance of our insured mortgage portfolio, the returns on our investments in residential mortgage loans acquired through our Mortgage Conduit business and other investments held in our investment portfolio, as well as our business prospects, including: changes resulting from inflationary pressures, the interest rate environment and the risk of higher unemployment rates; other macroeconomic stresses and uncertainties, including potential impacts resulting from political and geopolitical events, civil disturbances and endemics/pandemics or extreme weather events and other natural disasters that may adversely affect regional economic conditions and housing markets;
- changes in the way customers, investors, ratings agencies, regulators or legislators perceive our performance, financial strength and future prospects;
- Radian Guaranty's ability to remain eligible under the PMIERs to insure loans purchased by the GSEs;
- our ability to maintain an adequate level of capital in our insurance subsidiaries to satisfy current and future regulatory requirements;
- changes in the charters or business practices of, or rules or regulations imposed by or applicable to, the GSEs or loans purchased by the GSEs, or changes in the requirements for Radian Guaranty to remain an approved insurer to the GSEs, such as changes in the PMIERs or the GSEs' interpretation and application of the PMIERs or other applicable requirements;
- the effects of the Enterprise Regulatory Capital Framework, finalized in February 2022, which establishes a new regulatory capital framework for the GSEs, and which, as finalized, increases the capital requirements for the GSEs, and among other things, could impact the GSEs' operations and pricing as well as the size of the insurable mortgage market;
- changes in the current housing finance system in the United States, including the roles of the FHA, the VA, the GSEs and private mortgage insurers in this system;
- our ability to successfully execute and implement our capital plans, including our risk distribution strategy through the capital markets and traditional reinsurance markets, and to maintain sufficient holding company liquidity to meet our liquidity needs;
- our ability to successfully execute and implement our business plans and strategies, including plans and strategies that may require GSE and/or regulatory approvals and licenses, that are subject to complex compliance requirements that we may be unable to satisfy, or that may expose us to new risks, including those that could impact our capital and liquidity positions;
- risks related to the quality of third-party mortgage underwriting and mortgage loan servicing;
- a decrease in the Persistency Rates of our mortgage insurance on Monthly Premium Policies;
- competition in the private mortgage insurance industry generally, and more specifically: price competition in our mortgage insurance business and competition from the FHA and the VA as well as from other forms of credit enhancement, such as any potential GSE-sponsored alternatives to traditional mortgage insurance;
- U.S. political conditions, which may be more volatile and present a heightened risk in Presidential election years, and legislative and regulatory activity (or inactivity), including adoption of (or failure to adopt) new laws and regulations, or changes in existing laws and regulations, or the way they are interpreted or applied;
- legal and regulatory claims, assertions, actions, reviews, audits, inquiries and investigations that could result in adverse judgments, settlements, fines, injunctions, restitutions or other relief that could require significant expenditures, new or increased reserves or have other effects on our business;
- the amount and timing of potential payments or adjustments associated with federal or other tax examinations;
- the possibility that we may fail to estimate accurately, especially in the event of an extended economic downturn or a period of extreme market volatility and economic uncertainty, the likelihood, magnitude and timing of losses in establishing loss reserves for our mortgage insurance business or to accurately calculate and/or project our Available Assets and Minimum Required Assets under the PMIERs, which could be impacted by, among other things, the size and mix of our IIF, future changes to the PMIERs, the level of defaults in our portfolio, the reported status of defaults in our portfolio (including whether they are subject to mortgage forbearance, a repayment plan or a loan modification trial period), the level of cash flow generated by our insurance operations and our risk distribution strategies;
- volatility in our financial results caused by changes in the fair value of our assets and liabilities carried at fair value;
- changes in GAAP or SAP rules and guidance, or their interpretation;
- risks associated with investments to grow our existing businesses, or to pursue new lines of business or new products and services, including our ability and related costs to develop, launch and implement new and innovative technologies and digital products and services, whether these products and services receive broad customer acceptance or disrupt existing customer relationships, and additional financial risks related to these investments, including required changes in our investment, financing and hedging strategies, risks associated with our increased use of financial leverage, which could expose us to liquidity risks resulting from changes in the fair values of assets, and the risk that we may fail to achieve forecasted results, which could result in lower or negative earnings contribution;
- the effectiveness and security of our information technology systems and digital products and services, including the risk that these systems, products or services fail to operate as expected or planned or expose us to cybersecurity or third-party risks, including due to malware, unauthorized access, cyberattack, ransomware or other similar events;
- our ability to attract and retain key employees;
- the amount of dividends, if any, that our insurance subsidiaries may distribute to us, which under applicable regulatory requirements is based primarily on the financial performance of our insurance subsidiaries, and therefore, may be impacted by general economic, competitive and other factors, many of which are beyond our control; and
- the ability of our operating subsidiaries to distribute amounts to us under our internal tax- and expense-sharing arrangements, which for our insurance subsidiaries are subject to regulatory review and could be terminated at the discretion of such regulators.

For more information regarding these risks and uncertainties as well as certain additional risks that we face, you should refer to "Item 1A. Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2023, and to subsequent reports and registration statements filed from time to time with the U.S. Securities and Exchange Commission. We caution you not to place undue reliance on these forward-looking statements, which are current only as of the date on which we issued this presentation. We do not intend to, and we disclaim any duty or obligation to, update or revise any forward-looking statements to reflect new information or future events or for any other reason.

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About Us

Radian Group Inc. is a mortgage and real estate company, providing mortgage insurance and other products and services:

- **Mortgage Insurance** is our one reportable segment. This business provides credit-related insurance coverage for the benefit of mortgage lending institutions and mortgage credit investors, principally through private mortgage insurance on residential first-lien mortgage loans, and also offers other credit risk management solutions to our customers.

- **All other** activities are presented collectively and include our Mortgage Conduit, Title, Real Estate Services and Real Estate Technology businesses, which provide existing and new customers with an array of products and services across the residential real estate and mortgage finance industries.

