Radian Group Inc.

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News Release

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Radian Reports Record Third Quarter 2004 Net Income of $122 Million

PHILADELPHIA, Pa., October 20, 2004 — Radian Group Inc. (NYSE: RDN) today reported its results for the quarter ended September 30, 2004. The key financial highlights of the quarter and nine months ended September 30, 2004 are shown in the following tables:

Key Financial Highlights (dollars in millions, except per share data)

Third Quarter:

	Quarter Ended September 30, 2004	Quarter Ended September 30, 2003	Percent Change
Net income	$122.2	$114.0	7%
Net income per share	$1.31	$1.20	9%
Net premiums written	$282.5	$285.5	(1%)
Premiums earned	$264.0	$261.0	1%
Revenues*	$377.3	$349.0	8%
Book value per share (as of 9/30)	$37.90	$33.35	14%
Equity in net income of affiliates	$45.9	$21.3	116%

Nine Months:

	Nine Months Ended September 30, 2004	Nine Months Ended September 30, 2003	Percent Change
Net income	$362.7	$330.4	10%
Net income per share	$3.84	$3.50	10%
Net premiums written	$795.2	$811.8	(2%)
*Net premiums written***	$891.6	$811.8	10%
Premiums earned	$766.7	$742.2	3%
*Premiums earned***	$791.6	$742.2	7%
Revenues*	$1,112.9	$1,009.3	10%
Equity in net income of affiliates	$130.6	$70.0	87%

* In conformity with the current period presentation, prior period revenues have been adjusted to include gain/loss on sales of investments. The adjusted presentation appears in the financial information that accompanies this release. Certain other prior-period amounts included in the accompanying financial information also have been reclassified to conform to the current period presentation.

** These amounts exclude the impact of one of the primary insurer's recapture of business from Radian's financial guaranty reinsurance business, which is described in Radian's Current Report on Form 8-K, filed with the Securities and Exchange Commission on February 11, 2004. A reconciliation and additional information about the impact of this recapture can be found in Schedules 1 and 2 to this release.

"We're pleased to report a record quarter for Radian," stated Radian's Chairman and CEO Frank P. Filipps. "The contributions from each business segment together helped Radian achieve its highest quarterly net income of $122 million and revenues of more than $377 million."

Radian will hold a conference call to discuss its third quarter results on Thursday, October 21, 2004, at 9:00 a.m. Eastern time. This call will be broadcast live over the Internet at www.ir.radiangroupinc.com/phoenix.zhtml?c=112301&p=irol-audioarchives, or at www.radiangroupinc.com, under "News." A replay of the webcast will be available at this site approximately two hours after the live broadcast ends and a transcript of the call will be available at this site approximately 24 hours after the call ends, both for a period of one year. Statistical and financial information, which is expected to be referred to during the conference call, will be available on Radian's website under "Investor Information – News and Events – Webcasts and Presentations" or will be accessible by clicking on www.ir.radiangroupinc.com/phoenix.zhtml?c=112301&p=irol-audioarchives.

Radian Group Inc. is a leading credit enhancement provider to the global financial and capital markets, headquartered in Philadelphia. Radian's subsidiaries provide products and services through three business lines: financial guaranty, mortgage insurance and other financial services. Additional information may be found at www.radiangroupinc.com.

Financial Results and Supplemental Information Contents

Radian Group Inc. and Subsidiaries
Condensed Consolidated Statements of Income
Exhibit A

(Thousands of dollars, except per share data)	Quarter Ended September 30 2004	Quarter Ended September 30 2003	Nine Months Ended September 30 2004	Nine Months Ended September 30 2003
Revenues:				
Net premiums written	**$ 282,530**	$ 285,517	**$ 795,227**	$ 811,773
Premiums earned	**$ 264,048**	$ 261,043	**$ 766,717**	$ 742,184
Net investment income	**51,086**	46,365	**151,670**	140,041
Equity in net income of affiliates	**45,926**	21,287	**130,580**	70,034
Gain/loss on sales of investments	**8,993**	1,778	**40,956**	8,627
Other income	**7,200**	18,489	**22,996**	48,449
Total revenues	**377,253**	348,962	**1,112,919**	1,009,335
Expenses:				
Provision for losses	**114,125**	100,762	**345,452**	264,060
Policy acquisition costs	**35,903**	33,787	**89,558**	96,172
Other operating expenses	**47,659**	51,423	**153,242**	152,429
Interest expense	**7,996**	9,652	**26,014**	27,888
Total expenses	**205,683**	195,624	**614,266**	540,549
Change in fair value of derivative instruments	**(2,083)**	6,072	**2,576**	(6,655)
Pretax income	**169,487**	159,410	**501,229**	462,131
Provision for income taxes	**47,316**	45,432	**138,545**	131,707
Net income available to common stockholders	**$ 122,171**	$ 113,978	**$ 362,684**	$ 330,424
Net income per share	**$ 1.31**	$ 1.20	**$ 3.84**	$ 3.50
Weighted average shares outstanding (in thousands)	**93,387**	94,886	**94,456**	94,514

