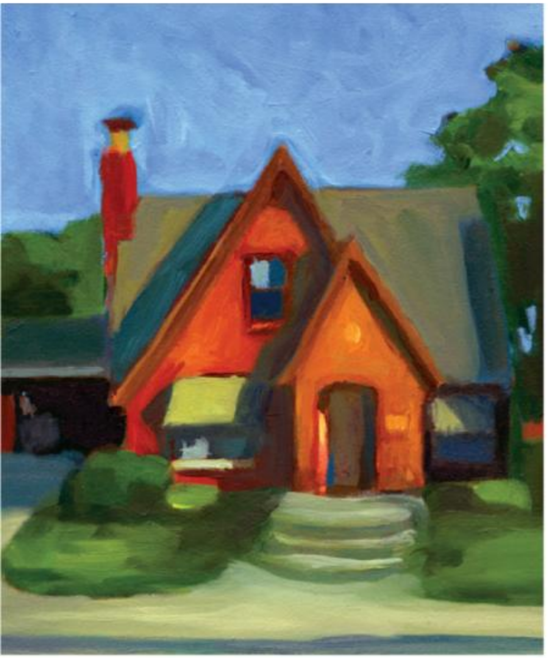
MGIC

Goldman Sachs
US Financial Services Conference

December 11, 2013



MGIC Investment Corporation (NYSE: MTG)

Forward Looking Statements and Risk Factors

As used below, “we,” “our” and “us” refer to MGIC Investment Corporation’s consolidated operations or to MGIC Investment Corporation, as the context requires; “MGIC” refers to our consolidated insurance operations.

This presentation contains forward looking statements. Our actual results could be affected by the risk factors summarized at the end of this presentation. These risk factors should be reviewed in connection with this presentation and our periodic reports to the Securities and Exchange Commission. These risk factors may also cause actual results to differ materially from the results contemplated by forward looking statements that we may make.

Forward looking statements consist of statements which relate to matters other than historical fact, including matters that inherently refer to future events. Among others, statements that include words such as “believe,” “anticipate,” “will” or “expect,” or words of similar import, are forward looking statements.

We are not undertaking any obligation to update any forward looking statements or other statements we may make even though these statements may be affected by events or circumstances occurring after the forward looking statements or other statements were made. No investor should rely on the fact that such statements are current at any time other than the time at which this presentation was presented.

MGIC Investment Corporation Overview

- Who we are
  - The nation's oldest private mortgage insurer, with insurance in force of $159.2 billion
  - In 1957 Max Karl founded the modern MI industry and MGIC in Milwaukee, WI.
  - 840+ employees, including an experienced sales and underwriting team covering the U.S. and other locations

- What we do
  - Take first loss credit position on low down payment residential mortgages
  - Reduce cost for borrowers and promote risk-sharing compared to FHA
  - Enable ***private*** investment in low-down-payment mortgages
  - Provide ***long term*** credit enhancement options to investors in mortgages

- What we are focused on
  - Maximize the amount of new business written while maintaining rational underwriting guidelines and pricing for appropriate returns for the credit risk undertaken
  - Mitigate losses in a professional and responsible manner
  - Maintain or improve industry leading cost advantage

MGIC Investment Corporation Overview

- ✓ Improved financial position
- ✓ Improved performance of existing book
- ✓ New business written since 2009 is expected to generate low loss ratios
- ✓ Established market player positioned to take advantage of current environment
- ✓ Significant growth opportunities