Our culture is built around a set of **core organizational values** that we live by and define who we are as an enterprise:

- Innovate for the Future
- Deliver the Brand Promise
- Our People are the Difference
- Create Shareholder Value
- Partner to Win
- Do What's Right

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Q3 2024 Summary Financial Metrics

$152 million
Net Income

Compared to $152 million in Q2 2024 and $157 million in Q3 2023

$0.99
Diluted Net Income Per Share

Compared to $0.98 in Q2 2024 and $0.98 in Q3 2023

$1.03
Adjusted Diluted Net Operating Income Per Share (1)

Compared to $0.99 in Q2 2024 and $1.04 in Q3 2023 (1)

$31.37
Book Value Per Share

Compared to $26.69 as of September 30, 2023

18%
Book Value Per Share Growth

13.2%
Return on Average Equity

Compared to 13.6% in Q2 2024 and 15.0% in Q3 2023

13.7%
Adjusted Net Operating Return on Average Equity (1)

Compared to 13.6% in Q2 2024 and 16.0% in Q3 2023 (1)

$844 million
Available Holding Company Liquidity

Compared to $1.2 billion as of June 30, 2024 and $1.0 billion as of September 30, 2023

$2.1 billion
PMIERs Excess Available Assets (2)

Compared to $2.2 billion as of June 30, 2024 and $1.7 billion as of September 30, 2023

(1) Adjusted results, including adjusted diluted net operating income (loss) per share and adjusted net operating return on equity, as used in this presentation, are non-GAAP financial measures. For a reconciliation of the adjusted results to the comparable GAAP measures and the definitions of adjusted diluted net operating income (loss) per share and adjusted net operating return on equity, see Appendix, Slides 25-28.

(2) Represents Radian Guaranty's excess or "cushion" of Available Assets over its Minimum Required Assets (MRA), calculated in accordance with the PMIERs financial requirements in effect for each date shown.

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Q3 2024 Summary Financial Metrics

$274.7 billion
Primary Insurance In Force
Compared to $272.8 billion as of June 30, 2024 and $269.5 billion as of September 30, 2023

$13.5 billion
New Insurance Written
Compared to $13.9 billion in Q2 2024 and $13.9 billion in Q3 2023

$6.5 billion
Total Investments (1)
Compared to $6.6 billion as of June 30, 2024 and $5.9 billion as of September 30, 2023

$363 million
Reserve for Losses and Loss Adjustment Expenses
Compared to $357 million as of June 30, 2024 and $368 million as of September 30, 2023

$334 million
Total Revenues
Compared to $321 million in Q2 2024 and $313 million in Q3 2023

$235 million
Net Mortgage Insurance Premiums Earned
Compared to $235 million in Q2 2024 and $237 million in Q3 2023

$78 million
Net Investment Income (2)
Compared to $74 million in Q2 2024 and $68 million in Q3 2023

$7 million
Provision for Losses
Compared to $(2) million in Q2 2024 and $(8) million in Q3 2023

$86 million
Other Operating Expenses
Compared to $92 million in Q2 2024 and $79 million in Q3 2023

(1) Includes mortgage loans held for sale at fair value of $530 million as of September 30, 2024, as compared to $458 million as of June 30, 2024 and $138 million as of September 30, 2023.

(2) Includes income from mortgage loans held for sale of $8 million in Q3 2024, as compared to $5 million in Q2 2024 and $2 million in Q3 2023.

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Financial Highlights

Radian Group Inc. Consolidated *(In millions, except per-share amounts)*	**September 30, 2023**	**December 31, 2023**	**March 31, 2024**	**June 30, 2024**	**September 30, 2024**
Primary IIF	$269,511	$269,979	$270,986	$272,827	$274,721
Total assets	$7,379	$7,594	$7,760	$8,130	$8,420
Total investments	$5,886	$6,086	$6,327	$6,588	$6,497
Reserve for losses and LAE	$368	$370	$362	$357	$363
Holding company debt-to-capital (1)	25.4%	24.4%	25.4%	25.2%	18.5%
Stockholders' equity (2)	$4,153	$4,398	$4,440	$4,482	$4,699
Shares outstanding	156	153	152	151	150
Book value per share (3)	$26.69	$28.71	$29.30	$29.66	$31.37
Available holding company liquidity (4)	$1,004	$992	$1,094	$1,190	$844
PMIERs excess available assets (or "Cushion") (5)	$1,670 / 41%	$2,260 / 62%	$2,282 / 62%	$2,206 / 59%	$2,122 / 55%

(1) See slide 20 for further detail on the components and calculation of the holding company debt-to-capital ratio as of September 30, 2024.

(2) Includes accumulated other comprehensive income (loss) of $(521) million, $(331) million, $(362) million, $(377) million and $(233) million as of September 30, 2023, December 31, 2023, March 31, 2024, June 30, 2024 and September 30, 2024, respectively.

(3) Book value per share includes accumulated other comprehensive income (loss) of $(3.35) per share, $(2.16) per share, $(2.39) per share, $(2.50) per share and $(1.56) per share as of September 30, 2023, December 31, 2023, March 31, 2024, June 30, 2024 and September 30, 2024, respectively.

(4) Available holding company liquidity does not include the Company's undrawn unsecured revolving credit facility of $275 million for all periods presented.

(5) Radian Guaranty currently is an approved mortgage insurer under the PMIERs, and is in compliance with the PMIERs financial requirements. PMIERs Cushion represents Radian Guaranty's excess of Available Assets over its Minimum Required Assets, calculated in accordance with the PMIERs financial requirements in effect for each date shown.

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GAAP Diluted Net Income Per Share

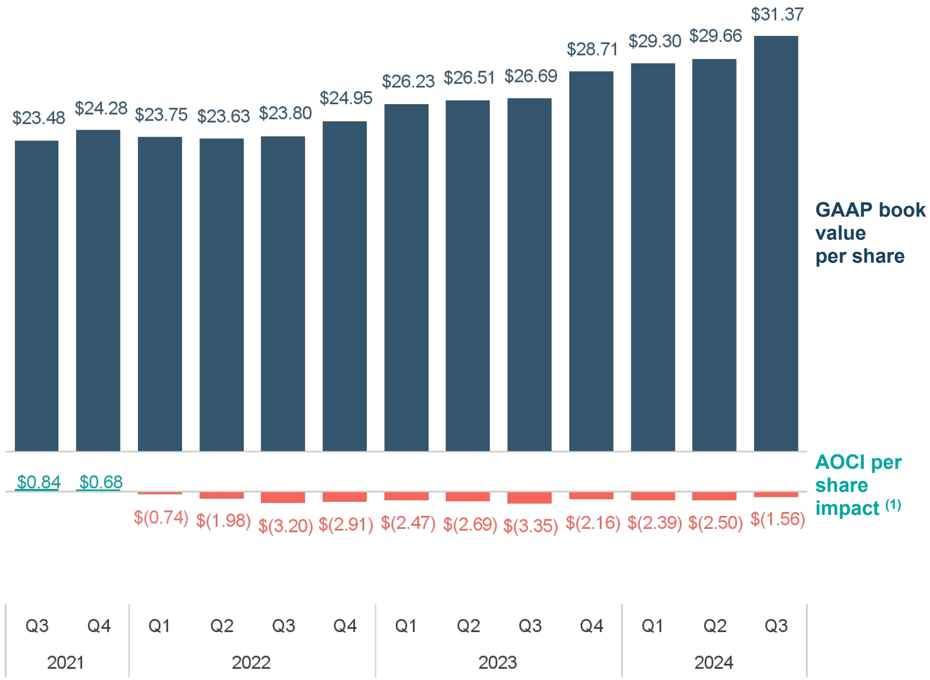
Q2 2024 to Q3 2024 [(1)]

