The PMI Group, Inc.
Supplemental Portfolio Information

As of December 31, 2009

Definition of Terms

2/28s – refers to loans with interest rates that are fixed for two years and reset to a new interest rate at the end of year two for the remaining term of the loan.

ARMs – refers to loans with adjustable interest rates. We consider a loan an ARM if its interest rate may be adjusted prior to the loan's fifth anniversary.

A Quality Loans – we define A quality to include loans with credit scores of 620 and greater.

Alt-A Loans – we consider a loan Alt-A if it has a credit score of 620 or greater and the borrower requests and is given the option of providing reduced documentation verifying income, assets, deposit information and/or employment.

Captive Reinsurance – refers to agreements in which a portion of risk insured by PMI is reinsured by a captive reinsurance company affiliated with the mortgage originator or investor.

Defaults – our primary mortgage insurance master policy defines "default" as the borrower's failure to pay when due an amount equal to the scheduled monthly mortgage payment under the terms of the mortgage. Generally, the master policies require an insured to notify PMI of a default no later than the last business day of the month following the month in which the borrower becomes three monthly payments in default. For reporting purposes and internal tracking purposes, we do not consider a loan to be in default until the borrower has missed two consecutive payments. Depending upon its scheduled payment date, a loan delinquent for two consecutive monthly payments could be reported to PMI between the 31st and the 60th day after the first missed payment.

Flow – generally refers to mortgage insurance offered on a loan-by-loan basis to lenders.

GSE Pool – refers to a traditional pool product for mortgage loans sold by PMI's customers to the GSEs. This product was available from 1997 to 2001.

Interest Only Loans – refers to loans that do not reduce principal during the initial deferral period (usually between two and ten years) and therefore do not accumulate equity through loan amortization during the initial deferral period. Approximately 91% of our interest only loans have an initial deferral period of 5 years or greater. The average initial deferral period for loans insured in 2007 was 9 years.

Insurance in Force (IIF) – refers to the current principal balance of all outstanding mortgage loans with insurance coverage as of a given date.

Less-than-A Quality Loans – we define less-than-A credit quality loans to include loans with credit scores of 619 or below. The majority of our less-than-A-quality loans have credit scores above 575.

Definition of Terms

Modified Pool Insurance – modified pool insurance may be used in addition to primary mortgage insurance or may be placed on loans that do not require primary insurance. Coverage of modified pool products varies. Some products provide first loss protection by covering a percentage of the losses on individual loans held within the pool of insured loans up to a stated aggregate loss limit ("stop loss limit") for the entire pool. Some modified pool products offer mezzanine-level coverage by providing for claims payments only after a predetermined cumulative claims level, or deductible, is reached.

New Insurance Written (NIW) – refers to the original principal balance of all loans that receive new primary mortgage insurance coverage during a given period.

New Risk Written (NRW) – refers to the aggregate dollar amount of each insured mortgage loan's current principal balance multiplied by the insurance coverage percentage specified in the policy for all loans that receive new primary mortgage insurance coverage during a given period.

Old Pool – refers to a traditional pool product for mortgage loans sold by PMI's customers to capital market participants.

Payment Option ARMs – generally refers to loans that provide the borrower an option every month to make a payment consisting of principal and interest, interest only, or an amount established by the lender that may be less than the interest owed.

Primary Insurance – refers to mortgage insurance placed on a loan-by-loan basis through our "flow" channel and mortgage insurance issued for mortgage-backed securities and portfolio investors through our "structured transactions" channel. Primary insurance does not include pool or modified pool information.

Primary Risk in Force – refers to the aggregate dollar amount of each insured mortgage loan's current principal balance multiplied by the insurance coverage percentage specified in the policy for insurance policies issued through our "flow" and "structured transactions" channels only.

Risk in Force (RIF) – refers to the aggregate dollar amount of each insured mortgage loan's current principal balance multiplied by the insurance coverage percentage specified in the policy.

Structured – generally refers to mortgage insurance offered by PMI that covers large portfolios of mortgage loans and is provided to issuers of mortgage backed securities ("MBS") and portfolio investors.

Traditional Pool – covers the entire loss on a defaulted mortgage loan that exceeds the claim payment under any primary insurance coverage, up to a stated aggregate loss limit, or stop loss, for all of the loans in a pool. PMI is not currently offering traditional pool insurance to its customers.

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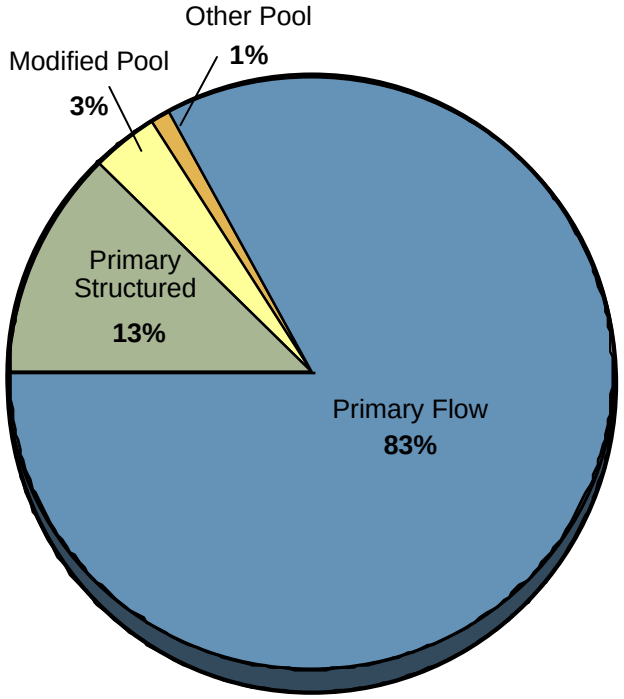
Part 7 ■ Captive Reinsurance Arrangements

Portfolio Categories

General Portfolio Categories

$27.8 Billion Primary Risk in Force and $1.1 Billion Pool Risk in Force*



* At December 31, 2009

Primary Flow Insurance

- $24.1 billion of risk in force
- Primary mortgage insurance offered to lenders on a loan-by-loan basis

Primary Structured Insurance

- $3.7 billion of risk in force
- Credit enhancement solutions offered across the credit spectrum to agency and non-agency MBS issuers as well as portfolio investors

Modified Pool Risk in Force

- $0.8 billion of remaining risk in force[1]
- Insurance offered to agency and non-agency MBS issuers and investors

Other Pool

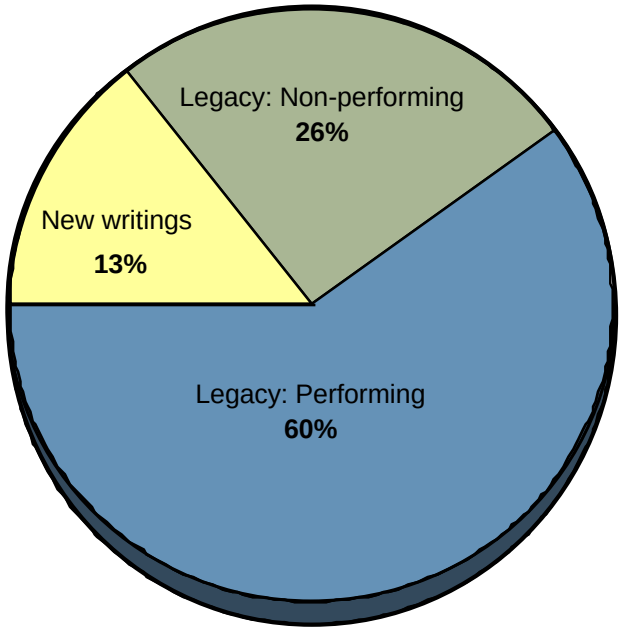
- $0.3 billion of remaining risk in force[1]
- Prior to 2002, PMI offered certain pool insurance products, referred to principally as GSE or Old Pool, to lenders, the GSEs and non-agency market

[1] Remaining risk in force for modified and other pool excludes non-performing risk exposures, for which loss reserves have been established.

Note: Due to rounding, the sum of percentages may not total 100%

General Portfolio Categories

$27.8 Billion Primary Risk in Force*



Legacy: Performing

- $16.7 billion of risk in force
- Performing risk in force from 1H 2008 and prior
- Continues to perform through the housing downturn and generates strong annual revenue

Legacy: Non-performing

- $7.1 billion of risk in force
- Non-performing risk in force from 1H 2008 and prior
- Key focus of PMI's loss mitigation efforts
  - PMI's Homeownership Preservation Initiatives
  - Home Affordable Modification Program (HAMP)
  - Other loan modification programs

New writings

- $4.0 billion of risk in force
- Risk in force originated in 2H 2008 and 2009
- Very high quality business originated under new guidelines and higher premium rates

* At December 31, 2009

Note: Due to rounding, the sum of percentages may not total 100%

New Writings*

New writings

- $4.0 billion of risk in force from $21.0 billion of new insurance written in 2H 2008 and 2009
- Very high quality business originated under new guidelines and higher premium rates

New writings characteristics as percentage of risk in force

- Loan Type
  - 99% Fixed Rate
- Property Type
  - 82% Single Family
  - 17% Condominium[1]
- Occupancy
  - 95% Owner Occupied
  - 3% Second Home
- Average FICO of 740
  - 91% FICO 680 and above
  - 70% FICO 720 and above
- Average Loan to Value of 90%
  - 97% LTV of 95% and below
  - 61% LTV of 90% and below
- Average loan size of $215,000