MGIC Investment Corporation
3rd Quarter 2013 Update

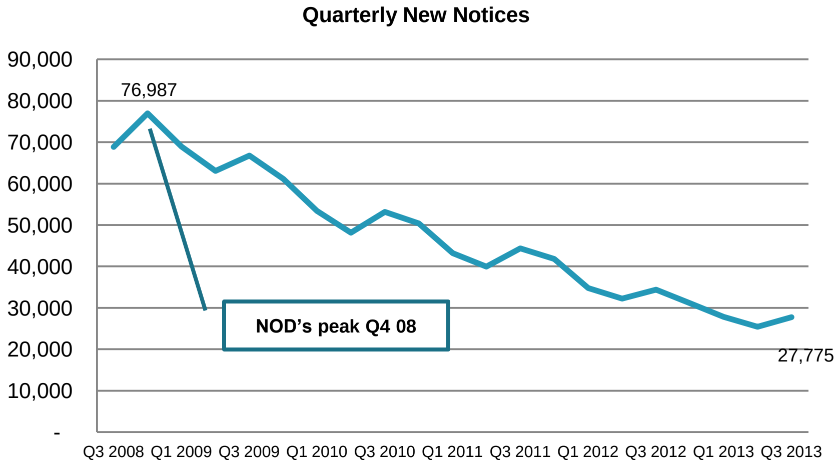
MGIC

		3 Months Ending			% Change
		Sep-12		Sep-13	Y-o-Y
(All Amounts Shown in Millions Except Where Indicated)					
NIW (billions)	$	7.0	$	8.6	22.9%
Net Premium Written	$	264	$	234	-11.1%
Total Revenues	$	306	$	254	-16.9%
Realized Gains	$	6	$	0	-96.9%
Total Revenues excluding Realized Gains	$	300	$	254	-15.3%
Incurred Losses	$	490	$	180	-63.2%
Net Income (Loss)	$	(247)	$	12	
Paid Losses	$	587	$	414	-29.5%
Default Inventory (# of Units)		148,885		111,587	-25.1%
Investments (incl. Cash and Cash Equivalents)	$	5,258	$	5,539	5.3%
Loss Reserves (1)	$	4,057	$	3,353	-17.3%
Operating Ratios					
Loss Ratio (%)		184.0		77.7	
Expense Ratio (%)		13.6		18.1	
Statutory Risk to Capital - MGIC		31.5:1		20.0:1	

1) Loss reserves include the premium deficiency reserve.

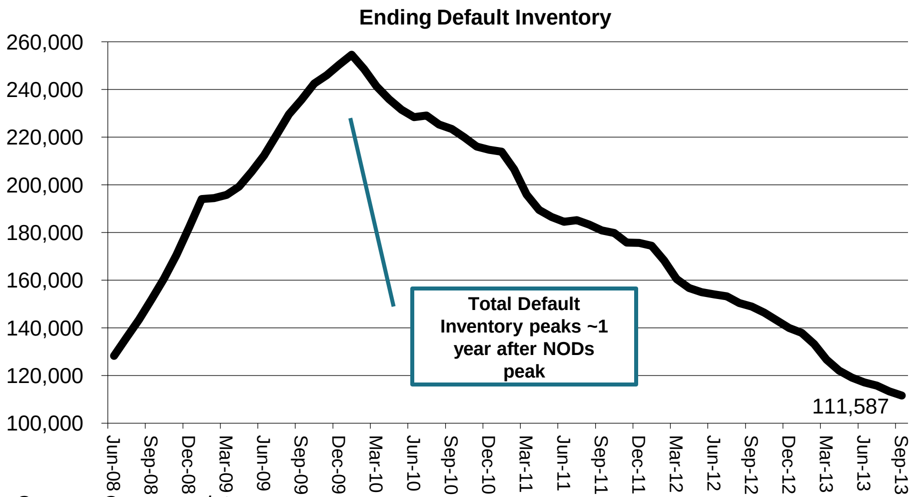
- NIW up 23% year over year
  - MI Share increasing vs. FHA
  - 17% market share within industry
  - Most NIW in ~5 years
- Incurred losses down 63% year over year and down 8% from Q2 13
- Default inventory down 25% year over year and 5% in the quarter
- $5.5 billion cash and investments (including $594 million at holding company)
- MGIC's 9/30/13 risk to capital ratio was 20.0:1
  - Expect MGIC to continue to comply with current state regulatory capital requirements
  - Expect to be able to comply with upcoming GSE capital standards