(1) All diluted net income (loss) per share items are calculated based on 154.4 million weighted-average diluted shares outstanding for the quarter ended June 30, 2024, except for the September 30, 2024 diluted net income (loss) per share, which was calculated based on 153.1 million weighted-average diluted shares outstanding for the quarter ended September 30, 2024.

(2) Primarily impacted by a $6 million discrete tax benefit in Q2 2024 related to share-based compensation. This benefit is calculated as the difference between the compensation cost recognized for financial reporting purposes and the fair value of the restricted stock units upon vesting of the awards.

AOCI Impact to Book Value Per Share

GAAP Book Value Per Share



Contractual Maturities of Fixed-Maturities Available for Sale

As of September 30, 2024

$ in millions	Amortized Cost	Fair Value	Unrealized gain (loss) recorded in AOCI
Due in one year or less	$112	$111	($1)
Due after one year through five years (2)	1,178	1,152	(26)
Due after five years through 10 years (2)	965	920	(45)
Due after 10 years (2)	936	788	(148)
Asset-backed and mortgage-backed securities (3)	2,520	2,444	(76)
Total (4)	**$5,711**	**$5,415**	**(296)**
Tax effect			(63)
Accumulated other comprehensive income (loss)			**($233)**

(1) AOCI per share, a component of book value per share, is calculated by dividing (i) accumulated other comprehensive income (loss), by (ii) shares outstanding as of the end of each period shown. Changes in accumulated other comprehensive income (loss) are primarily from net unrealized gains or losses on investments as a result of decreases or increases, respectively, in market interest rates. We do not expect to realize these losses given that, as of September 30, 2024, we have the ability and intent to hold these securities until recovery.

(2) Actual maturities may differ as a result of calls before scheduled maturity.

(3) Includes residential mortgage-backed securities, commercial mortgage-backed securities, collateralized loan obligations, other asset-backed securities and mortgage insurance-linked notes, which are not due at a single maturity date. The average duration for these investments is 2.9 years.

(4) Total amortized cost and total fair value include $127 million and $123 million, respectively, of securities loaned to third-party borrowers under securities lending agreements which are classified as other assets on our balance sheet.

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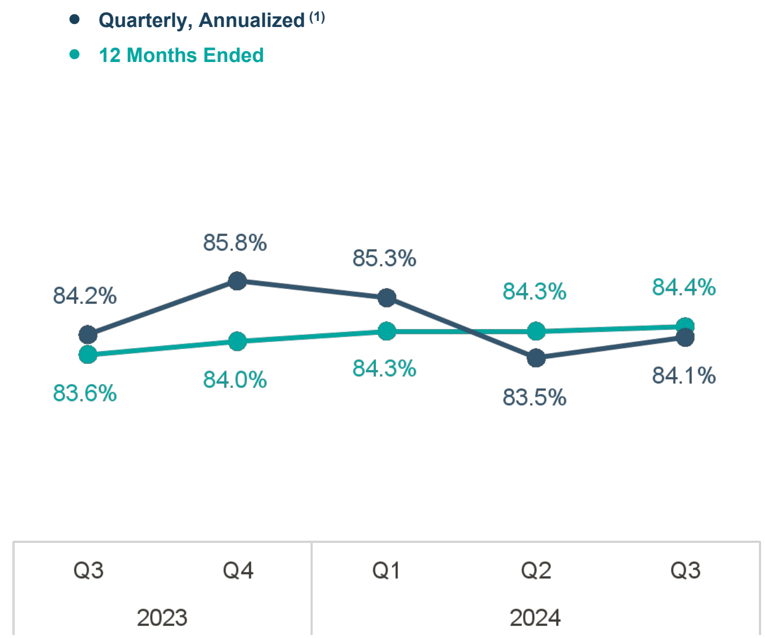
Revenue and Related Drivers

Primary Insurance In Force Rollforward and Persistency Rates

Primary IIF *(In billions)*	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024
Beginning primary IIF	$266.9	$269.5	$270.0	$271.0	$272.8
NIW	13.9	10.6	11.5	13.9	13.5
Cancellations and amortization	(11.3)	(10.1)	(10.5)	(12.1)	(11.6)
Ending primary IIF	**$269.5**	**$270.0**	**$271.0**	**$272.8**	**$274.7**

While increases in mortgage rates have generally reduced originations and NIW, high Persistency Rates have supported growth in IIF.

Persistency Rates



(1) The Persistency Rate on a quarterly, annualized basis is calculated for the quarter ending as of the date shown. It may be impacted by seasonality or other factors, including the level of refinance activity during the applicable periods and may not be indicative of full-year trends.

Primary Insurance In Force

Vintage written in: *($ in billions)*	IIF as of: September 30, 2023		June 30, 2024		September 30, 2024	
2024	$—	— %	$24.9	9.1%	$37.6	13.7%
2023	40.9	15.2%	48.4	17.8%	47.2	17.2%
2022	61.5	22.8%	57.6	21.1%	56.0	20.4%
2021	68.7	25.5%	59.5	21.8%	56.6	20.6%
2020	47.7	17.7%	39.2	14.4%	36.4	13.2%
2019	15.4	5.7%	13.2	4.8%	12.6	4.6%
2009 - 2018	27.3	10.2%	22.8	8.4%	21.5	7.8%
2008 & prior	8.0	2.9%	7.2	2.6%	6.8	2.5%
Total	$269.5	100.0%	$272.8	100.0%	$274.7	100.0%