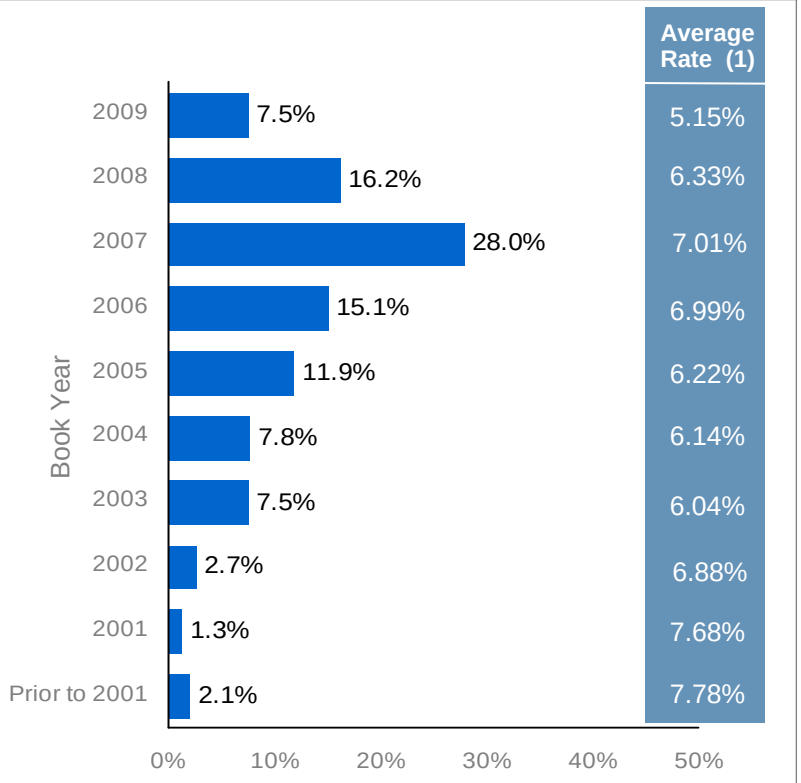
* At December 31, 2009

1 Condominium includes Townhouses and Cooperatives

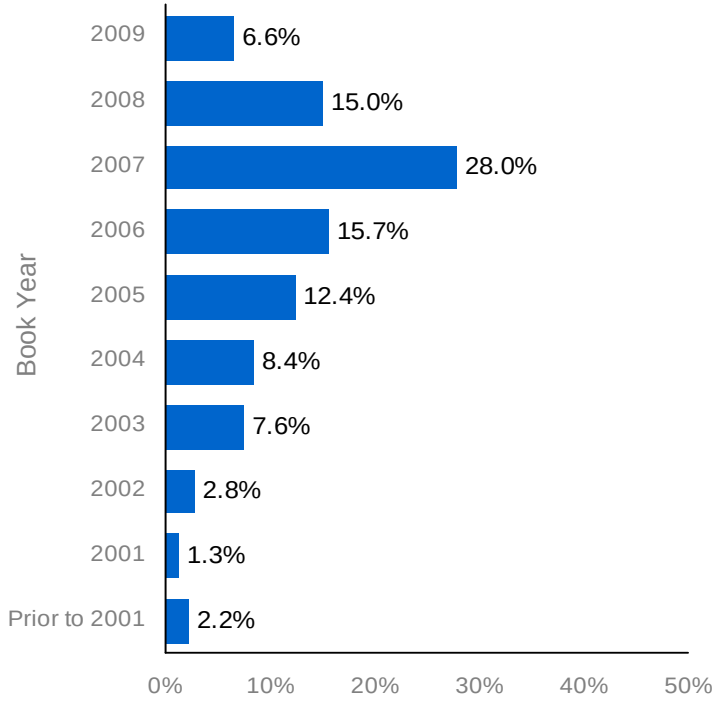
Primary Portfolio Characteristics

U.S. Portfolio Age Distribution

$113.7 Billion Primary IIF



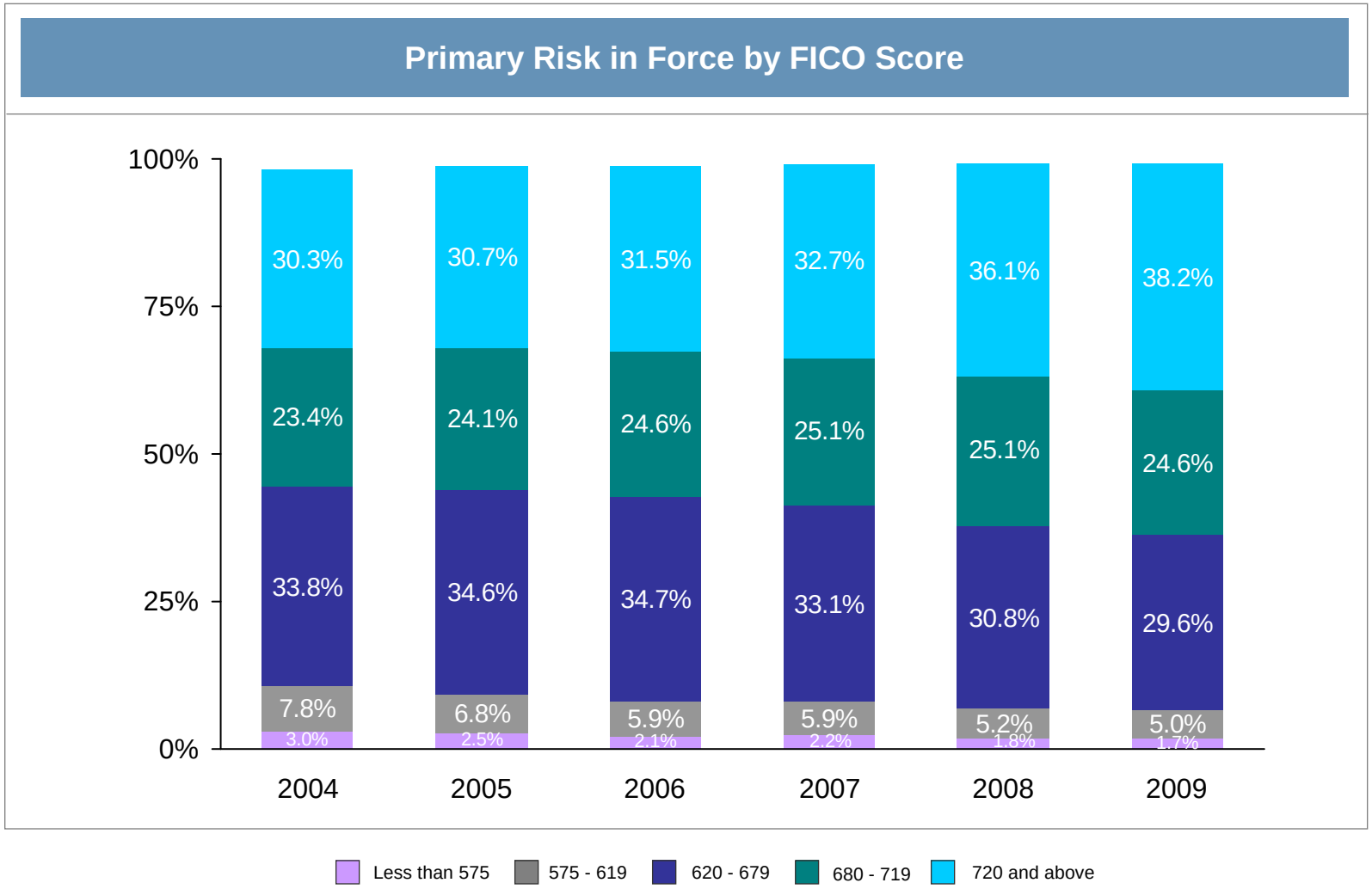
$27.8 Billion Primary RIF



(1) Average loan fixed annual mortgage interest rate

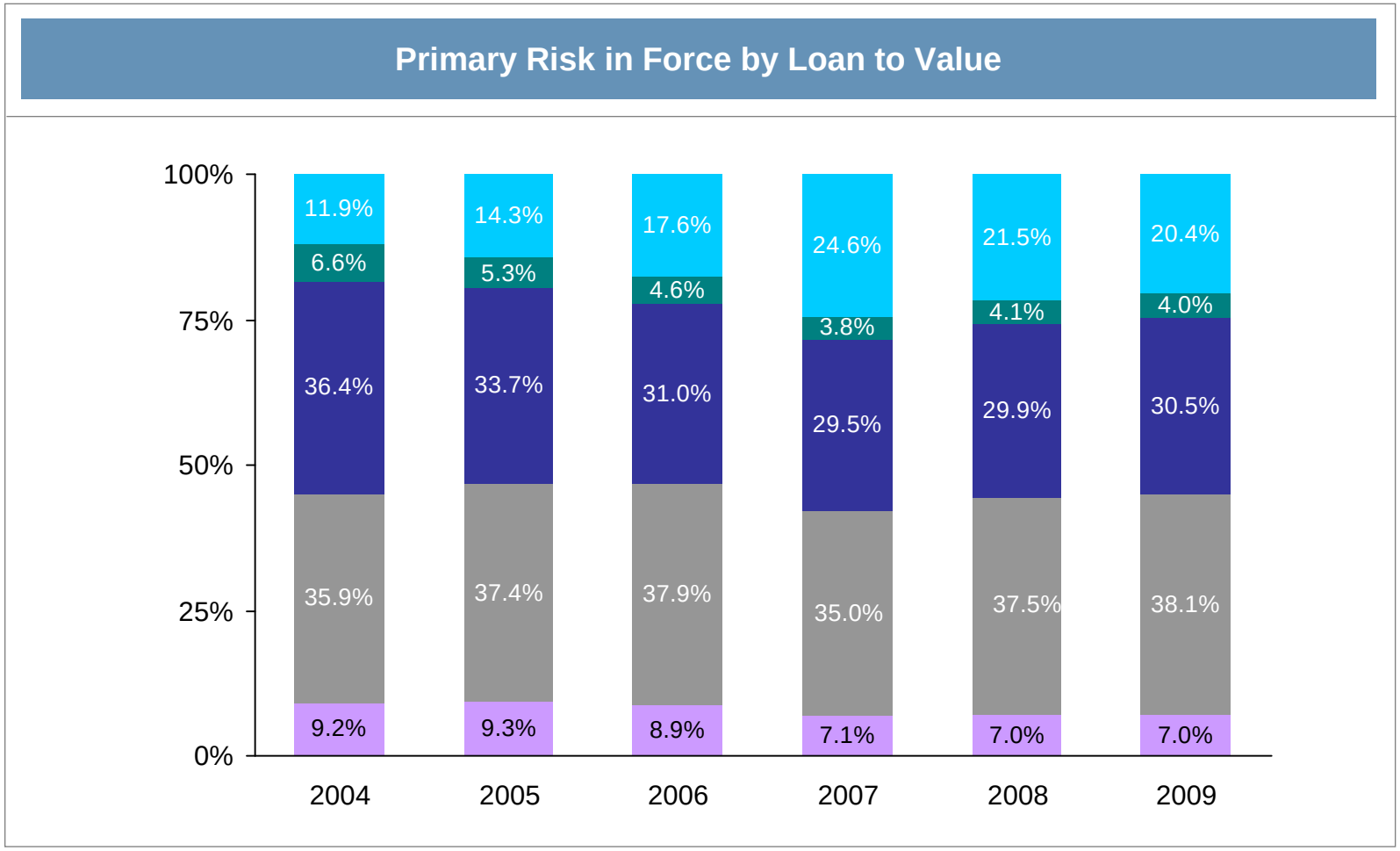
Note: Due to rounding, the sum of percentages may not total 100%