Radian Group Inc. and Subsidiaries
Condensed Consolidated Balance Sheets

Exhibit B

(Thousands of dollars, except per share data)	September 30 2004	December 31 2003	September 30 2003
Assets:			
Cash and investments	**$ 5,303,946**	$ 5,074,531	$ 4,845,309
Investments in affiliates	**347,404**	328,478	300,465
Deferred policy acquisition costs	**207,453**	218,779	212,078
Prepaid federal income taxes	**426,813**	358,840	322,711
Other assets	**414,404**	465,139	472,831
Total assets	**$ 6,700,020**	$ 6,445,767	$ 6,153,394
Liabilities and stockholders' equity:			
Unearned premiums	**$ 742,691**	$ 718,649	$ 684,931
Reserve for losses and loss adjustment expenses	**776,903**	790,380	669,046
Long-term debt	**717,579**	717,404	717,347
Deferred federal income taxes	**769,342**	712,354	684,310
Other liabilities	**209,901**	281,136	274,879
Total liabilities	**3,216,416**	3,219,923	3,030,513
Common stock	**96**	96	95
Additional paid-in capital	**1,096,793**	1,199,056	1,186,481
Retained earnings	**2,243,400**	1,886,548	1,832,950
Accumulated other comprehensive income	**143,315**	140,144	103,355
Total common stockholders' equity	**3,483,604**	3,225,844	3,122,881
Total liabilities and stockholders' equity	**$ 6,700,020**	$ 6,445,767	$ 6,153,394
Book value per share	**$ 37.90**	$ 34.31	$ 33.35

Radian Group Inc. and Subsidiaries
Segment Information
Quarter Ended September 30, 2004
Exhibit C

(Thousands of dollars)	Mortgage Insurance	Financial Services	Financial Guaranty	Total
Revenues:				
Net premiums written	$ 209,085	$ -	$ 73,445	$ 282,530
Premiums earned	$ 205,313	$ -	$ 58,735	$ 264,048
Net investment income	29,391	8	21,687	51,086
Equity in net income (loss) of affiliates	-	43,893	2,033	45,926
Gain/loss on sales of investments	6,359	64	2,570	8,993
Other income	5,381	1,438	381	7,200
Total revenues	246,444	45,403	85,406	377,253
Expenses:				
Provision for losses	101,000	-	13,125	114,125
Policy acquisition costs	22,538	-	13,365	35,903
Other operating expenses	31,817	2,184	13,658	47,659
Interest expense	4,694	559	2,743	7,996
Total expenses	160,049	2,743	42,891	205,683
Change in fair value of derivative instruments	(7,035)	(145)	5,097	(2,083)
Pretax income	79,360	42,515	47,612	169,487
Income tax provision	21,212	14,879	11,225	47,316
Net income	$ 58,148	$ 27,636	$ 36,387	$ 122,171
Assets	$ 4,003,276	$ 328,072	$ 2,368,672	$ 6,700,020
Deferred policy acquisition costs	72,076	-	135,377	207,453
Reserve for losses and loss adjustment expenses	533,060	-	243,843	776,903
Unearned premiums	129,873	-	612,818	742,691
Equity	1,958,326	284,300	1,240,978	3,483,604

Radian Group Inc. and Subsidiaries
Segment Information
Quarter Ended September 30, 2003
Exhibit D