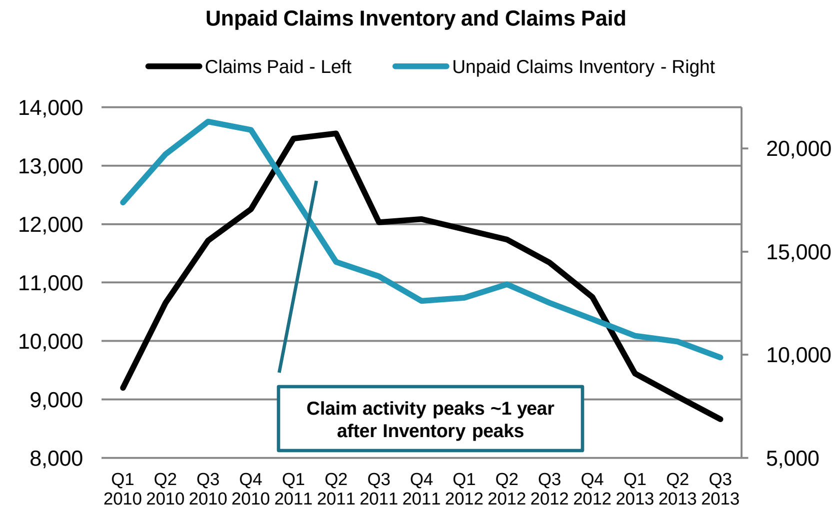
Improved Credit Performance



Selected Commentary

- Approximately 82% of Q3 new notices are prior delinquencies
- Cure rate improving on new notices
- November primary delinquent inventory down 6% from 9/30/13