U.S. Portfolio Credit Score Distribution



Excludes unreported FICO scores

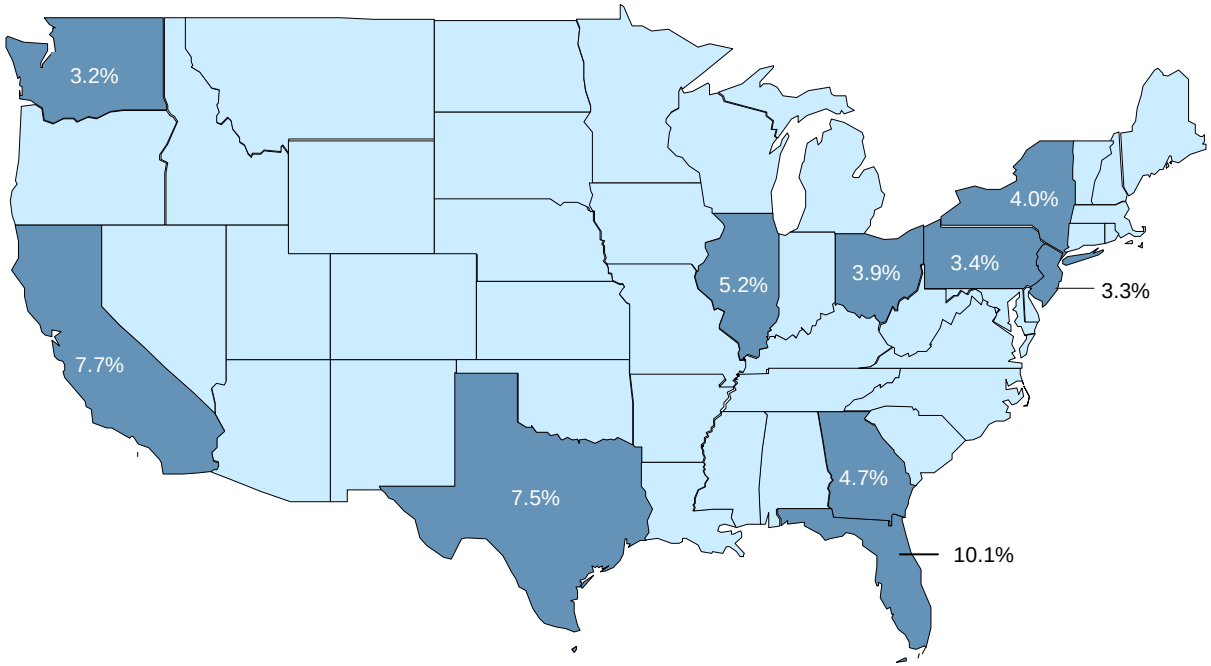
U.S. Portfolio Loan to Value Distribution



LTVs of 85% and below | LTVs between 85.01% and 90% | LTVs between 90.01% and 95% | LTVs between 95.01% and 97% | LTVs above 97%

Note: Due to rounding, the sum of percentages may not total 100%

U.S. Portfolio Geographic Distribution



Top Ten States – Percent of Primary Risk in Force and Default Rates

	% of RIF[1]	Primary Default Rates[2] YE 2009	YE 2008	YE 2007
Florida	10.1%	41.14%	27.79%	10.56%
California	7.7%	36.68%	24.68%	10.92%
Texas	7.5%	12.97%	9.44%	6.03%
Illinois	5.2%	24.96%	14.80%	8.19%
Georgia	4.7%	23.15%	14.62%	9.50%

	% of RIF[1]	Primary Default Rates[2] YE 2009	YE 2008	YE 2007
New York	4.0%	18.50%	11.27%	6.78%
Ohio	3.9%	18.04%	13.50%	10.83%
Pennsylvania	3.4%	15.46%	10.75%	7.47%
New Jersey	3.3%	24.06%	14.17%	7.53%
Washington	3.2%	16.50%	8.15%	3.58%

[1] Top ten states as determined by primary RIF on December 31, 2009

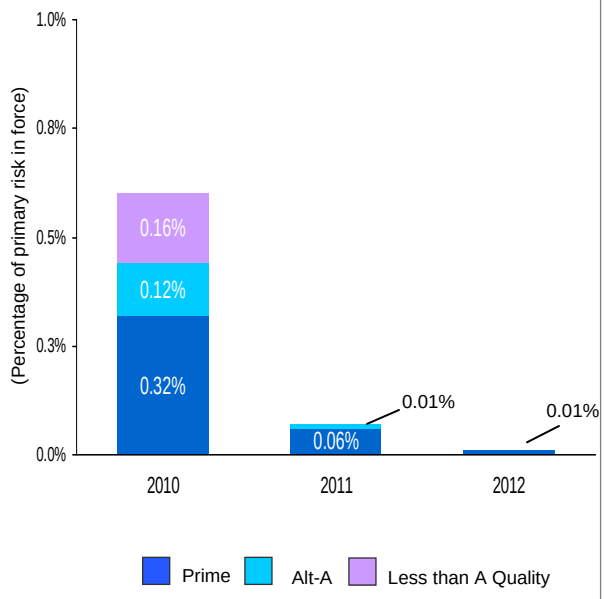
[2] Default rates as of December 31, 2009, 2008 and 2007

Focus on Particular Primary Portfolio Segments

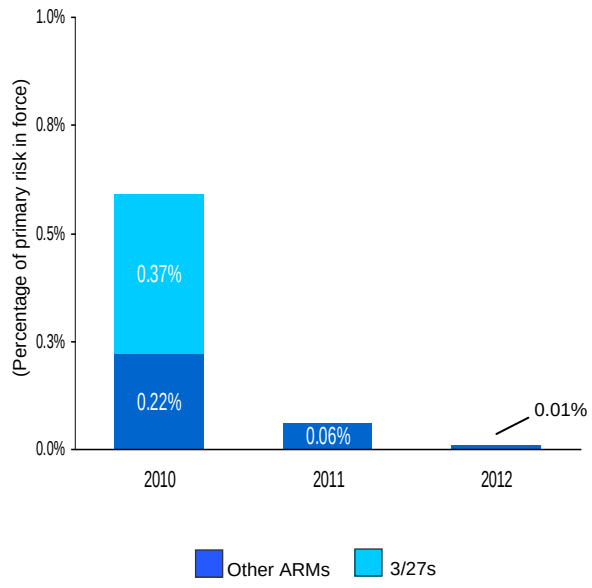
U.S. Portfolio Interest Rate Adjustments

	2010	2011	2012
Total interest rate adjustments as a percentage of primary risk in force:	0.6%	0.1%	0.0%

Rate Adjustments by Credit Quality

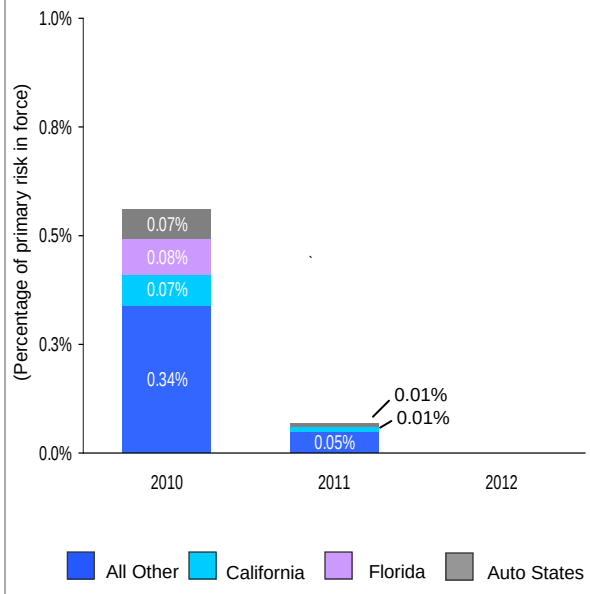


Rate Adjustments of Hybrid Loans and Other ARMs



Note: 2/28s resets in 2009 and 2010 are 0.01% and 0.00%, respectively

Rate Adjustments in Distressed Geographic Regions



Note: Auto states include Michigan, Ohio, Illinois and Indiana

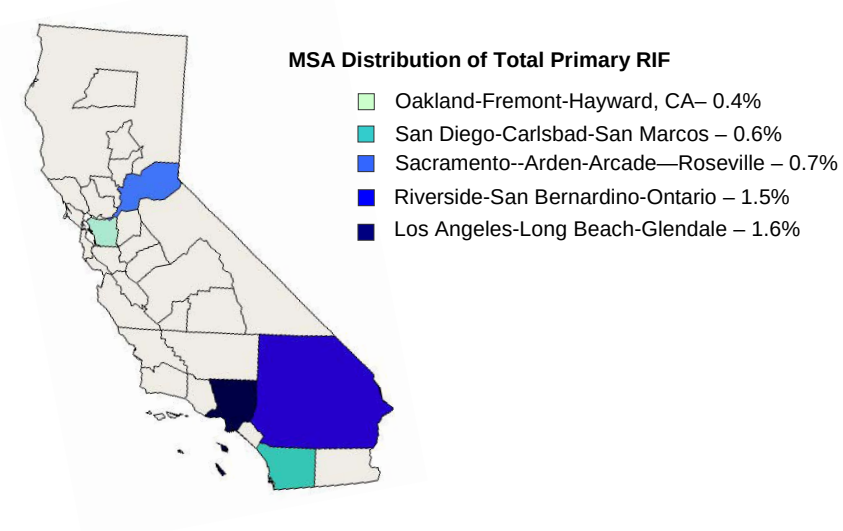
Note: Percentages are of total Primary RIF at December 31, 2009

California at December 31, 2009

- $2.1 Billion of Total Risk in Force
- 7.7% of PMI's Primary Risk in Force
- $295,038 Average Loan Size

Loan Type	% of CA RIF	% of Total RIF
Fixed Rate	76.7%	5.9%
ARM	23.3%	1.8%
Property Type[1]		
Single Family	80.9%	6.2%
Condominium	15.4%	1.2%
Multi-Family and other	3.6%	0.3%
Occupancy		
Primary Residence	93.2%	7.2%
Second Home	2.7%	0.2%
Non-owner occupied	4.1%	0.3%
Alt-A	30.4%	2.3%

FICO Scores[2]	% of CA RIF	% of Total RIF
720 and above	40.7%	3.1%
680-719	27.7%	2.1%
620-679	28.3%	2.2%
575-619	2.4%	0.2%
Less than 575	0.6%	0.0%
Loan to Value		
Above 97.00%	12.5%	1.0%
95.01% to 97.00%	2.0%	0.2%
90.01% to 95.00%	20.6%	1.6%
85.01% to 90.00%	51.6%	4.0%
85.00% and below	13.4%	1.0%