(Thousands of dollars)	Mortgage Insurance	Financial Services	Financial Guaranty	Total
Revenues:				
Net premiums written	$ 195,360	$ -	$ 90,157	$ 285,517
Premiums earned	$ 199,787	$ -	$ 61,256	$ 261,043
Net investment income	26,626	-	19,739	46,365
Equity in net income of affiliates	-	19,138	2,149	21,287
Gain/loss on sales of investments	506	(748)	2,020	1,778
Other income	10,729	7,509	251	18,489
Total revenues	237,648	25,899	85,415	348,962
Expenses:				
Provision for losses	82,074	-	18,688	100,762
Policy acquisition costs	18,374	-	15,413	33,787
Other operating expenses	33,846	7,942	9,635	51,423
Interest expense	5,403	873	3,376	9,652
Total expenses	139,697	8,815	47,112	195,624
Change in fair value of derivative instruments	(580)	8	6,644	6,072
Pretax income	97,371	17,092	44,947	159,410
Income tax provision	26,256	6,848	12,328	45,432
Net income	$ 71,115	$ 10,244	$ 32,619	$ 113,978
Assets	$ 3,692,010	$ 286,546	$ 2,174,838	$ 6,153,394
Deferred policy acquisition costs	76,844	-	135,234	212,078
Reserve for losses and loss adjustment expenses	499,583	-	169,463	669,046
Unearned premiums	104,064	-	580,867	684,931
Equity	1,760,328	234,106	1,128,447	3,122,881

Radian Group Inc. and Subsidiaries
Segment Information
Nine Months Ended September 30, 2004
Exhibit E

(Thousands of dollars)	Mortgage Insurance	Financial Services	Financial Guaranty	Total
Revenues:				
Net premiums written	$ 651,213	$ -	$ 144,014	$ 795,227
Premiums earned	$ 611,916	$ -	$ 154,801	$ 766,717
Net investment income	87,607	82	63,981	151,670
Equity in net income (loss) of affiliates	-	129,180	1,400	130,580
Gain/loss on sales of investments	34,582	2,663	3,711	40,956
Other income	16,601	5,160	1,235	22,996
Total revenues	750,706	137,085	225,128	1,112,919
Expenses:				
Provision for losses	300,162	-	45,290	345,452
Policy acquisition costs	56,757	-	32,801	89,558
Other operating expenses	106,015	10,499	36,728	153,242
Interest expense	15,106	1,869	9,039	26,014
Total expenses	478,040	12,368	123,858	614,266
Change in fair value of derivative instruments	(3,821)	(110)	6,507	2,576
Pretax income	268,845	124,607	107,777	501,229
Income tax provision	73,510	43,611	21,424	138,545
Net income	$ 195,335	$ 80,996	$ 86,353	$ 362,684

Radian Group Inc. and Subsidiaries
Segment Information
Nine Months Ended September 30, 2003

Exhibit F

(Thousands of dollars)	Mortgage Insurance	Financial Services	Financial Guaranty	Total
Revenues:				
Net premiums written	$ 550,359	$ -	$ 261,414	$ 811,773
Premiums earned	$ 557,537	$ -	$ 184,647	$ 742,184
Net investment income	81,208	36	58,797	140,041
Equity in net income of affiliates	-	62,427	7,607	70,034
Gain/loss on sales of investments	1,371	(1,666)	8,922	8,627
Other income	25,145	20,294	3,010	48,449
Total revenues	665,261	81,091	262,983	1,009,335
Expenses:				
Provision for losses	212,278	-	51,782	264,060
Policy acquisition costs	53,297	-	42,875	96,172
Other operating expenses	96,442	28,166	27,821	152,429
Interest expense	16,065	2,346	9,477	27,888
Total expenses	378,082	30,512	131,955	540,549
Change in fair value of derivative instruments	(606)	35	(6,084)	(6,655)
Pretax income	286,573	50,614	124,944	462,131
Income tax provision	77,614	20,247	33,846	131,707
Net income	$ 208,959	$ 30,367	$ 91,098	$ 330,424

Radian Group Inc.
Financial Guaranty Insurance Supplemental Information
For the Quarter and Nine Months Ended and as of September 30, 2004