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Net Premiums Earned

	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024
Average primary IIF ($ in billions)	$268.2	$269.7	$270.5	$271.9	$273.8
(In basis points)					
In force portfolio premium yield [(1)]	38.0	38.1	38.2	38.2	38.2
Single premium cancellations [(1)]	0.5	0.3	0.3	0.3	0.3
Total direct yield	38.5	38.4	38.5	38.5	38.5
Ceded premiums earned - QSR [(1)]	(3.8)	(3.9)	(4.1)	(4.3)	(4.5)
Ceded premiums earned - ILN/XOL [(1)]	(1.3)	(2.2)	(1.8)	(1.8)	(1.7)
Profit commission [(1)]	1.9	1.9	2.0	2.1	2.1
Total net yield	35.3	34.2	34.6	34.5	34.4
(In millions)					
Premiums earned - Mortgage insurance					
Direct	$258	$258	$261	$262	$263
Ceded	(21)	(28)	(27)	(27)	(28)
Net premiums earned - Mortgage insurance	237	230	234	235	235
Net premiums earned - Title insurance	3	3	2	3	4
Net premiums earned	$240	$233	$236	$238	$239

(1) Yield expressed in basis points, calculated as each component of mortgage insurance net premiums earned, annualized and expressed as a percentage of average primary IIF.

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Investment Portfolio

Investment Portfolio Scheduled Maturity
As of September 30, 2024

$ in millions	Fair Value	Percent
Short-term investments	$432	6.5%
Due in one year or less [1]	113	1.7%
Due after one year through five years [1]	1,153	17.4%
Due after five years through 10 years [1]	931	14.0%
Due after 10 years [1]	854	12.9%
Asset-backed securities and mortgage-related assets [2]	2,984	44.9%
Equity securities and other invested assets [3]	172	2.6%
Total [4]	**$6,639**	**100.0%**

Investment Diversification
As of September 30, 2024

$ in millions	Fair Value	Percent
Corporate bonds and commercial paper	$2,801	42.2%
Agency residential mortgage-backed securities	1,064	16.0%
Mortgage loans	530	8.0%
Commercial mortgage-backed securities	478	7.2%
Collateralized loan obligations	468	7.1%
Other asset-backed securities	406	6.1%
Money market instruments and certificate of deposit	320	4.8%
State and municipal obligations	216	3.3%
U.S. government and agency securities	136	2.0%
Mortgage insurance-linked notes	48	0.7%
Equity securities and other invested assets	172	2.6%
Total [4]	**$6,639**	**100.0%**

Investment Portfolio by Rating
As of September 30, 2024

$ in millions	Fair Value	Percent
U.S. government / AAA	$2,550	38.4%
AA	798	12.0%
A	1,685	25.4%
BBB	867	13.1%
BB and below	27	0.4%
Not rated [5]	712	10.7%
Total [4]	**$6,639**	**100.0%**

(1) Actual maturities may differ as a result of calls before scheduled maturity.

(2) Includes residential mortgage-backed securities, commercial mortgage-backed securities, collateralized loan obligations, other asset-backed securities, mortgage insurance-linked notes and mortgage loans, which are not due at a single maturity date.

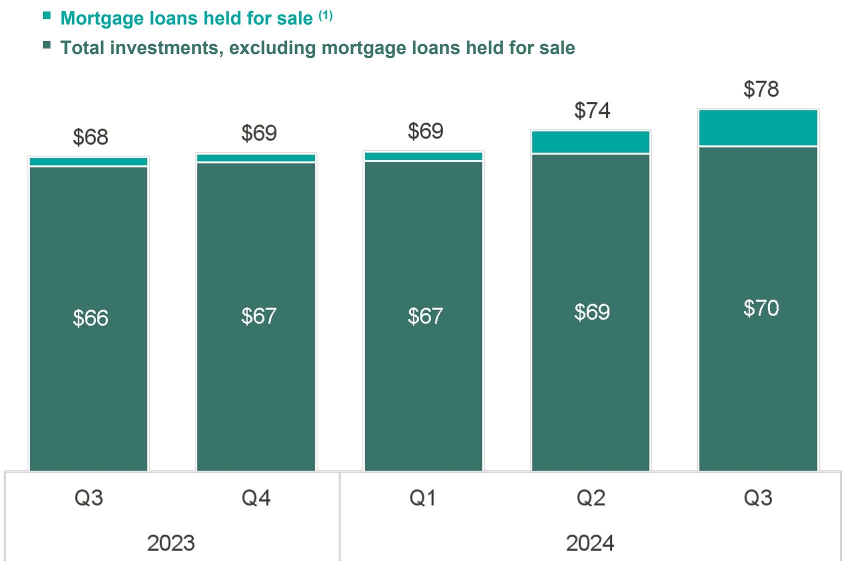
(3) No stated maturity date.

(4) Includes $142 million of securities loaned to third-party borrowers under securities lending agreements which are classified as other assets on our balance sheet.

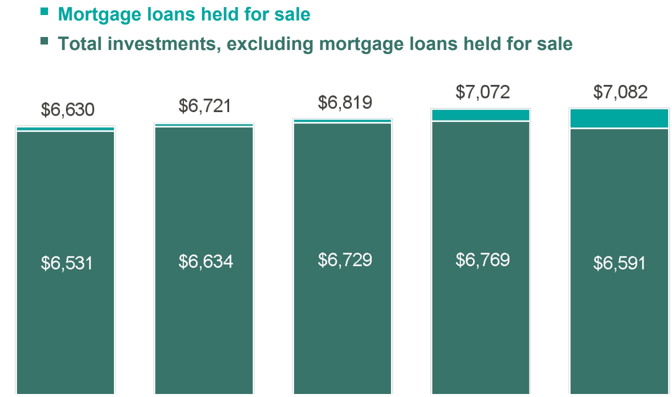
(5) Primarily consists of $530 million of mortgage loans.

Net Investment Income

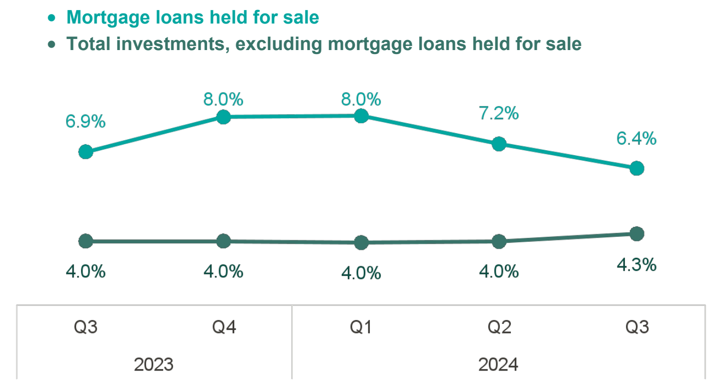
Net Investment Income *(in millions)*



Average Investments [2] *(in millions)*



Investment Yield [3]



(1) Purchases of mortgage loans held for sale are primarily funded using amounts borrowed under mortgage financing facilities, resulting in interest expense of $2 million, $1 million, 1 million, $5 million, and $8 million in Q3 2023, Q4 2023, Q1 2024, Q2 2024 and Q3 2024, respectively, which is included in interest expense on our condensed consolidated statement of operations.