1 Condominium includes Townhouses and Cooperatives

2 Excludes unreported FICO scores

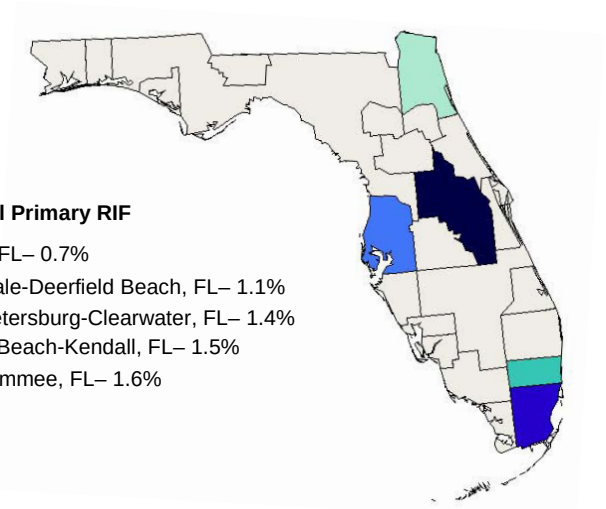
Note: Due to rounding, the sum of percentages may not total 100%

Florida at December 31, 2009

- $2.8 Billion of Total Risk in Force
- 10.1% of PMI's Primary Risk in Force
- $175,966 Average Loan Size

Loan Type	% of FL RIF	% of Total RIF
Fixed Rate	84.2%	8.5%
ARM	15.8%	1.6%
Property Type[1]		
Single Family	71.7%	7.2%
Condominium	26.3%	2.6%
Multi-Family and other	2.0%	0.2%
Occupancy		
Primary Residence	79.1%	8.0%
Second Home	12.2%	1.2%
Non-owner occupied	8.7%	0.9%
Alt-A	33.9%	3.4%

FICO Scores[2]	% of FL RIF	% of Total RIF
720 and above	35.9%	3.6%
680-719	27.5%	2.8%
620-679	30.8%	3.1%
575-619	4.1%	0.4%
Less than 575	1.2%	0.1%
Loan to Value		
Above 97.00%	20.1%	2.0%
95.01% to 97.00%	2.6%	0.3%
90.01% to 95.00%	29.8%	3.0%
85.01% to 90.00%	40.9%	4.1%
85.00% and below	6.6%	0.7%



1 Condominium includes Townhouses and Cooperatives

2 Excludes unreported FICO scores

Note: Due to rounding, the sum of percentages may not total 100%

Arizona at December 31, 2009

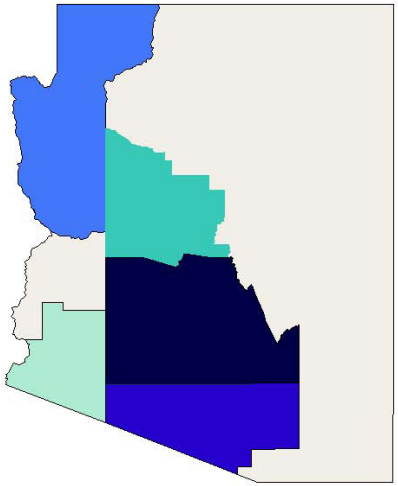
- $0.8 Billion of Total Risk in Force
- 2.7% of PMI's Primary Risk in Force
- $188,149 Average Loan Size

Loan Type	% of AZ RIF	% of Total RIF
Fixed Rate	89.3%	2.4%
ARM	10.7%	0.3%
Property Type[1]		
Single Family	84.9%	2.3%
Condominium	11.9%	0.3%
Multi-Family and other	3.2%	0.1%
Occupancy		
Primary Residence	85.2%	2.3%
Second Home	8.4%	0.2%
Non-owner occupied	6.5%	0.2%
Alt-A	22.4%	0.6%

FICO Scores[2]	% of AZ RIF	% of Total RIF
720 and above	38.1%	1.0%
680-719	26.1%	0.7%
620-679	29.9%	0.8%
575-619	3.7%	0.1%
Less than 575	1.0%	0.0%
Loan to Value		
Above 97.00%	27.3%	0.7%
95.01% to 97.00%	2.6%	0.1%
90.01% to 95.00%	24.5%	0.7%
85.01% to 90.00%	38.7%	1.0%
85.00% and below	7.0%	0.2%

MSA Distribution of Total Primary RIF

- Yuma, AZ – 0.1%
- Prescott, AZ-0.1%
- Lake Havasu City-Kingman, AZ-0.1%
- Tucson, AZ-0.4%
- Phoenix-Mesa, AZ – 2.0%



1 Condominium includes Townhouses and Cooperatives

2 Excludes unreported FICO scores

Note: Due to rounding, the sum of percentages may not total 100%

Nevada at December 31, 2009

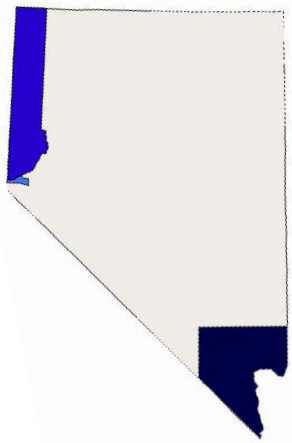
- $0.5 Billion of Total Risk in Force
- 1.6% of PMI's Primary Risk in Force
- $231,478 Average Loan Size

Loan Type	% of NV RIF	% of Total RIF
Fixed Rate	82.0%	1.3%
ARM	18.0%	0.3%
Property Type[1]		
Single Family	79.1%	1.3%
Condominium	19.1%	0.3%
Multi-Family and other	1.7%	0.0%
Occupancy		
Primary Residence	82.3%	1.3%
Second Home	12.5%	0.2%
Non-owner occupied	5.2%	0.1%
Alt-A	29.6%	0.5%

FICO Scores[2]	% of NV RIF	% of Total RIF
720 and above	40.1%	0.7%
680-719	27.0%	0.4%
620-679	29.0%	0.5%
575-619	2.8%	0.0%
Less than 575	0.5%	0.0%
Loan to Value		
Above 97.00%	18.9%	0.3%
95.01% to 97.00%	1.6%	0.0%
90.01% to 95.00%	27.6%	0.5%
85.01% to 90.00%	44.5%	0.7%
85.00% and below	7.4%	0.1%

MSA Distribution of Total Primary RIF

- Carson City, NV-0.01%
- Reno-Sparks, NV-0.2%
- Las Vegas-Paradise, NV-1.3%



1 Condominium includes Townhouses and Cooperatives

2 Excludes unreported FICO scores

Note: Due to rounding, the sum of percentages may not total 100%

Alt-A at December 31, 2009

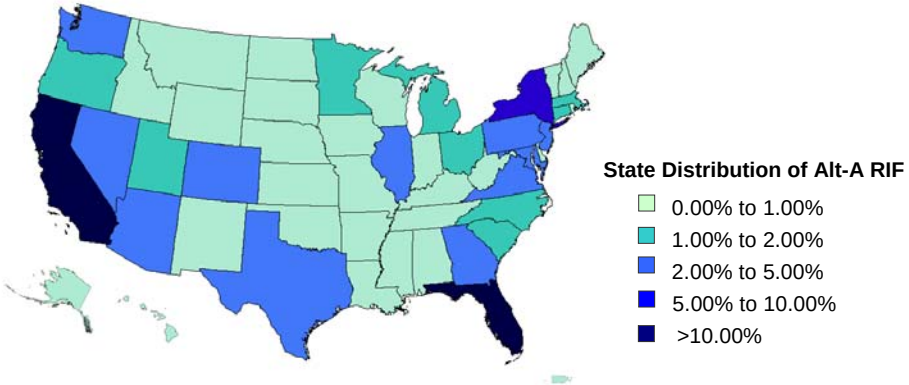
- $4.7 Billion of Total Risk in Force
- 17.0% of PMI's Primary Risk in Force
- $208,822 Average Loan Size

Loan Type	% of Alt-A RIF	% of Total RIF
Fixed Rate	76.1%	13.0%
ARM	23.9%	4.1%
Property Type[1]		
Single Family	77.7%	13.2%
Condominium	15.3%	2.6%
Multi-Family and other	7.0%	1.2%
Occupancy		
Primary Residence	80.5%	13.7%
Second Home	7.1%	1.2%
Non-owner occupied	12.4%	2.1%

Guideline Changes

- With the exception of previously issued commitments, effective June 1, 2008, PMI no longer insures Alt-A

FICO Scores[2]	% of Alt-A RIF	% of Total RIF
720 and above	37.8%	6.4%
680-719	35.2%	6.0%
620-679	27.0%	4.6%
575-619	0.0%	0.0%
Less than 575	0.0%	0.0%
Loan to Value		
Above 97.00%	12.8%	2.2%
95.01% to 97.00%	0.2%	0.0%
90.01% to 95.00%	27.0%	4.6%
85.01% to 90.00%	50.1%	8.5%
85.00% and below	10.0%	1.7%