Exhibit G

(Thousands of dollars, except ratios)	Quarter Ended September 30		Nine Months Ended September 30	
	2004	2003	**2004**	2003
Net Premiums Written:				
Public finance direct	**10,006**	21,570	**35,871**	43,118
Public finance reinsurance	**19,305**	19,380	**56,202**	66,930
Structured direct	**23,293**	24,743	**76,526**	62,445
Structured reinsurance	**6,407**	10,749	**23,813**	38,481
Trade credit	**14,434**	13,715	**48,019**	50,440
	73,445	90,157	**240,431**	261,414
Impact of recapture (1)	**-**	-	**(96,417)**	-
Net Premiums Written	**73,445**	90,157	**144,014**	261,414
Net Premiums Earned:				
Public finance direct	**7,327**	4,799	**19,516**	13,074
Public finance reinsurance	**9,725**	13,802	**30,810**	37,655
Structured direct	**19,961**	17,119	**57,542**	55,593
Structured reinsurance	**7,285**	11,282	**24,948**	36,631
Trade credit	**14,437**	14,254	**46,877**	41,694
	58,735	61,256	**179,693**	184,647
Impact of recapture (1)	**-**	-	**(24,892)**	-
Net Premiums Earned	**58,735**	61,256	**154,801**	184,647
Claims paid:				
Trade credit	**3,288**	7,274	**18,478**	15,595
Financial guaranty	**7,474**	4,708	**24,640**	6,530
Conseco	**8,225**	-	**23,307**	-
Total	**18,987**	11,982	**66,425**	22,125
Impact of recapture (1)	**-**	-	**11,488**	-
Claims paid	**18,987**	11,982	**77,913**	22,125
Incurred losses:				
Trade credit	**6,907**	9,440	**23,541**	23,538
Financial guaranty	**6,218**	9,248	**21,749**	28,244
Conseco	**-**	-	**-**	-
Total	**13,125**	18,688	**45,290**	51,782
Loss ratio- GAAP Basis	**22.3%**	30.5%	**29.3%**	28.0%
Expense ratio- GAAP Basis	**46.0%**	40.9%	**44.9%**	38.3%
	68.3%	71.4%	**74.2%**	66.3%
Refundings included in earned premium	**1,895**	1,400	**4,167**	6,305

(1) Amounts recorded related to the recapture of previously ceded business by one of the primary insurer customers of the financial guaranty insurance business in the first quarter of 2004.

Radian Group Inc.
Financial Guaranty Insurance Supplemental Information
For the Quarter and Nine Months Ended and as of September 30, 2004
Exhibit H

(Thousands of dollars, except ratios)

	September 30 2004	December 31 2003	September 30 2003
Capital and surplus	**996,657**	826,550	798,354
Contingency reserve	**239,493**	321,312	307,697
Qualified statutory capital	**1,236,150**	1,147,862	1,106,051
Unearned premium reserve	**709,302**	735,156	690,525
Loss and loss expense reserve	**126,466**	95,130	83,556
Total policyholders' reserves	**2,071,918**	1,978,148	1,880,132
Present value of installment premiums	**363,166**	444,368	438,750
Reinsurance and soft capital facilities	**245,000**	275,000	275,000
Total claims paying resources	**2,680,084**	2,697,516	2,593,882
Net debt service outstanding	**100,219,130**	117,900,058	116,241,337
Capital leverage ratio (2)	**81**	103	105
Claims paying leverage ratio (3)	**37**	44	45
Reserve for losses and LAE			
Specific	**43,970**	86,378	82,421
Conseco	**87,693**	111,000	-
Non-specific	**112,180**	79,529	87,042
Total	**243,843**	276,907	169,463

(2) Net debt service outstanding divided by qualified statutory capital

(3) Net debt service outstanding divided by total claims paying resources

Radian Group Inc.
Mortgage Insurance Supplemental Information
For the Quarter and Nine Months Ended and as of September 30, 2004
Exhibit I