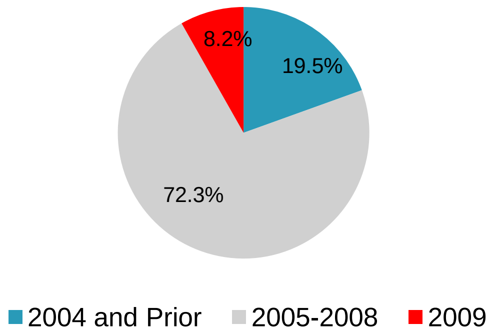
Source: Company data

2005 – 2008 Vintages are Shrinking as a Percentage of Total Book

Risk in Force as of 12/31/2009

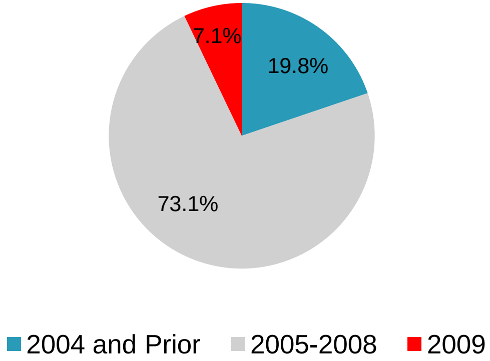
Flow

Total RIF: $46.6 billion



Total

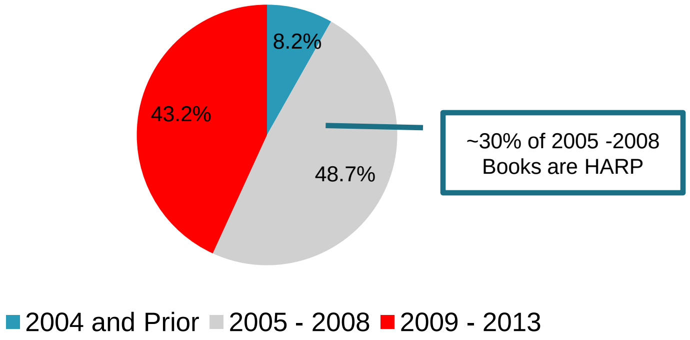
Total RIF: $54.3 billion



Risk in Force as of 9/30/2013

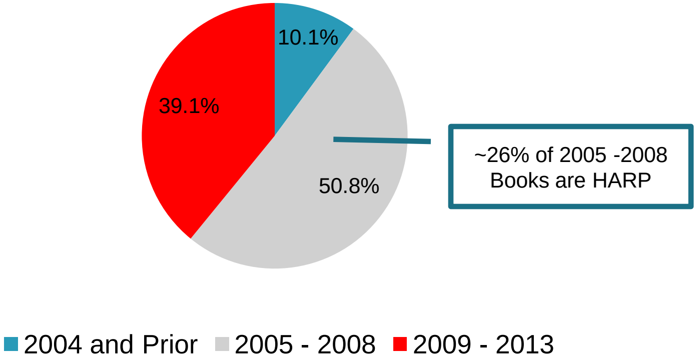
Flow

Total RIF: $36.0 billion



Total

Total RIF: $41.1 billion



Source: Company data

2009 – 2013 Vintages are Extremely High Quality

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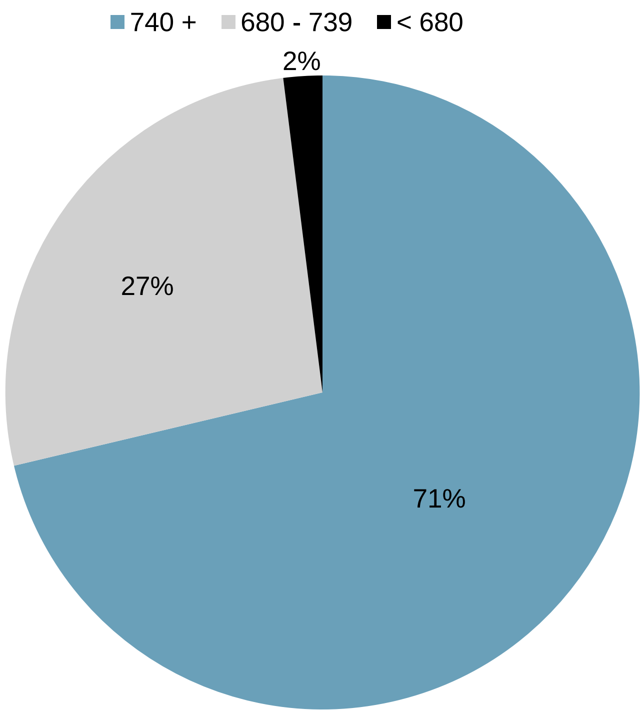
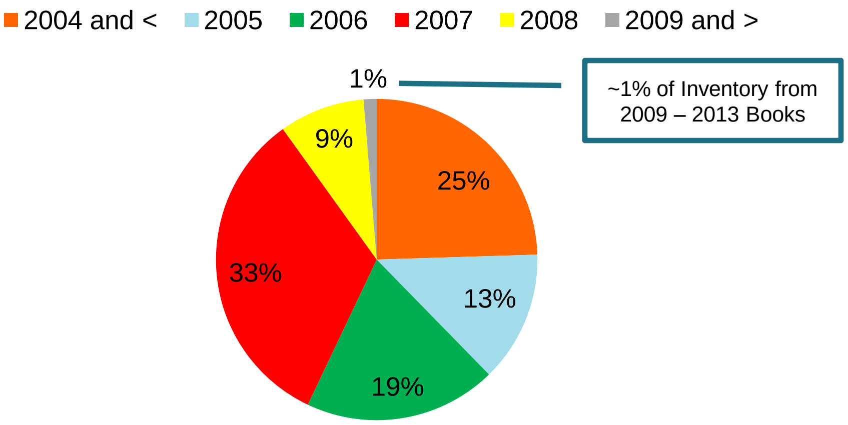
NIW by FICO Score