1 Condominium includes Townhouses and Cooperatives

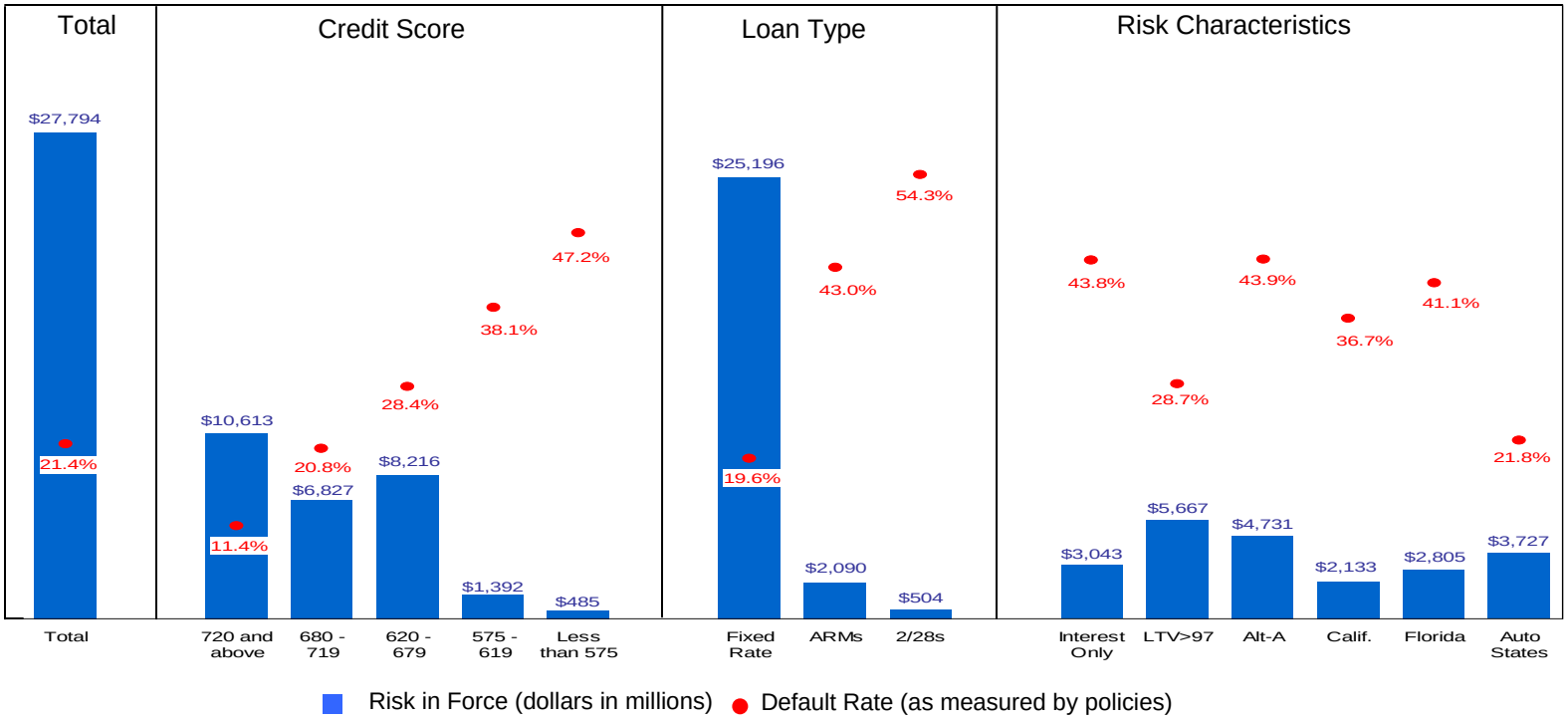
2 Excludes unreported FICO scores

Note: Due to rounding, the sum of percentages may not total 100%

Primary Portfolio Characteristics by Vintage

Risk Characteristics: Total Primary Portfolio

Total Primary Risk in Force as of December 31, 2009



Total Primary Portfolio:

- PMI's total primary book is primarily driven by the flow channel
- Loans are primarily fixed rate and owner occupied with FICO scores greater than 620
- Certain geographies and select products have exhibited heightened levels of defaults

Primary Portfolio Characteristics

Primary RIF as of December 31, 2009

All $ in Millions, except for Average Loan Size

		Credit Score[1]					Loan Type		
	Total	Less than 575	575 - 619	620 - 679	680 - 719	720 and above	Fixed Rate	ARM	2/28s
Total Portfolio	$27,793.9	$485.2	$1,392.0	$8,216.5	$6,826.7	$10,612.8	$25,196.0	$2,090.2	$504.4
Default Rate	21.4%	47.2%	38.1%	28.4%	20.8%	11.4%	19.6%	43.0%	54.3%
2009 Vintage	$1,822.8	$0.2	$0.3	$67.6	$321.0	$1,430.8	$1,817.1	$4.7	$0.0
Default Rate	0.6%	0.0%	20.0%	4.6%	1.3%	0.3%	0.6%	5.0%	0.0%
2008 Vintage	$4,182.9	$5.0	$48.8	$763.7	$1,090.4	$2,270.8	$4,131.1	$51.6	$0.0
Default Rate	11.7%	57.6%	39.1%	22.4%	13.1%	6.3%	11.6%	24.1%	0.0%
2007 Vintage	$7,787.4	$192.2	$518.8	$2,429.8	$1,989.8	$2,635.8	$7,231.6	$513.0	$42.6
Default Rate	30.9%	53.1%	44.2%	35.3%	30.2%	20.1%	29.9%	43.1%	63.2%
2006 Vintage	$4,374.0	$56.4	$189.3	$1,558.2	$1,142.6	$1,405.1	$3,513.2	$615.2	$245.5
Default Rate	31.4%	52.5%	42.2%	37.1%	31.9%	21.3%	27.1%	55.7%	65.4%
2005 Vintage	$3,447.8	$45.3	$155.6	$1,266.8	$883.1	$1,071.3	$2,734.0	$530.2	$183.3
Default Rate	23.3%	43.7%	36.6%	28.4%	23.0%	14.0%	19.5%	45.4%	42.9%
2004 Vintage and Prior	$6,179.0	$186.1	$479.2	$2,130.4	$1,399.7	$1,799.1	$5,768.9	$375.5	$33.1
Default Rate	16.4%	41.6%	32.1%	20.8%	13.0%	7.4%	15.6%	30.5%	42.3%

Specific Portfolio Characteristics

	Interest Only	LTV > 97%	Alt-A	California	Florida	Auto States	Avg Loan Size	Avg LTV[2]	Avg FICO
Total Portfolio	$3,043.1	$5,667.0	$4,730.9	$2,132.7	$2,805.1	$3,726.6	$161,173	93%	696
Default Rate	43.8%	28.7%	43.9%	36.7%	41.1%	21.8%			
2009 Vintage	$3.0	$0.0	$2.8	$59.5	$35.2	$221.6	$214,559	90%	751
Default Rate	2.6%	0.0%	18.5%	0.3%	1.7%	0.7%			
2008 Vintage	$227.1	$248.2	$213.0	$421.3	$211.7	$510.3	$204,577	91%	722
Default Rate	22.7%	23.4%	37.3%	19.9%	28.8%	11.8%			
2007 Vintage	$1,472.6	$2,688.3	$1,916.4	$752.3	$869.9	$860.5	$186,789	94%	686
Default Rate	48.3%	33.8%	49.6%	52.4%	53.8%	29.2%			
2006 Vintage	$799.4	$1,150.2	$1,404.3	$374.3	$683.7	$569.8	$172,671	93%	692
Default Rate	47.5%	28.7%	50.1%	62.7%	58.5%	28.9%			
2005 Vintage	$462.8	$657.2	$731.3	$291.4	$504.7	$514.7	$156,160	92%	693
Default Rate	37.4%	24.3%	40.0%	43.1%	43.1%	22.6%			
2004 Vintage and Prior	$78.2	$923.1	$463.2	$233.8	$499.9	$1,049.6	$110,488	93%	685
Default Rate	32.3%	21.5%	24.7%	14.7%	20.9%	20.2%			

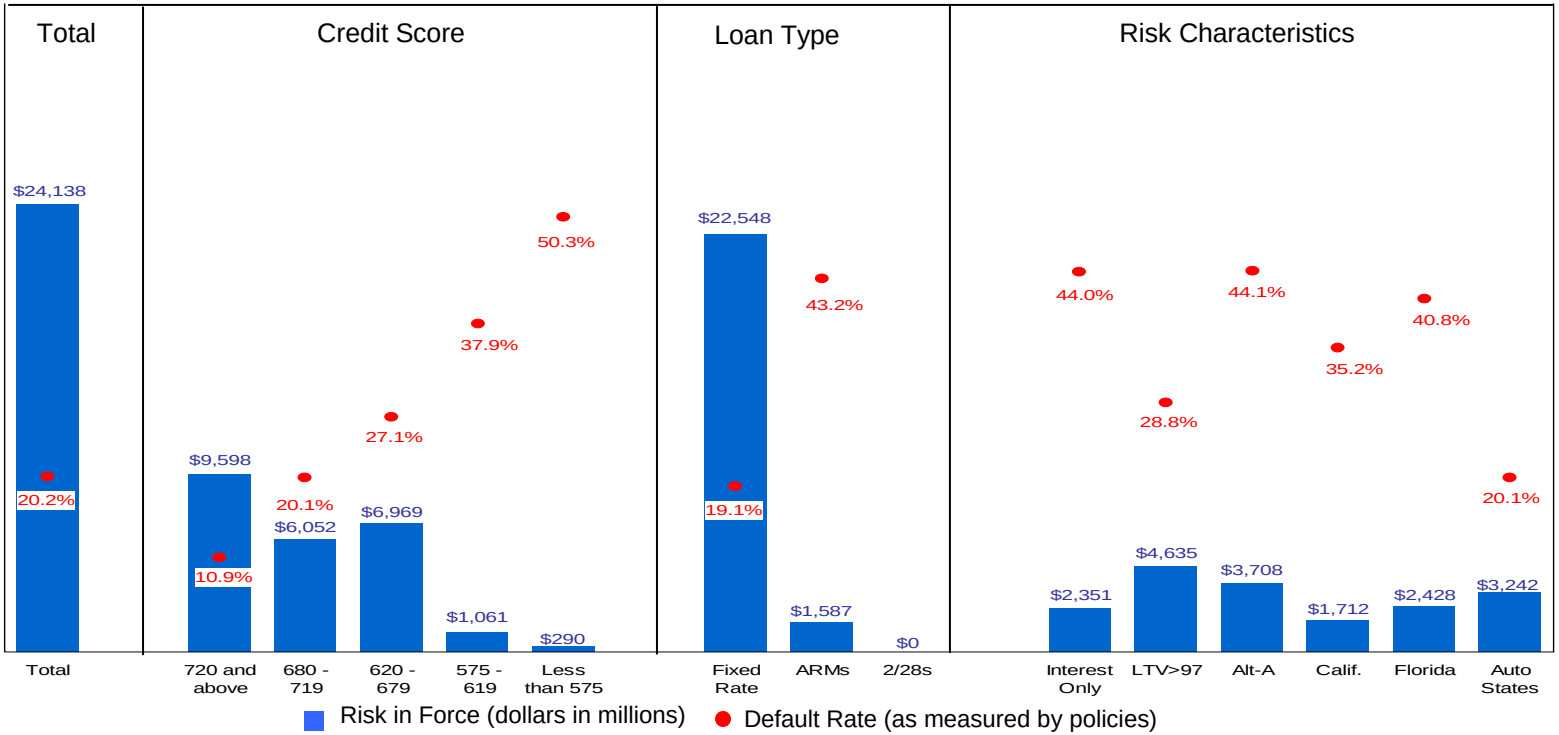
[1] Excludes unreported FICO scores

[2] At origination

Note: Categories are not mutually exclusive except for Credit Score and Loan Type. Vintage refers to the year that the insurance was issued.