	Quarter Ended September 30				Nine Months Ended September 30			
	2004	**%**	2003	%	**2004**	**%**	2003	%
Primary New Insurance Written (in millions)								
Flow	**9,123**	**78.1%**	14,311	88.0%	**28,392**	**85.7%**	38,167	68.6%
Structured	**2,563**	**21.9%**	1,958	12.0%	**4,726**	**14.3%**	17,503	31.4%
Total	**11,686**	**100.0%**	16,269	100.0%	**33,118**	**100.0%**	55,670	100.0%
Prime	**7,181**	**61.5%**	11,740	72.2%	**21,462**	**64.8%**	36,950	66.4%
Alt-A	**2,633**	**22.5%**	3,362	20.7%	**7,523**	**22.7%**	12,535	22.5%
A minus and below	**1,872**	**16.0%**	1,167	7.1%	**4,133**	**12.5%**	6,185	11.1%
Total	**11,686**	**100.0%**	16,269	100.0%	**33,118**	**100.0%**	55,670	100.0%
Total Primary New Insurance Written by FICO Score (in millions)								
<=619	**1,581**	**13.5%**	924	5.7%	**3,381**	**10.2%**	5,443	9.8%
620-679	**3,914**	**33.5%**	4,552	28.0%	**10,724**	**32.4%**	15,925	28.6%
680-739	**3,796**	**32.5%**	6,681	41.0%	**11,610**	**35.0%**	19,978	35.9%
>=740	**2,395**	**20.5%**	4,112	25.3%	**7,403**	**22.4%**	14,324	25.7%
Total	**11,686**	**100.0%**	16,269	100.0%	**33,118**	**100.0%**	55,670	100.0%
Percentage of primary new insurance written								
Monthlies	**94%**		80%		**93%**		87%	
Refinances	**37%**		48%		**38%**		53%	
95.01% LTV and above	**11%**				**11%**			
ARMs	**46%**		15%		**39%**		31%	
Primary risk written (in millions)								
Flow	**2,287**	**73.9%**	3,339	86.4%	**7,196**	**83.2%**	9,053	65.6%
Structured	**809**	**26.1%**	524	13.6%	**1,448**	**16.8%**	4,743	34.4%
Total	**3,096**	**100.0%**	3,863	100.0%	**8,644**	**100.0%**	13,796	100.0%
Pool risk written (in millions)	**52**		88		**376**		654	
Other risk written (in millions)								
Seconds	**70**				**132**			
NIMS and other	**33**				**253**			
Total other risk written	**103**				**385**			
Net Premiums Written (in thousands)								
Primary and Pool Insurance	**177,818**		173,092		**560,276**		485,589	
Seconds, NIMS and other	**31,267**		22,268		**90,937**		64,770	
Net Premiums Written	**209,085**		195,360		**651,213**		550,359	
Net Premiums Earned (in thousands)								
Primary and Pool Insurance	**169,684**		173,773		**511,453**		494,550	
Seconds, NIMS and other	**35,629**		26,014		**100,463**		62,987	
Net Premiums Earned	**205,313**		199,787		**611,916**		557,537	
Captives								
Premiums ceded to captives($ millions)	**$ 22.6**		$ 18.6		**$ 64.5**		$ 54.6	
% of total premiums	**11.6%**		9.8%		**11.2%**		10.0%	
NIW subject to captives($ millions)	**$ 3,988**		$ 6,501		**$13,394**		$ 17,192	
% of primary NIW	**34.1%**		40.0%		**40.4%**		30.9%	
IIF subject to captives	**32.8%**		28.2%					
RIF subject to captives	**34.6%**		30.4%					
Persistency (twelve months ended September 30)	**57.4%**		46.1%					

Radian Group Inc.
Mortgage Insurance Supplemental Information
For the Quarter and Nine Months Ended and as of September 30, 2004 - Exhibit J

(Thousands of dollars, except ratios)	September 30		December 31		September 30	
	2004	**%**	2003	%	2003	%
Primary insurance in force (in millions)						
Flow	**90,964**	**78.8%**	91,709	76.5%	91,170	75.1%
Structured	**24,516**	**21.2%**	28,178	23.5%	30,164	24.9%
Total	**115,480**	**100.0%**	119,887	100.0%	121,334	100.0%
Prime	**79,900**	**69.2%**	82,096	68.5%	84,957	70.0%
Alt-A	**22,393**	**19.4%**	23,710	19.8%	21,940	18.1%
A minus and below	**13,187**	**11.4%**	14,081	11.7%	14,437	11.9%
Total	**115,480**	**100.0%**	119,887	100.0%	121,334	100.0%
Primary risk in force (in millions)						
Flow	**22,234**	**83.0%**	22,261	82.1%	21,957	80.8%
Structured	**4,562**	**17.0%**	4,845	17.9%	5,230	19.2%
Total	**26,796**	**100.0%**	27,106	100.0%	27,187	100.0%
Prime	**18,349**	**68.5%**	18,449	68.0%	19,138	70.4%
Alt-A	**5,166**	**19.3%**	5,253	19.4%	4,581	16.8%
A minus and below	**3,281**	**12.2%**	3,404	12.6%	3,468	12.8%
Total	**26,796**	**100.0%**	27,106	100.0%	27,187	100.0%
Total Primary Risk in Force by FICO Score (in millions)						
<=619	**3,169**	**11.8%**	3,508	12.9%	3,653	13.5%
620-679	**8,701**	**32.5%**	8,773	32.4%	8,761	32.2%
680-739	**9,135**	**34.1%**	9,097	33.6%	9,147	33.6%
>=740	**5,791**	**21.6%**	5,728	21.1%	5,626	20.7%
Total	**26,796**	**100.0%**	27,106	100.0%	27,187	100.0%

Percentage of primary risk in force	
Monthlies	**92%**
Refinances	**37%**
95.01% LTV and above	**13%**
ARMs	**28%**

Radian Group Inc.
Mortgage Insurance Supplemental Information
For the Quarter and Nine Months Ended and as of September 30, 2004 - Exhibit K

(Thousands of dollars, except ratios)