(2) The average of the beginning and ending amortized cost, for each period presented, of investments.

(3) Represents book yield, which is calculated by dividing annualized net investment income by average amortized cost balance. Significant changes in investment balances near the beginning or end of a period can cause fluctuations in the calculated yield for such periods.

Defaults and Other Loss Reserve-Related Details

Mortgage Insurance Default Rollforward

Primary Insurance In Force *(number of loans)*	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024
Beginning default inventory	19,880	20,406	22,021	20,850	20,276
Total new defaults (1)	11,156	12,452	11,756	11,104	13,708
Cures (2)	(10,467)	(10,683)	(12,808)	(11,472)	(11,484)
Claims paid (3)	(111)	(137)	(92)	(185)	(99)
Rescissions and denials, net (4)	(52)	(17)	(27)	(21)	(51)
Ending default inventory	**20,406**	**22,021**	**20,850**	**20,276**	**22,350**
Number of insured loans	1,005,000	1,000,790	997,118	994,235	992,119
Primary default rate	2.03%	2.20%	2.09%	2.04%	2.25%

	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024
(1) New defaults remaining as of September 30, 2024:	1,178	1,829	2,286	4,064	9,504
Cumulative cure rate	89%	85%	80%	63%	31%

Loans that cure and then re-default in a subsequent period are counted as a new default in the period in which they re-default. See slide 17 for additional details.

	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024
(2) Claims resolved without payment included as Cures	(125)	(125)	(141)	(131)	(129)
(3) Claims paid	(111)	(57)	(92)	(82)	(99)
Commutations/settlements	—	(80)	—	(103)	—

(4) Net of any previously rescinded and denied policies and/or claims that were reinstated during the period. Reinstated rescissions may ultimately result in a paid claim. Previously denied but reinstated claims are generally reviewed for possible rescission prior to any claim payment.

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Strong Cure Trends Resulting In ~90% Of Defaults Cured Within One Year Of Default

					Cumulative % of New Defaults That Have Cured Since Original Default Quarter												
					# of Quarters Since Original New Default												
		Quarterly New Defaults	Defaults Remaining as of September 30, 2024 (1)	Defaults Cured as of September 30, 2024	0 (2)	1	2	3	4	5	6	7	8	9	10	11	12
2021	**Q1**	11,851	48	11,687	28%	61%	73%	80%	86%	91%	94%	96%	97%	98%	98%	98%	98%
	Q2	8,145	52	7,994	28%	61%	72%	81%	88%	93%	95%	96%	97%	97%	98%	98%	98%
	Q3	8,132	86	7,930	28%	61%	73%	82%	88%	92%	94%	95%	96%	97%	97%	97%	98%
	Q4	9,342	112	9,110	28%	63%	76%	84%	90%	93%	95%	96%	97%	97%	97%	98%	
2022	**Q1**	9,393	113	9,178	33%	68%	79%	85%	91%	94%	96%	97%	97%	98%	98%		
	Q2	8,009	153	7,733	27%	62%	74%	82%	89%	93%	94%	95%	96%	97%			
	Q3	9,601	237	9,243	27%	62%	75%	83%	89%	92%	94%	96%	96%				
	Q4	10,735	400	10,221	23%	62%	76%	84%	89%	92%	94%	95%					
2023	**Q1**	10,624	461	10,090	34%	68%	80%	86%	91%	93%	95%						
	Q2	9,775	771	8,938	27%	63%	75%	83%	89%	91%							
	Q3	11,156	1,178	9,938	29%	63%	77%	85%	89%								
	Q4	12,452	1,829	10,601	28%	66%	79%	85%									
2024	**Q1**	11,756	2,286	9,462	35%	71%	80%										
	Q2	11,104	4,064	7,037	29%	63%											
	Q3	13,708	9,504	4,204	31%												

(1) Defaults remaining as of September 30, 2024 reflect quarterly new defaults and defaults cured to date as noted above along with rescissions and denials.

(2) Zero represents new defaults that have cured in the same quarter as the original default.

Reserve Related Activity

($ in millions, except otherwise indicated)	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024
Provision for losses [1]					
Current period defaults [2]	$47	$54	$54	$48	$57
Prior period defaults [3]	(55)	(49)	(61)	(50)	(51)
Total provision for losses [1]	**$(8)**	**$5**	**$(7)**	**$(2)**	**$6**
Reserve for losses and LAE					
Mortgage insurance	$362	$365	$357	$351	$357
Title insurance	6	5	5	6	6
Total reserve for losses and LAE	**$368**	**$370**	**$362**	**$357**	**$363**
Total net claims paid [1]	$5	$3	$3	$6	$3
Average net primary claim paid (in thousands) [1] [4] [5]	$29.4	$16.0	$22.9	$36.5	$22.9
Average direct primary claim paid (in thousands) [1] [5] [6]	$29.2	$32.9	$23.2	$38.0	$27.2

(1) Does not include immaterial amounts related to title insurance.

(2) Defaulted loans with the most recent default notice dated in the quarter indicated. For example, if a loan had defaulted in a prior quarter, but then subsequently cured and later re-defaulted in the current quarter, that default would be considered a current period default. Defaults reported include defaults subject to implemented forbearance programs in response to the COVID-19 pandemic. The initial gross default to claim rate for new defaults was 8.0% for all periods presented.

(3) Defaulted loans with a default notice dated in a period earlier than the period indicated, which have been continuously in default since that time.

(4) Includes the impact of reinsurance recoveries.

(5) Calculated excluding the impact of LAE, commutations and settlements and claims resolved without payment.

(6) Before reinsurance recoveries.