Risk Characteristics: Flow

Flow Risk in Force as of December 31, 2009



Primary Flow Portfolio:

- PMI's primary flow book represents 87% of primary insurance and is primarily owner occupied, fixed rate loans with FICO scores greater than 620
- Approximately 93% of flow risk in force is within conforming loan limits
- Approximately 54% of flow risk in force is in captive reinsurance agreements

Flow Portfolio Characteristics

Flow RIF as of December 31, 2009

All $ in Millions, except for Average Loan Size

		Credit Score[1]					Loan Type		
	Total	Less than 575	575 - 619	620 - 679	680 - 719	720 and above	Fixed Rate	ARM	2/28s
Total Portfolio	$24,138.2	$290.2	$1,061.4	$6,969.4	$6,051.5	$9,597.5	$22,548.0	$1,586.8	n/a
Default Rate	20.2%	50.3%	37.9%	27.1%	20.1%	10.9%	19.1%	43.2%	n/a
2009 Vintage	$1,822.7	$0.2	$0.3	$67.6	$321.0	$1,430.7	$1,817.0	$4.7	n/a
Default Rate	0.6%	0.0%	20.0%	4.6%	1.3%	0.3%	0.6%	5.0%	n/a
2008 Vintage	$4,125.3	$4.1	$46.1	$747.2	$1,075.3	$2,248.4	$4,079.1	$46.1	n/a
Default Rate	11.6%	52.8%	38.2%	22.2%	13.1%	6.3%	11.5%	24.7%	n/a
2007 Vintage	$6,476.1	$135.4	$417.8	$2,091.3	$1,693.1	$2,117.5	$6,159.5	$316.4	n/a
Default Rate	32.0%	61.8%	47.1%	35.9%	31.6%	21.5%	31.4%	52.6%	n/a
2006 Vintage	$3,274.5	$24.0	$130.0	$1,100.4	$886.5	$1,111.3	$2,783.9	$490.5	n/a
Default Rate	28.8%	54.3%	40.3%	33.2%	29.9%	20.4%	25.8%	57.2%	n/a
2005 Vintage	$2,931.3	$20.6	$109.9	$1,026.1	$765.8	$983.2	$2,514.4	$416.6	n/a
Default Rate	21.9%	48.5%	34.5%	26.6%	22.2%	14.0%	19.3%	44.9%	n/a
2004 Vintage and Prior	$5,508.2	$105.9	$357.3	$1,936.9	$1,309.8	$1,706.3	$5,194.2	$312.5	n/a
Default Rate	15.7%	39.6%	30.4%	20.3%	12.8%	7.4%	15.1%	27.0%	n/a

Specific Portfolio Characteristics

	Interest Only	LTV > 97%	Alt-A	California	Florida	Auto States	Avg Loan Size	Avg LTV[2]	Avg FICO
Total Portfolio	$2,351.0	$4,635.1	$3,708.2	$1,711.7	$2,428.5	$3,241.7	$161,875	93%	700
Default Rate	44.0%	28.8%	44.1%	35.2%	40.8%	20.1%			
2009 Vintage	$3.0	$0.0	$2.8	$59.5	$35.2	$221.6	$214,562	90%	751
Default Rate	2.6%	0.0%	18.5%	0.3%	1.7%	0.7%			
2008 Vintage	$226.0	$228.0	$211.2	$420.0	$209.9	$505.3	$204,721	91%	722
Default Rate	22.7%	23.2%	37.7%	19.9%	28.6%	11.6%			
2007 Vintage	$1,267.8	$2,263.3	$1,665.2	$644.0	$722.0	$717.3	$188,342	94%	688
Default Rate	49.4%	35.1%	50.0%	55.1%	57.7%	28.9%			
2006 Vintage	$496.7	$868.5	$900.7	$216.6	$547.7	$410.4	$172,227	93%	695
Default Rate	47.4%	27.9%	51.8%	60.8%	57.0%	25.3%			
2005 Vintage	$288.5	$585.4	$540.7	$172.0	$466.2	$426.1	$153,788	93%	696
Default Rate	37.4%	23.3%	40.5%	44.8%	42.7%	21.3%			
2004 Vintage and Prior	$68.9	$689.9	$387.6	$199.6	$447.4	$960.9	$111,358	93%	690
Default Rate	31.1%	19.7%	24.4%	13.9%	20.5%	19.1%			

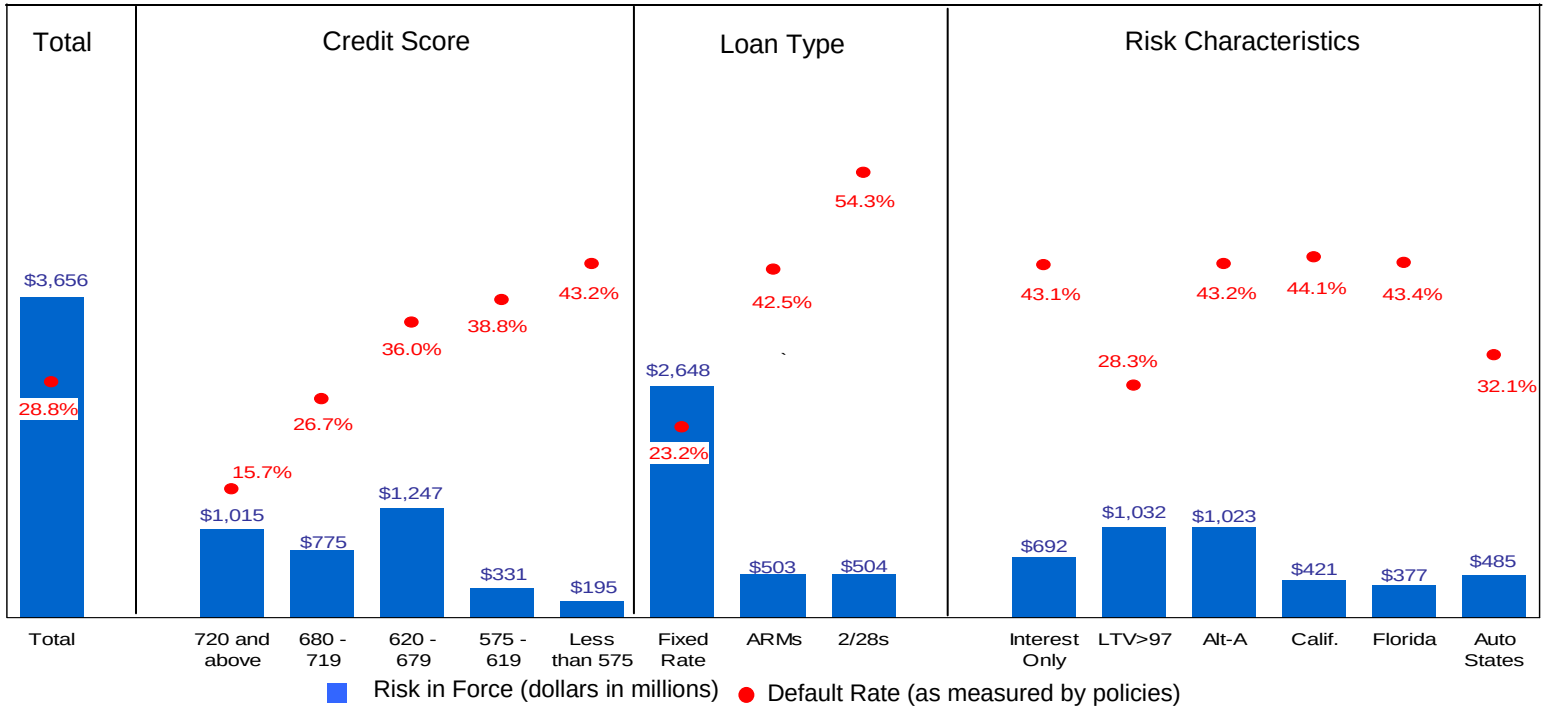
[1] Excludes unreported FICO scores

[2] At origination

Note: Categories are not mutually exclusive except for Credit Score and Loan Type. Vintage refers to the year that the insurance was issued.

Risk Characteristics: Structured Transactions

Structured Transactions Risk in Force as of December 31, 2009



Primary Structured Portfolio:

- PMI's primary structured book represents approximately 13% of total primary insurance
- Highest defaults are reported in the 2/28 hybrid ARMs product, in which:
  - All of the 2/28 hybrid ARM risk in force has passed the interest rate reset date
  - Monthly reporting of notices of default began to decline in August 2007

Structured Portfolio Characteristics

Structured RIF as of December 31, 2009

All $ in Millions, except for Average Loan Size

		Credit Score[1]					Loan Type		
	Total	Less than 575	575 - 619	620 - 679	680 - 719	720 and above	Fixed Rate	ARM	2/28s
Total Portfolio	$3,655.7	$195.0	$330.6	$1,247.1	$775.2	$1,015.3	$2,647.9	$503.4	$504.4
Default Rate	28.8%	43.2%	38.8%	36.0%	26.7%	15.7%	23.2%	42.5%	54.3%
2009 Vintage	$0.1	$0.0	$0.0	$0.1	$0.0	$0.0	$0.1	$0.0	$0.0
Default Rate	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	n/a
2008 Vintage	$57.5	$0.9	$2.7	$16.4	$15.2	$22.3	$52.0	$5.5	$0.0
Default Rate	17.2%	71.1%	48.7%	26.5%	12.8%	5.0%	17.1%	19.8%	n/a
2007 Vintage	$1,311.3	$56.8	$101.0	$338.5	$296.7	$518.3	$1,072.2	$196.5	$42.6
Default Rate	26.4%	40.4%	37.0%	32.4%	23.3%	14.1%	22.7%	37.4%	63.2%
2006 Vintage	$1,099.4	$32.4	$59.3	$457.9	$256.1	$293.8	$729.3	$124.7	$245.5
Default Rate	40.2%	51.0%	46.6%	47.9%	39.5%	25.3%	32.2%	51.5%	65.4%
2005 Vintage	$516.5	$24.7	$45.7	$240.7	$117.3	$88.1	$219.6	$113.6	$183.3
Default Rate	32.4%	39.0%	42.7%	38.4%	30.1%	14.7%	21.8%	47.3%	42.9%
2004 Vintage and Prior	$670.8	$80.2	$121.9	$193.5	$89.9	$92.8	$574.7	$63.0	$33.1
Default Rate	21.6%	44.0%	36.7%	24.9%	14.5%	7.1%	18.7%	44.6%	42.3%

Specific Portfolio Characteristics

	Interest Only	LTV > 97%	Alt-A	California	Florida	Auto States	Avg Loan Size	Avg LTV[2]	Avg FICO
Total Portfolio	$692.1	$1,031.9	$1,022.7	$421.0	$376.6	$484.9	$156,883	92%	669
Default Rate	43.1%	28.3%	43.2%	44.1%	43.4%	32.1%			
2009 Vintage	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$187,090	88%	722
Default Rate	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%			
2008 Vintage	$1.1	$20.2	$1.7	$1.3	$1.8	$5.0	$198,071	93%	697
Default Rate	16.7%	25.2%	7.5%	24.1%	42.4%	27.1%			
2007 Vintage	$204.7	$425.0	$251.2	$108.3	$147.8	$143.2	$180,651	94%	677
Default Rate	41.2%	28.2%	47.1%	38.9%	39.2%	30.3%			
2006 Vintage	$302.7	$281.8	$503.6	$157.7	$136.0	$159.3	$174,125	91%	680
Default Rate	47.9%	32.1%	47.6%	65.9%	64.4%	38.0%			
2005 Vintage	$174.3	$71.9	$190.6	$119.4	$38.5	$88.6	$171,814	89%	668
Default Rate	37.6%	34.5%	38.0%	39.6%	48.6%	28.5%			
2004 Vintage and Prior	$9.3	$233.2	$75.6	$34.2	$52.5	$88.7	$104,576	91%	646
Default Rate	39.7%	25.4%	26.0%	20.1%	23.5%	30.0%			