	September 30		December 31		September 30	
	2004	**%**	2003	%	2003	%
Total Primary Risk in Force by LTV (in millions)						
95.01% and above	**3,381**	**12.6%**	3,067	11.3%	2,796	10.3%
90.01% to 95.00%	**9,911**	**37.0%**	10,184	37.6%	10,253	37.7%
85.01% to 90.00%	**10,119**	**37.8%**	10,024	37.0%	10,125	37.2%
85.00% and below	**3,385**	**12.6%**	3,831	14.1%	4,013	14.8%
Total	**26,796**	**100.0%**	27,106	100.0%	27,187	100.0%
Total Primary Risk in Force by Policy Year (in millions)						
2001 and prior	**4,764**	**17.8%**	7,837	28.9%	9,362	34.4%
2002	**3,977**	**14.8%**	6,198	22.9%	7,234	26.6%
2003	**10,094**	**37.7%**	13,071	48.2%	10,591	39.0%
2004	**7,961**	**29.7%**	-	-	-	-
Total	**26,796**	**100.0%**	27,106	100.0%	27,187	100.0%
Pool risk in force (in millions)	**2,363**		2,415		2,394	
GSE Pool risk in force (in millions)	**1,567**		1,393		1,391	
Other risk in force (in millions)						
Seconds	**693**		725		675	
NIMS and other	**559**		328		286	
Total other risk in force ($millions)	**1,252**		1,053		961	
Risk to capital ratio-STAT Basis	**10.1:1**		11.4:1		11.7:1	

Radian Group Inc.
Mortgage Insurance Supplemental Information
For the Quarter and Nine Months Ended and as of September 30, 2004 - Exhibit L

	Quarter Ended September 30		Nine Months Ended September 30	
	2004	**2003**	**2004**	**2003**
Direct claims paid (in thousands)				
Prime	**36,036**	32,411	**105,683**	88,746
Alt-A	**21,123**	15,072	**64,025**	35,771
A Minus and below	**25,223**	19,175	**71,666**	50,279
Seconds	**9,836**	4,561	**33,134**	17,602
Total	**92,218**	71,219	**274,508**	192,398
Average claim paid (in thousands)				
Prime	**22.5**	23.6	**23.8**	24.0
Alt-A	**36.5**	42.6	**39.0**	40.4
A Minus and below	**26.3**	26.0	**26.8**	25.7
Seconds	**25.7**	28.5	**27.3**	26.7
Total	**26.2**	27.2	**27.5**	26.7
Loss ratio- GAAP Basis	**49.2%**	41.1%	**49.1%**	38.1%
Expense ratio-GAAP Basis	**26.5%**	26.1%	**26.6%**	26.8%
	75.7%	67.2%	**75.7%**	64.9%

	September 30	December 31	September 30
	2004	2003	2003
Default Statistics			
Primary insurance:			
Prime			
Number of insured loans	**616,468**	640,778	663,870
Number of loans in default	**19,199**	22,156	21,232
Percentage of loans in default	**3.11%**	3.46%	3.20%
Alt A			
Number of insured loans	**130,860**	138,571	128,278
Number of loans in default	**8,213**	7,343	5,832
Percentage of loans in default	**6.28%**	5.30%	4.55%
A Minus and below			
Number of insured loans	**102,599**	110,054	112,498
Number of loans in default	**12,078**	12,497	11,768
Percentage of loans in default	**11.77%**	11.36%	10.46%
Total			
Number of insured loans	**849,927**	889,403	904,646
Number of loans in default	**39,490**	41,996	38,832
Percentage of loans in default	**4.65%**	4.72%	4.29%
Pool insurance:			
Number of insured loans	**580,533**	599,140	595,833
Number of loans in default	**6,489**	5,738	5,440
Percentage of loans in default	**1.12%**	0.96%	0.91%

Radian Group Inc.
Mortgage Insurance Supplemental Information
For the Quarter and Nine Months Ended and as of September 30, 2004 - Exhibit M
ALT-A

(Thousands of dollars, except ratios)	Quarter Ended September 30				Nine Months Ended September 30			
	2004	**%**	2003	%	**2004**	**%**	2003	%
Primary New Insurance Written by FICO Score (in millions)								
<=619	**36**	**1.4%**	21	0.6%	**81**	**1.1%**	31	0.2%
620-659	**482**	**18.3%**	653	19.4%	**1,255**	**16.7%**	2,377	19.0%
660-679	**477**	**18.1%**	682	20.3%	**1,356**	**18.0%**	2,020	16.1%
680-739	**1,147**	**43.6%**	1,269	37.8%	**3,404**	**45.2%**	4,761	38.0%
>=740	**491**	**18.6%**	737	21.9%	**1,427**	**19.0%**	3,346	26.7%
Total Alt A	**2,633**	**100.0%**	3,362	100.0%	**7,523**	**100.0%**	12,535	100.0%