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Capital and Risk Distribution

Capital & Ratings

Total Holding Company Capitalization as of September 30, 2024

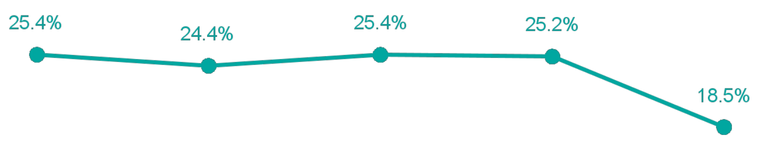
($ in millions)

Coupon	Description	Principal	Carrying Value
4.875%	Senior Notes due 2027	$450	$447
6.200%	Senior Notes due 2029	$625	$618
Total		**$1,075**	**$1,065**
Stockholders' equity			$4,699
Total capitalization			**$5,764**
Holding Company Debt-to-Capital Ratio (1)			**18.5%**

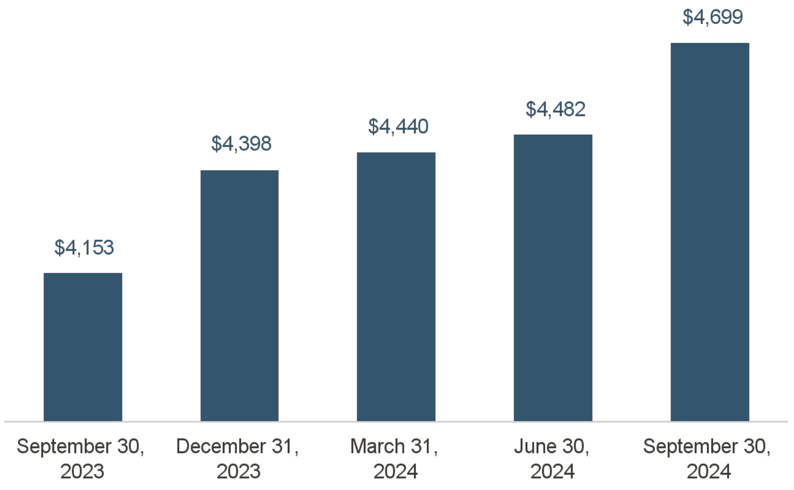
Current Radian Group Senior Debt Ratings

S&P	**BBB- with Stable outlook**
Moody's	**Baa3 with Stable outlook**
Fitch	**BBB- with Positive outlook**

Holding Company Debt-to-Capital Ratio (1)



Stockholders' Equity (in millions)



(1) Calculated as carrying value of senior notes, which were issued and are owed by our holding company, divided by carrying value of senior notes and stockholders' equity. This holding company ratio does not include the effects of amounts owed by our subsidiaries related to secured borrowings.

Statutory Capital - Radian Guaranty Inc.

($ in millions)	September 30, 2023	December 31, 2023	March 31, 2024	June 30, 2024	September 30, 2024
Risk-to-capital ratio	10.6:1	10.4:1	10.2:1	10.3:1	10.3:1
Common stock and paid-in surplus	$500	$500	$500	$500	$500
Unassigned funds (1) (2)	174	120	203	186	191
Statutory policyholders' surplus	674	620	703	686	691
Contingency reserve (3)	4,818	4,974	4,993	5,002	5,011
Total statutory capital	5,492	5,594	5,696	5,688	5,702
Reserve for losses	338	340	329	322	325
Total	$5,830	$5,934	$6,025	$6,010	$6,027

(1) Beginning Unassigned Funds:	$168	$174	$120	$203	$186
Plus: Net income	218	203	200	188	200
Plus: Contingency reserve releases	5	5	108	108	108
(Less): Contingency reserve additions	(118)	(161)	(127)	(117)	(117)
(Less): Dividends paid to Parent	(100)	(100)	(100)	(200)	(185)
Plus/(Less): Other, net	1	(1)	2	4	(1)
Ending Unassigned Funds	$174	$120	$203	$186	$191

(2) Unassigned funds present a regulatory constraint on Radian Guaranty's ability to pay an ordinary dividend because unassigned funds must be positive to pay such a dividend. While all proposed dividends and distributions to stockholders must be filed with the Pennsylvania Insurance Department prior to payment, if a Pennsylvania domiciled insurer has positive unassigned funds, it can pay dividends or other distributions out of such funds during any 12-month period in an aggregate amount less than or equal to the greater of: (i) 10% of the preceding year-end statutory policyholders' surplus or (ii) the preceding year's statutory net income, in each case without the prior approval of the Pennsylvania Insurance Department. Based on these parameters and subject to having a sufficient amount of positive unassigned funds at the time any dividend might be paid, Radian Guaranty's maximum amount of dividends payable in 2024 without prior approval is $804 million, which represents its 2023 statutory net income.

(3) Contingency reserves are established by contributing 50% of earned premiums every year. Releases of contingency reserves occur with either an annual loss ratio greater than 35% or after 10 years on a first-in, first-out basis, and are released into unassigned funds. See slide 22 for additional details.

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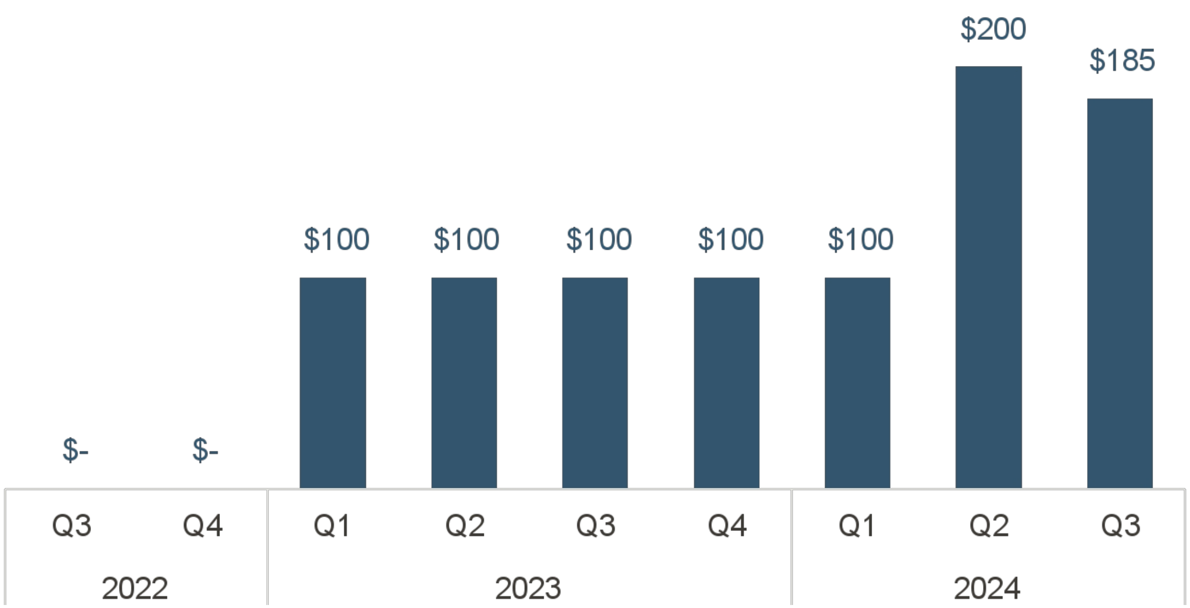
Ordinary Dividend Capacity Driven By Material Contingency Reserve Releases