[1] Excludes unreported FICO scores

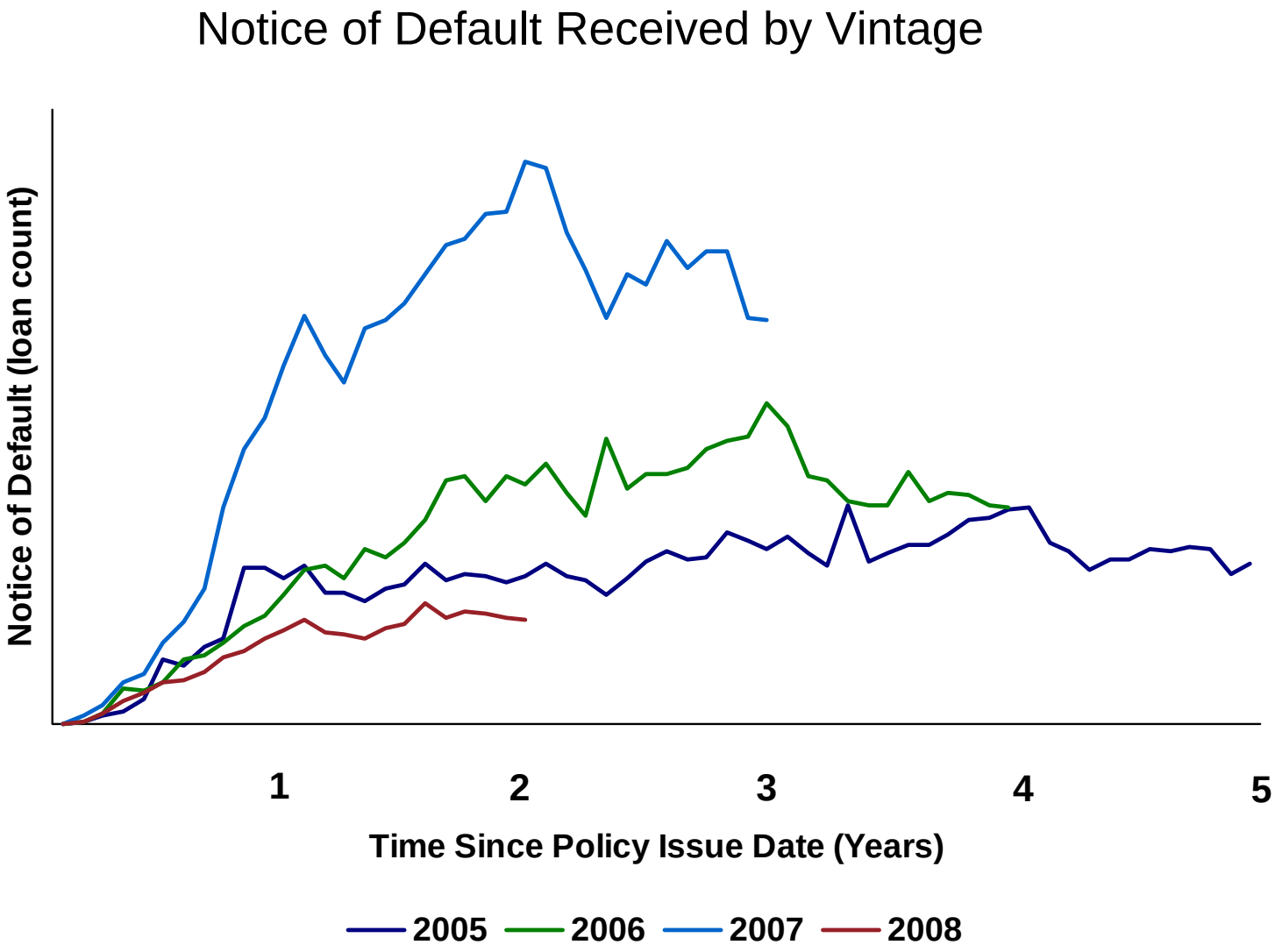
[2] At origination

Note: All of the 2/28 Hybrid ARMs that PMI has insured are past their rate reset date and monthly reported notices of default for this product peaked in late 2007

Categories are not mutually exclusive except for Credit Score and Loan Type. Vintage refers to the year that the insurance was issued.

Primary Portfolio
Vintage Development

Primary Portfolio Vintage Development



Note: Vintage refers to the origination year.

Modified Pool Characteristics by Vintage

Modified Pool Portfolio Characteristics

Modified Pool as of December 31, 2009

Modified Pool:

- Data shown in this exhibit is an aggregation of unique pools by book years
- Remaining risk in force[2] for modified pool is $773 million at December 31, 2009

Modified Pool with Deductibles

All $ in Millions

	2004 and Prior	2005	2006	2007	2008 / 2009
Insurance in Force	$4,877	$4,105	$8,023	$4,647	n/a
Stop Loss Amount	$287	$265	$418	$181	n/a
Losses Applicable to Deductible	$69	$59	$45	$10	n/a
Deductible Balance	$105	$111	$234	$88	n/a
PMI's Claims Paid to Date	$0	$0	$0	$0	n/a
Reserves for Losses[1]	$6	$30	$67	$27	n/a
Remaining Risk In Force[2]	$103	$64	$72	$56	n/a

Modified Pool without Deductibles

All $ in Millions

	2004 and Prior	2005	2006	2007	2008 / 2009
Insurance in Force	$2,139	$1,183	$3,853	n/a	n/a
Stop Loss Amount	$483	$49	$305	n/a	n/a
PMI's Claims Paid to Date	$48	$26	$46	n/a	n/a
Reserves for Losses[1]	$44	$15	$37	n/a	n/a
Remaining Risk In Force[2]	$247	$9	$223	n/a	n/a

[1] Established loss reserves for non-performing (i.e. delinquent) modified pool loans, which represents PMI's estimate of losses for those loans at December 31, 2009.

[2] Remaining risk in force excludes non-performing risk exposures, for which loss reserves have been established.

Modified Pool Portfolio Characteristics

Modified Pool IIF as of December 31, 2009

All $ in Millions, except for Average Loan Size

Deductible	Total	Credit Score[1]					Loan Type[2]		
		Less than 575	575 - 619	620 - 679	680 - 719	720 and above	Fixed Rate	ARM	2/28s
Total Portfolio	$21,653	$304	$732	$7,169	$6,430	$7,013	$20,047	$1,593	$2
2007 Vintage	$4,647	$122	$287	$1,655	$1,499	$1,084	$4,213	$434	$0
2006 Vintage	$8,023	$58	$106	$3,170	$2,658	$2,031	$7,885	$136	$1
2005 Vintage	$4,105	$5	$50	$1,277	$1,264	$1,507	$3,215	$888	$0
2004 Vintage and Prior	$4,877	$119	$289	$1,067	$1,009	$2,390	$4,733	$135	$0

Specific Portfolio Characteristics

	Interest Only	LTV > 97%	Alt-A	California	Florida	Auto States	Avg Loan Size	Avg LTV[3]	Avg FICO
Total Portfolio	$5,741	$747	$13,343	$3,591	$2,314	$2,314	$167,240	78	696
2007 Vintage	$1,630	$656	$2,687	$779	$460	$475	$196,636	83	681
2006 Vintage	$2,918	$37	$5,721	$1,399	$968	$771	$191,736	79	690
2005 Vintage	$547	$32	$2,763	$669	$566	$415	$161,696	79	702
2004 Vintage and Prior	$647	$22	$2,172	$744	$320	$653	$126,334	73	706

Non Deductible	Total	Credit Score[1]					Loan Type[2]		
		Less than 575	575 - 619	620 - 679	680 - 719	720 and above	Fixed Rate	ARM	2/28s
Total Portfolio	$7,175	$331	$753	$2,687	$1,686	$1,533	$4,483	$2,643	$0
2006 Vintage	$3,853	$321	$712	$1,718	$750	$352	$1,412	$2,441	$0
2005 Vintage	$1,183	$0	$5	$247	$352	$565	$1,163	$19	$0
2004 Vintage and Prior	$2,139	$10	$36	$722	$584	$616	$1,908	$182	$0

Specific Portfolio Characteristics

	Interest Only	LTV > 97%	Alt-A	California	Florida	Auto States	Avg Loan Size	Avg LTV[3]	Avg FICO
Total Portfolio	$769	$1,491	$2,574	$1,143	$633	$834	$147,551	86	672
2006 Vintage	$123	$1,427	$166	$431	$380	$643	$153,153	94	648
2005 Vintage	$505	$1	$834	$265	$90	$53	$193,329	75	718
2004 Vintage and Prior	$141	$64	$1,574	$448	$163	$138	$123,289	78	693

[1] Excludes unreported FICO scores [2] Excludes Balloon, Buy Down, and Other [3] At origination

Note: PMI did not insure any modified pool contracts with deductible in 2008 or 2009 and did not insure any modified pool contracts without deductible in 2007, 2008 or 2009
Categories are not mutually exclusive except for Credit Score and Loan Type. Vintage refers to the year that the insurance was issued.