	2004	**%**	2003	%
Primary Risk in Force by FICO Score (in millions)				
<=619	**80**	**1.5%**	80	1.7%
620-659	**1,117**	**21.6%**	1,190	26.0%
660-679	**903**	**17.5%**	773	16.9%
680-739	**2,175**	**42.1%**	1,772	38.7%
>=740	**891**	**17.3%**	766	16.7%
Total Alt A	**5,166**	**100.0%**	4,581	100.0%
Primary Risk in Force by LTV (in millions)				
95.01% and above	**415**	**8.0%**	389	8.5%
90.01% to 95.00%	**1,842**	**35.7%**	1,545	33.7%
85.01% to 90.00%	**2,154**	**41.7%**	1,801	39.3%
85.00% and below	**755**	**14.6%**	846	18.5%
Total Alt A	**5,166**	**100.0%**	4,581	100.0%
Primary Risk in Force by Policy Year (in millions)				
2001 and prior	**443**	**8.6%**	858	18.7%
2002	**799**	**15.5%**	1,546	33.8%
2003	**2,067**	**39.9%**	2,177	47.5%
2004	**1,857**	**36.0%**	-	-
Total Alt A	**5,166**	**100.0%**	4,581	100.0%

Radian Group Inc.
Financial Services Supplemental Information
For the Quarter and Nine Months Ended and as of September 30, 2004 - Exhibit N

(Thousands of dollars)	Quarter Ended September 30		Nine Months Ended September 30	
	2004	2003	**2004**	2003
Investment in Affiliate Reconciliation:				
C-BASS				
Balance, beginning of period	**248,759**	204,229	**226,710**	175,630
Net income for period	**18,095**	12,276	**72,644**	43,375
Dividends received	**-**	5,000	**32,500**	7,500
Balance, end of period	**266,854**	211,505	**266,854**	211,505
Sherman				
Balance, beginning of period	**48,709**	46,228	**65,979**	52,142
Net income for period	**25,798**	6,862	**56,536**	19,052
Dividends received	**-**	-	**49,800**	12,450
Other comprehensive income	**(914)**	1,416	**878**	(4,238)
Balance, end of period	**73,593**	54,506	**73,593**	54,506
Portfolio Information:				
C-BASS				
Servicing portfolio	**22,270,000**	16,010,000		
Total assets	**4,466,115**	2,757,036		
Servicing income	**38,931**	32,259	**112,958**	90,476
Net interest income	**37,025**	32,287	**109,207**	90,210
Total revenues	**105,115**	79,065	**354,174**	256,510
Sherman				
Total assets	**444,368**	490,806		
Net revenues	**129,661**	79,898	**353,314**	193,223

Supplemental Schedule
Schedule 1

Radian Group Inc. and Subsidiaries-Consolidated - Exhibit O

The following schedule shows the Financial Guaranty Segment Income Statement as reported (Column 1) and adjustments (Column 2) to reflect the income statement impact of the recapture (referred to below as the clawback) of business previously ceded to the Company by one of the primary insurer customers of the financial guaranty segment.

The adjusted numbers are shown in Column 3. The impact of the clawback (Column 2) reflects the clawback of business ceded to the Company in prior periods. This clawback only affected the first quarter (and, as a result, the year-to-date periods) of 2004. Accordingly, management believes that Column 3 provides useful information to investors by presenting a more meaningful basis of comparison for the Company's past and future results.

(Thousands of dollars, except per-share data)	As Reported Nine Months Ended September 30 2004	Impact of Clawback	As Adjusted Nine Months Ended September 30 Excluding Clawback	NineMonths Ended September 30 2003
Revenues:				
Net premiums written	$ 795,227	$ (96,417)	$ 891,644	$ 811,773
Premiums earned	$ 766,717	$ (24,892)	$ 791,609	$ 742,184
Net investment income	151,670	-	151,670	140,041
Equity in net income of affiliates	130,580	-	130,580	70,034
Gain/loss on sales of investments	40,956	-	40,956	8,627
Other income	22,996	-	22,996	48,449
Total revenues	1,112,919	(24,892)	1,137,811	1,009,335
			-	
Expenses:			-	
			-	
Provision for losses	345,452	-	345,452	264,060
Policy acquisition costs	89,558	(9,766)	99,324	96,172
Other operating expenses	153,242	-	153,242	152,429
Interest expense	26,014	-	26,014	27,888
Total expenses	614,266	(9,766)	624,032	540,549
Change in fair value of derivative instruments	2,576	(791)	3,367	(6,655)
Pretax income	501,229	(15,917)	517,146	462,131
Provision for income taxes	138,545	(5,571)	144,116	131,707
Net income	$ 362,684	$ (10,346)	$ 373,030	330,424
Net income available to common stockholders	$ 362,684	$ (10,346)	$ 373,030	330,424
Net income per share	$ 3.84	$ (0.11)	$ 3.95	3.50
Weighted average shares outstanding (in thousands)	94,456		94,456	94,514