Radian Guaranty Ordinary Dividends to Holdco [(1)]
(in millions)



(In millions)	Scheduled Contingeny Reserve Releases [(2)]
2024 (Q4 2024)	$108
2025	467
2026	475
2027	478
2028	520
2029	571
2030	554
2031	514
2032	497
2033	475
2034 (Q1-Q3 2034)	352
Total	$5,011

(1) Dividends only include ordinary dividends paid by Radian Guaranty Inc. (RGI) to Radian Group Inc. (Holdco) and excludes any repayments of surplus notes by RGI to Holdco, ordinary dividends paid by other insurance subsidiaries to Holdco and reallocations between insurance subsidiaries.

(2) Contingency reserves are established by contributing 50% of earned premiums every year. Releases of contingency reserves occur with either an annual loss ratio greater than 35% or after 10 years on a first-in, first-out basis, and are released into unassigned funds. The scheduled releases presented above represent releases on a ten-year cycle after the initial reserve was established.

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Reinsurance Key Metrics

($ in millions)	Vintage	RIF Subject to Agreement	Current PMIERs MRA Reduction (1)	Radian's Current Retention Layer	Current Attachment % (2)	Current Detachment % (2)	Current Delinquency % (2)
Mortgage Insurance-linked Notes							
Eagle Re 2023-1	Apr 2022 - Dec 2022	$8,139	$294	$286	3.52%	7.75%	1.47%
Eagle Re 2021-2	Jan 2021 - Jul 2021	$6,611	$201	$241	3.65%	7.80%	1.70%
Eagle Re 2021-1	Aug 2020 - Dec 2020	$5,267	$111	$221	4.19%	7.56%	1.44%
Traditional XOL Reinsurance							
2023 XOL Agreement	Oct 2021 - Mar 2022	$7,067	$177	$240	3.40%	7.22%	1.17%
Quota Share Reinsurance							
2024 QSR Agreement (3)	Jul 2024 - Jun 2025	$3,335	$51	N/A	N/A	N/A	0.01%
2023 QSR Agreement (3)	Jul 2023 - Jun 2024	$11,723	$171	N/A	N/A	N/A	0.65%
2022 QSR Agreement (3)	Jan 2022 - Jun 2023	$20,888	$306	N/A	N/A	N/A	1.85%
Single Premium QSR Program (4)	2012 - 2021	$5,448	$180	N/A	N/A	N/A	1.59%
2012 QSR Agreement	2011 - 2014	$792	$5	N/A	N/A	N/A	3.40%
Total (5)		**$57,198**	**$1,497**				

(1) PMIERs MRA Reduction represents the reduction in the Minimum Required Assets as of September 30, 2024, which is a risk-based minimum required asset amount, as defined in PMIERs.

(2) Current attachment % and current detachment % represent the amount of cumulative paid losses as a percentage of current risk in force, that Radian retains prior to the reinsurance provided through the insurance-linked notes structure absorbing losses and that must be reached before Radian starts absorbing losses again, respectively. Current delinquency % represents the percentage of risk in force that is 60 or more days delinquent.

(3) The quota share percentage for the 2024 QSR Agreement is 25.0%, the ceding commission percentage is 20% and the profit commission percentage is up to 59%. The quota share percentage for the 2023 QSR Agreement is 22.5%, the ceding commission percentage is 20% and the profit commission percentage is up to 55%. The quota share percentage for the 2022 QSR Agreement is 20%, the ceding commission percentage is 20% and the profit commission percentage is up to 59%.

(4) The portions ceded under the Single Premium QSR agreements are approximately 18%-57% for the 2016 agreement and 65% for both the 2018 and 2020 agreements. The ceding commission percentage for the 2016, 2018 and 2020 Single Premium QSR Agreements is 25% for all agreements. The profit commission percentage for the 2016 Single Premium QSR Agreement is up to 55% and for both the 2018 and 2020 Single Premium Agreements is up to 56%.

(5) The totals may differ from the sum of the individual reinsurance transactions due to overlapping coverage between certain transactions.

Consolidated Non-GAAP
Financial Measures Reconciliations

Use of Non-GAAP Financial Measures

In addition to the traditional GAAP financial measures, we have presented “adjusted pretax operating income (loss),” “adjusted diluted net operating income (loss) per share” and “adjusted net operating return on equity,” which are non-GAAP financial measures for the consolidated company, among our key performance indicators to evaluate our fundamental financial performance. These non-GAAP financial measures align with the way our business performance is evaluated by both management and by our board of directors. These measures have been established in order to increase transparency for the purposes of evaluating our operating trends and enabling more meaningful comparisons with our peers. Although on a consolidated basis adjusted pretax operating income (loss), adjusted diluted net operating income (loss) per share and adjusted net operating return on equity are non-GAAP financial measures, we believe these measures aid in understanding the underlying performance of our operations. Our senior management, including our Chief Executive Officer (Radian’s chief operating decision maker), uses adjusted pretax operating income (loss) as our primary measure to evaluate the fundamental financial performance of our businesses and to allocate resources to them.

Adjusted pretax operating income (loss) is defined as GAAP consolidated pretax income (loss) excluding the effects of: (i) net gains (losses) on investments and other financial instruments, except for those investments and other financial instruments attributable to our Mortgage Conduit business; (ii) amortization and impairment of goodwill and other acquired intangible assets; and (iii) impairment of other long-lived assets and other non-operating items, if any, such as gains (losses) from the sale of lines of business, acquisition-related income (expenses) and gains (losses) on extinguishment of debt. Adjusted diluted net operating income (loss) per share is calculated by dividing adjusted pretax operating income (loss) attributable to common stockholders, net of taxes computed using the company’s statutory tax rate, by the sum of the weighted average number of common shares outstanding and all dilutive potential common shares outstanding. Adjusted net operating return on equity is calculated by dividing annualized adjusted pretax operating income (loss), net of taxes computed using the company’s statutory tax rate, by average stockholders’ equity, based on the average of the beginning and ending balances for each period presented.