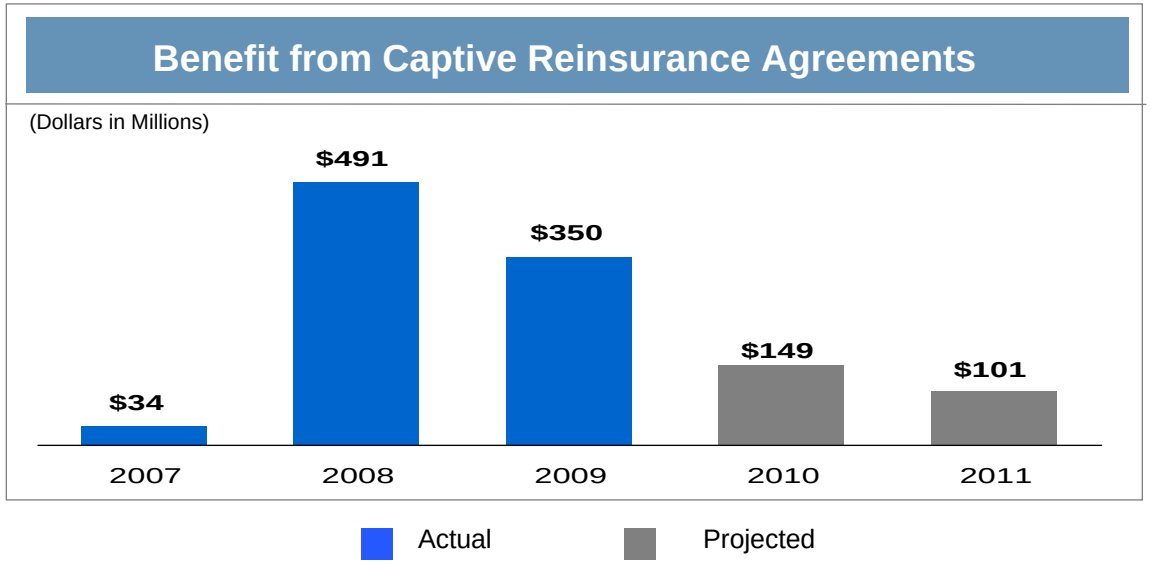
Captive Reinsurance

PMI's Captive Reinsurance Agreements

- Captive reinsurers are wholly-owned, bankruptcy remote subsidiaries of originators that provide mezzanine level reinsurance for loans for which PMI has provided primary mortgage insurance coverage.
- PMI is the named beneficiary on captive trust balances totaling approximately $941 million as of December 31, 2009.
- At December 31, 2009, approximately 54.0% of flow risk in force was covered by captive reinsurance agreements, including:

Flow Risk in Force Covered by Captives	
~ 54% of prime	~ 50% of Alt-A
~ 60% of less-than-A quality	~ 55% of LTVs >97%*

- Based on current expectations of defaults, PMI forecasts the following approximate reductions to total incurred losses as a result of captive reinsurance agreements in 2010 and 2011:



* Captive coverage for LTVs greater than 97% may overlap with other listed categories

PMI's Captive Reinsurance Agreements

PMI Mortgage Insurance Co.

Captive Reinsurance Agreements Analysis

(Dollars in Millions)

			December 31, 2009				June 30, 2009				December 31, 2008			
Book Year	Original RIF	Progression to Attachment Point	Current RIF	Ever to Date Incurred Losses	Cumulative Incurred Loss Captive Benefit	Cumulative Paid Loss Captive Benefit	Current RIF	Ever to Date Incurred Losses	Cumulative Incurred Loss Captive Benefit	Cumulative Paid Loss Captive Benefit	Current RIF	Ever to Date Incurred Losses	Cumulative Incurred Loss Captive Benefit	Cumulative Paid Loss Captive Benefit
2004 & Prior Total														
	$12,302	0 - 50%	$802	$184.9			$1,055	$190.1			$1,307	$187.3		
	6,020	50 - 75%	640	161.1			809	154.4			1,102	171.1		
	2,608	75 - 99%	534	82.4			624	88.5			1,043	141.3		
	6,119	Attached	1,154	259.0			959	185.8			394	79.9		
	$27,048		**$3,129**	**$687.4**	**$44.1**	**$2.8**	**$3,446**	**$618.8**	**$19.7**	**$1.7**	**$3,845**	**$579.7**	**$10.9**	**$1.2**
2005 Total														
	$55	0 - 50%	$32	$1.0			$34	$0.8			$37	$0.7		
	0	50 - 75%	0	0.0			4	0.3			234	12.6		
	50	75 - 99%	22	2.4			34	2.6			16	1.3		
	4,464	Attached	2,037	456.8			2,175	371.9			2,126	295.0		
	$4,570		**$2,091**	**$460.1**	**$212.4**	**$74.6**	**$2,248**	**$375.6**	**$173.5**	**$36.6**	**$2,413**	**$309.7**	**$128.6**	**$6.6**
2006 Total														
	$31	0 - 50%	$19	$0.8			$25	$0.5			$41	$0.9		
	7	50 - 75%	4	0.2			16	0.8			5	0.2		
	20	75 - 99%	11	0.9			0	0.0			0	0.0		
	3,279	Attached	2,052	488.6			2,203	396.1			2,375	326.5		
	$3,336		**$2,087**	**$490.5**	**$235.3**	**$56.7**	**$2,244**	**$397.4**	**$196.4**	**$14.1**	**$2,421**	**$327.5**	**$158.0**	**$2.4**
2007 Total														
	$34	0 - 50%	$24	$0.5			$28	$0.4			$32	$0.3		
	0	50 - 75%	0	0.0			0	0.0			45	1.5		
	10	75 - 99%	8	0.5			8	0.4			224	10.1		
	4,866	Attached	3,911	667.8			4,188	511.9			4,256	397.8		
	$4,910		**$3,943**	**$668.8**	**$318.2**	**$0.0**	**$4,224**	**$512.7**	**$253.1**	**$0.0**	**$4,557**	**$409.7**	**$187.4**	**$0.0**
2008 Total														
	$300	0 - 50%	$245	$4.7			$652	$8.9			$952	$10.5		
	432	50 - 75%	366	13.1			355	13.2			260	6.6		
	9	75 - 99%	8	0.4			148	6.3			195	6.8		
	1,002	Attached	874	66.8			437	26.8			158	10.4		
	$1,744		**$1,493**	**$85.0**	**$23.8**	**$0.0**	**$1,593**	**$55.2**	**$10.5**	**$0.0**	**$1,566**	**$34.3**	**$5.2**	**$0.0**
Cumulative Captive Benefit (MM)					$833.8	$134.2			$653.3	$52.5			$490.2	$10.1
Total Captive Trust Balances (MM)					$940.7				$898.0				$860.1	

Note: For the combined captive trust arrangements, the weighted average entry point is 4.08% and the weighted average exit point is 11.80%.
Original RIF has been recalculated for the impact of rescissions.
The cumulative captive benefit on this page is for excess-of-loss (XOL) captive reinsurance agreements only.

Note: Due to rounding, the totals may not equal the sum of each category

Forward-Looking Statement

Cautionary Statement: Statements in this supplement that are not historical facts, or that relate to future plans, events or performance are "forward-looking" statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements include our expectations with respect to reductions to incurred losses provided by captive reinsurance arrangements. Readers are cautioned that forward-looking statements by their nature involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. Many factors could cause actual results and developments to differ materially from those expressed or implied by forward-looking statements. Such factors include, among others:

- Potential significant future losses as a result of changes in economic and market conditions, such as decreases in housing demand, mortgage originations or housing values; a further reduction in the liquidity in the capital markets or further contraction of credit markets; further increases in unemployment rates; changes in interest rates or consumer confidence; and/or changes in credit spreads;
- the potential that our actual losses may substantially exceed our current loss reserve estimates or that our underwriting policies may not anticipate all risks and/or the magnitude of potential loss;
- our expectation that, as a result of continued losses, we will need to raise significant additional capital and/or achieve significant statutory capital relief in 2009;
- the risk that we may be required to cease writing new business in some or all states due to our financial condition and/or our inability to maintain minimum regulatory risk-to-capital and policyholders surplus requirements ;
  - Some states require a mortgage insurer to immediately cease writing new business if it fails to meet applicable capital adequacy requirements. In other states, including Arizona as of November 24, 2009, PMI's state of domicile, the applicable regulator has discretion as to whether the mortgage insurer may continue to write new business. The Arizona Department of Insurance is conducting a limited scope examination of PMI to determine, among other things, whether to exercise discretion and permit PMI to continue writing new business in the event that PMI fails to maintain Arizona's minimum policyholders position. If we fail to meet the minimum policyholders position required by Arizona law and the Arizona Department of Insurance does not exercise discretion to permit PMI to continue to write new business, we would be required to suspend writing new business in all states. Even if an insurance regulator were to exercise discretion in one state, we may be unable to write new business in other states.
  - We are in discussions with one state regarding its interpretation of that state's financially hazardous condition regulation generally applicable to licensed insurance companies and that state's interpretive position that PMI is in violation of that regulation. If we are unsuccessful in those discussions, we may be required to cease writing business in that state. Although no other state has taken a similar interpretative position to date, there can be no assurance that other states, most of which have similar regulations, will not take similar interpretative positions.
  - Under the terms of our runoff support agreement with Allstate Insurance Company, PMI is subject to restrictions that apply if its risk-to-capital ratio exceeds 23:1. Any failure to meet the capital requirements set forth in the runoff support agreement could, if pursued by Allstate, have a material adverse impact on our financial condition.

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- In the event that we are unable to write new mortgage insurance in a limited number of states for the reasons discussed above, we working on a plan to enable us to write new mortgage insurance in those states out of an existing subsidiary. There can be no assurance that we will be able to effectuate this plan.
- the limitation we have placed on new business;
- the potential litigation risk associated with our increased rescission activity and, in the event that we are unsuccessful in defending our rescission decisions, the need to establish loss reserves for, and reassume risk on, delinquent rescinded loans;
- the risk that loan modification and other similar programs may not provide material benefits to us;
- the aging of our mortgage insurance portfolio and changes in severity or frequency of losses associated with our mortgage insurance policies;
- the performance of our insured portfolio of higher risk loans, such as Alternative-A ("Alt-A") and less than-A loans, and adjustable rate and interest-only loans, which have resulted in increased losses in 2007 and 2008 and are expected to result in further losses;
- the risk that Fannie Mae and/or Freddie Mac (collectively, the "GSEs") determine that we are no longer an eligible provider of mortgage insurance;
- changes in persistency rates of our mortgage insurance policies caused by, among other things, changes in refinancing activity and home values;
- the risk that we are not able to timely satisfy certain obligations under our credit facility and an event of default occurs;
- the risk that the value of the contingent note we received in connection with the sale of PMI Australia is reduced and, therefore, reduces or eliminates the commitments of the lenders under our credit facility and requires us to repay amounts borrowed under the credit facility;
- further downgrades or other ratings actions with respect to our credit ratings or insurer financial strength ratings assigned by the major rating agencies;
- heightened competition from the Federal Housing Administration and the Veterans' Administration or other private mortgage insurers;
- potential changes in the charters or business practices of the GSEs, the largest purchasers of mortgages;
- the potential future impairment of the value of certain securities held in our investment portfolios as a result of the significant volatility in the capital markets;

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- volatility in our earnings caused by changes in the fair value of our derivative contracts and our need to reevaluate the premium deficiencies in our mortgage insurance business on a quarterly basis; and
- heightened regulatory and litigation risks faced by the financial services industry, the mortgage insurance industry and PMI;
- Potential additional losses in our European operations as a result of deteriorating economic conditions and the potential that we must make additional capital contributions to those operations, and/or CMG Mortgage Insurance Company, pursuant to capital support agreements.

Other risks and uncertainties are discussed in our SEC filings, including in Item 1A of our Quarterly Report on Form 10-Q for the quarter ended September 30, 2009, and our Annual Report on Form 10-K for the year ended December 31, 2008. We undertake no obligation to update forward-looking statements.

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