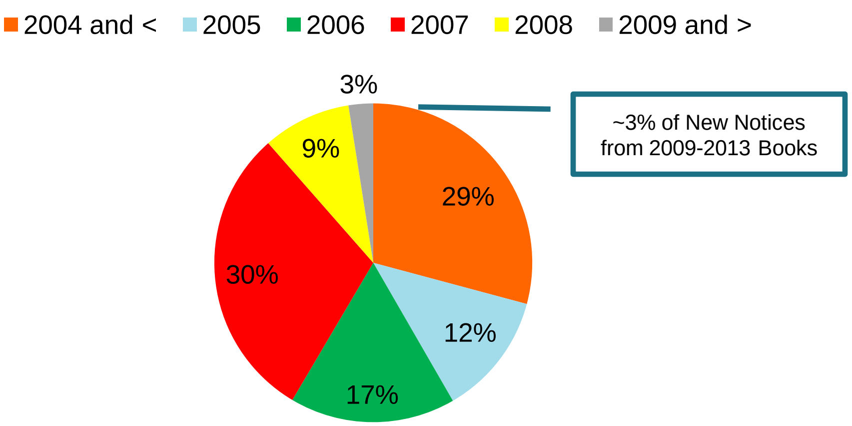
Total 2009 – Q3 2013 NIW: $93.7bn

Performance Statistics

Q3 13 Primary Default Inventory



New Primary Notices in Q3 13



Source: Company data

Profitability of 2009 – 2012 Books (1)

Ever-to-Date as of 6/30/13

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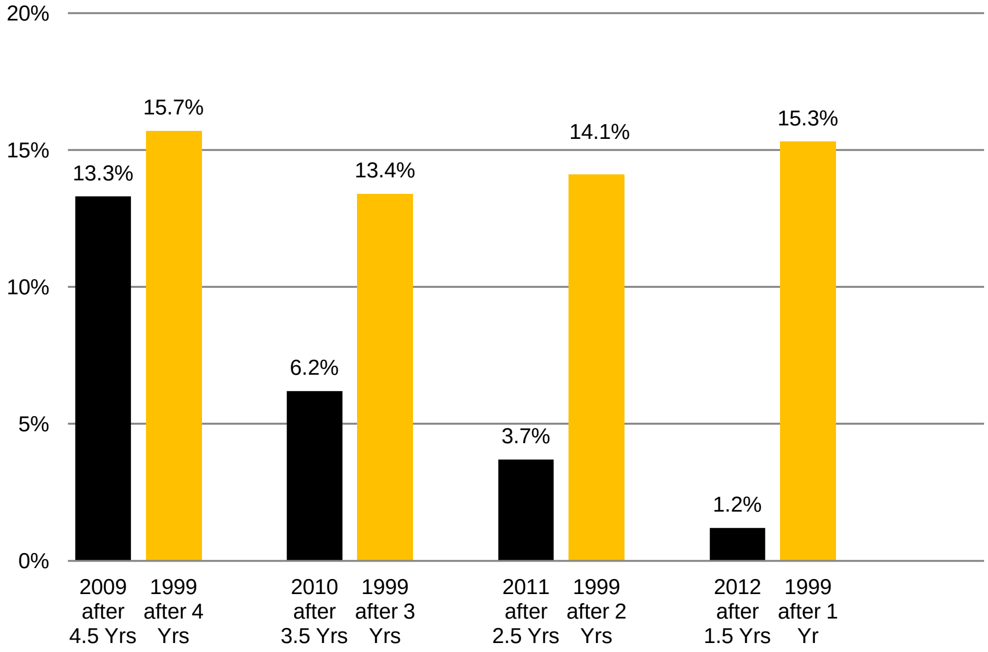
Loss Ratio(2)(3)



- New business is capital accretive and increases support for legacy books
- Loss ratios on 2009 – 2012 books of business are similar to, or better than, loss ratios experienced in the late 1990's