Supplemental Schedule

Segment Information-Financial Guaranty

Schedule 2

Exhibit P

The following schedule shows the Financial Guaranty Segment Income Statement as reported (Column 1) and adjustments (Column 2) to reflect the income statement impact of the recapture (referred to below as the clawback) of business previously ceded to the Company by one of the primary insurer customers of the financial guaranty segment.

The adjusted numbers are shown in Column 3. The impact of the clawback (Column 2) reflects the clawback of business ceded to the Company in prior periods. This clawback only affected the first quarter (and, as a result, the year-to-date periods) of 2004. Accordingly, management believes that Column 3 provides useful information to investors by presenting a more meaningful basis of comparison for the Company's past and future results.

(Thousands of dollars)	As Reported Nine Months Ended September 30 2004	Impact of Clawback	As Adjusted Nine Months Ended September 30 Excluding Clawback	Nine Months Ended September 30 2003
Revenues:				
Net premiums written	$ 144,014	$ (96,417)	$ 240,431	$ 261,414
Premiums earned	$ 154,801	$ (24,892)	$ 179,693	$ 184,647
Net investment income	63,981	-	63,981	58,797
Equity in net income (loss) of affiliates	1,400	-	1,400	7,607
Gain/loss on sales of investments	3,711	-	3,711	8,922
Other income	1,235	-	1,235	3,010
Total revenues	225,128	(24,892)	$ 250,020	262,983
Expenses:				
Provision for losses	45,290	-	45,290	51,782
Policy acquisition costs	32,801	(9,766)	42,567	42,875
Other operating expenses	36,728	-	36,728	27,821
Interest expense	9,039	-	9,039	9,477
Total expenses	123,858	(9,766)	133,624	131,955
Change in fair value of derivative instruments	6,507	(791)	7,298	(6,084)
Pretax income	107,777	(15,917)	123,694	124,944
Income tax provision	21,424	(5,571)	26,995	33,846
Net income	$ 86,353	$ (10,346)	$ 96,699	$ 91,098
Loss ratio-excluding Clawback			25.2%	28.0%
Expense ratio-excluding Clawback			44.1%	38.3%
			69.3%	66.3%

All statements in this press release that address operating performance, events or developments 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. These statements are made on the basis of management’s current views and assumptions with respect to future events. The forward-looking statements are subject to risks and uncertainties including the following: changes in general financial and political conditions, such as extended national or regional economic recessions (or expansions), changes in housing values, changes or volatility in interest rates, or other political instability; changes in investor perception of the strength of private mortgage insurers or financial guaranty providers, and risks faced by the businesses, municipalities or pools of assets covered by Radian’s insurance; the loss of significant customers with whom Radian has a concentration of its insurance in force; rising delinquencies in mortgage loans insured by Radian resulting from increased consolidation of mortgage lenders and servicers; increased severity or frequency of losses associated with certain Radian products that are riskier than traditional mortgage insurance and municipal guaranty insurance policies; material changes in persistency rates of Radian’s mortgage insurance policies; downgrades of the insurance financial-strength ratings assigned by the major ratings agencies to Radian’s operating subsidiaries; intense competition from others and from alternative products to private mortgage insurance and financial guaranty insurance; changes in the business practices of Fannie Mae and Freddie Mac; legislative and regulatory changes affecting demand for private mortgage insurance and financial guaranty insurance; changes in claims against mortgage insurance products resulting from the aging of Radian’s mortgage insurance policies; changes in Radian’s ability to maintain sufficient reinsurance capacity in an increasingly concentrated reinsurance market; vulnerability to the performance of Radian’s strategic investments; and the loss of executive officers or other key personnel. Investors are also directed to other risks discussed in documents filed by Radian with the SEC, including the factors detailed in our annual report on Form 10-K for the year ended December 31, 2003 in the section immediately preceding Part I of the report. Radian does not intend to and disclaims any duty or obligation to update or revise any forward-looking statements made in this press release to reflect new information, future events or for any other reason.

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