Although adjusted pretax operating income (loss) excludes certain items that have occurred in the past and are expected to occur in the future, the excluded items represent those that are: (i) not viewed as part of the operating performance of our primary activities or (ii) not expected to result in an economic impact equal to the amount reflected in pretax income (loss). These adjustments, along with the reasons for their treatment, are described below.

(1) Net gains (losses) on investments and other financial instruments. The recognition of realized investment gains or losses can vary significantly across periods as the activity is highly discretionary based on the timing of individual securities sales due to such factors as market opportunities, our tax and capital profile and overall market cycles. Unrealized gains and losses arise primarily from changes in the market value of our investments that are classified as trading or equity securities. These valuation adjustments may not necessarily result in realized economic gains or losses.

Trends in the profitability of our fundamental operating activities can be more clearly identified without the fluctuations of these realized and unrealized gains or losses and changes in fair value of other financial instruments. Except for certain investments and other financial instruments attributable to specific operating segments, we do not view them to be indicative of our fundamental operating activities.

(2) Amortization and impairment of goodwill and other acquired intangible assets. Amortization of acquired intangible assets represents the periodic expense required to amortize the cost of acquired intangible assets over their estimated useful lives. Acquired intangible assets are also periodically reviewed for potential impairment, and impairment adjustments are made whenever appropriate. We do not view these charges as part of the operating performance of our primary activities.

(3) Impairment of other long-lived assets and other non-operating items, if any. Impairment of other long-lived assets and other non-operating items 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 business; (iii) acquisition-related income and expenses; and (iv) gains (losses) on extinguishment of debt.

See Slides 26 through 28 for the reconciliations of the most comparable GAAP measures, consolidated pretax income (loss), diluted net income (loss) per share and return on equity to our non-GAAP financial measures for the consolidated company, adjusted pretax operating income (loss), adjusted diluted net operating income (loss) per share and adjusted net operating return on equity, respectively.

Total adjusted pretax operating income (loss), adjusted diluted net operating income (loss) per share and adjusted net operating return on equity should not be considered in isolation or viewed as substitutes for GAAP pretax income (loss), diluted net income (loss) per share, return on equity or net income (loss). Our definitions of adjusted pretax operating income (loss) and adjusted diluted net operating income (loss) per share may not be comparable to similarly-named measures reported by other companies.

Reconciliation of Consolidated Pretax Income to Adjusted Pretax Operating Income

	2023		2024		
(In millions)	Q3	Q4	Q1	Q2	Q3
Consolidated pretax income	$201	$180	$199	$188	$195
Less reconciling income (expense) items					
Net gains (losses) on investments and other financial instruments [1]	(9)	13	—	(5)	6
Amortization and impairment of goodwill and other acquired intangible assets	(1)	(11)	—	—	—
Impairment of other long-lived assets and other non-operating items	1	(14)[2]	(4)[3]	—	(10)[2]
Total adjusted pretax operating income [4]	**$210**	**$192**	**$203**	**$193**	**$199**

(1) Excludes net gains (losses) on investments and other financial instruments that are attributable to our Mortgage Conduit business, which are therefore included in adjusted pretax operating income (loss).

(2) This amount is included in other operating expenses and primarily relates to impairment of other long-lived assets

(3) This amount is included in interest expense and relates to the loss on extinguishment of debt.

(4) Please see slide 25 for the definition of this line item and additional information regarding our use of non-GAAP financial measures.

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Reconciliation of Diluted Net Income Per Share to Adjusted Diluted Net Operating Income Per Share

	2023		2024		
	Q3	Q4	Q1	Q2	Q3
Diluted net income per share	$0.98	$0.91	$0.98	$0.98	$0.99
Less per-share impact of reconciling income (expense) items					
Net gains (losses) on investments and other financial instruments	(0.06)	0.08	—	(0.03)	0.04
Amortization and impairment of goodwill and other acquired intangible assets	(0.01)	(0.07)	—	—	—
Impairment of other long-lived assets and other non-operating items	0.01	(0.09)	(0.03)	—	(0.06)
Income tax (provision) benefit on reconciling income (expense) items (1)	0.01	0.02	0.01	—	—
Difference between statutory and effective tax rates	(0.01)	0.01	(0.03)	0.02	(0.02)
Per-share impact of reconciling income (expense) items	(0.06)	(0.05)	(0.05)	(0.01)	(0.04)
Adjusted diluted net operating income per share (1) (2)	**$1.04**	**$0.96**	**$1.03**	**$0.99**	**$1.03**

(1) Calculated using the company's federal statutory tax rate of 21%.

(2) Please see slide 25 for additional information regarding our use of non-GAAP financial measures.

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Reconciliation of Return on Equity to Adjusted Net Operating Return on Equity

	2023		2024		
	Q3	Q4	Q1	Q2	Q3
Return on equity (1)	15.0%	13.4%	13.8%	13.6%	13.2%
Less impact of reconciling income (expense) items (2)					
Net gains (losses) on investments and other financial instruments	(0.9)%	1.2%	— %	(0.4)%	0.6%
Amortization and impairment of goodwill and other acquired intangible assets	(0.2)%	(1.0)%	— %	— %	— %
Impairment of other long-lived assets and other non-operating items	0.1%	(1.3)%	(0.4)%	— %	(0.9)%
Income tax (provision) benefit on reconciling income (expense) items (3)	0.2%	0.2%	0.1%	0.1%	— %
Difference between statutory and effective tax rates	(0.2)%	0.1%	(0.4)%	0.3%	(0.2)%
Impact of reconciling income (expense) items	(1.0)%	(0.8)%	(0.7)%	— %	(0.5)%
Adjusted net operating return on equity (3) (4)	**16.0%**	**14.2%**	**14.5%**	**13.6%**	**13.7%**

(1) Calculated by dividing annualized net income by average stockholders' equity, based on the average of the beginning and ending balances for each period presented.

(2) Annualized, as a percentage of average stockholders' equity.

(3) Calculated using the company's federal statutory tax rate of 21%.

(4) Please see slide 25 for additional information regarding our use of non-GAAP financial measures.

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