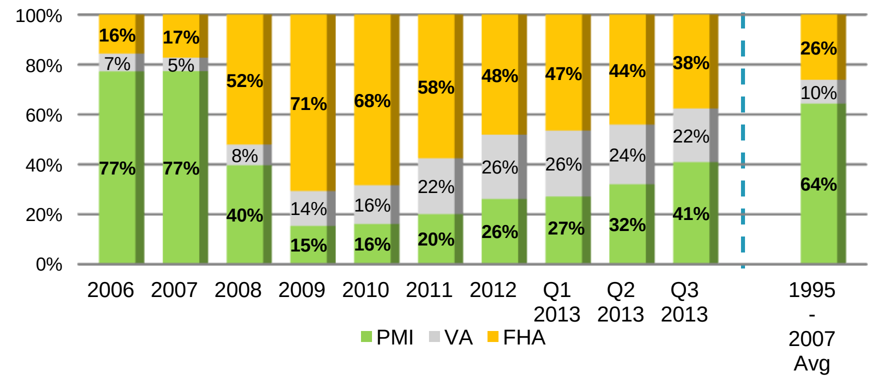
Source: Company data

1) *As determined by coverage effective date*
2) *Includes actual paid losses plus reserves on delinquent exposure that is expected to be paid*
3) *The cumulative loss ratio for the 1999 book as of June 30, 2013 is 17.8%*

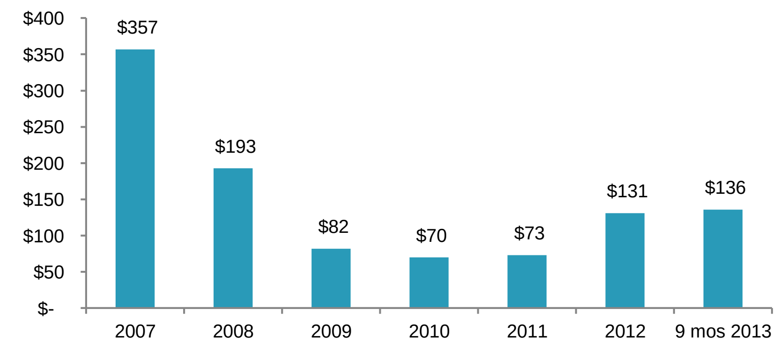
Private MI Gaining Share from FHA

- Private MI is less expensive than FHA for low down payment loans(1)
- FHA announced its third premium increase within a year, effective April 2013
- FHA removed ability to cancel FHA coverage beginning June 2013
- Capital reserves at FHA continued to fall through 2012 and are below minimum required levels

Low Down Payment MI Market Share ($bn)²



Private MI NIW ($bn)²



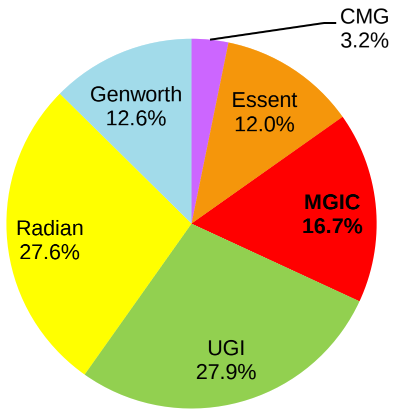
Source:

1) Inside Mortgage Finance and MGIC. Subject to change based upon changes to LLPAs, MI and MIP premium rates, and other third party costs. Assumes $220,000 Purchase Price, Owner Occupied, 30 Year FRM , Rate of 3.75% for FHA, Conventional rate 3.875 – 4.5%, GSE Adverse Market Fee of 25 basis points, GSE Loan Level Price Adjusters, FHA Upfront Premium is added to loan amount. All other closing costs and third party fees are the same.

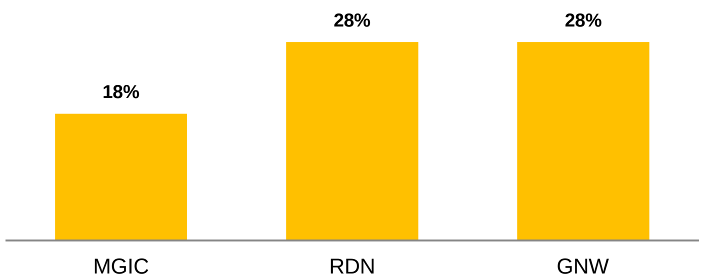
2) Inside Mortgage Finance, not including HARP

MGIC is Well Positioned to Take Advantage of the Current Environment

9 months 2013 Industry Market Share (1)



Highly Efficient and Low Cost Platform[2]



9 months 2013 GAAP Expense Ratios

- Over 3,000 master policyholders
- Experienced sales force with long term relationships with key customers
- Most efficient and experienced company in industry

Source:
1) Inside Mortgage Finance, excludes HARP.
2) Expense ratio for Insurance Operations only for MGIC . For Radian and GNW, expense ratio represents MI business only from company filings.

Demographic Drivers of Demand

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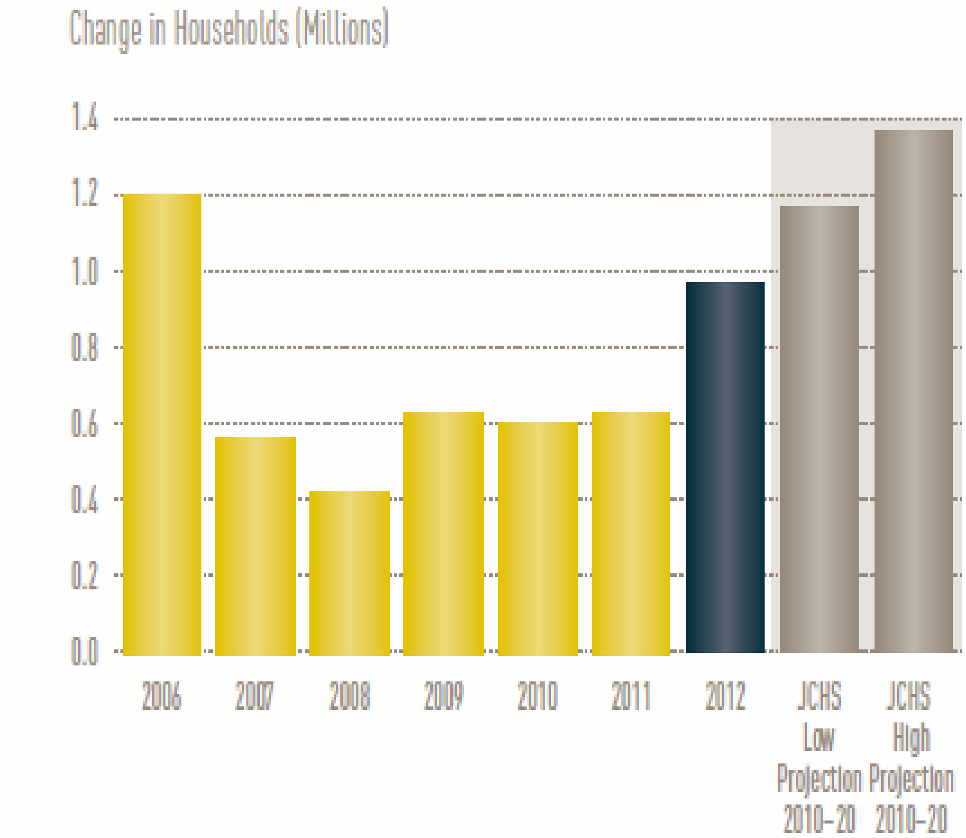
- Expected 10 year average of 1.2 – 1.4 million households formed annually, a majority of which will eventually become homeowners

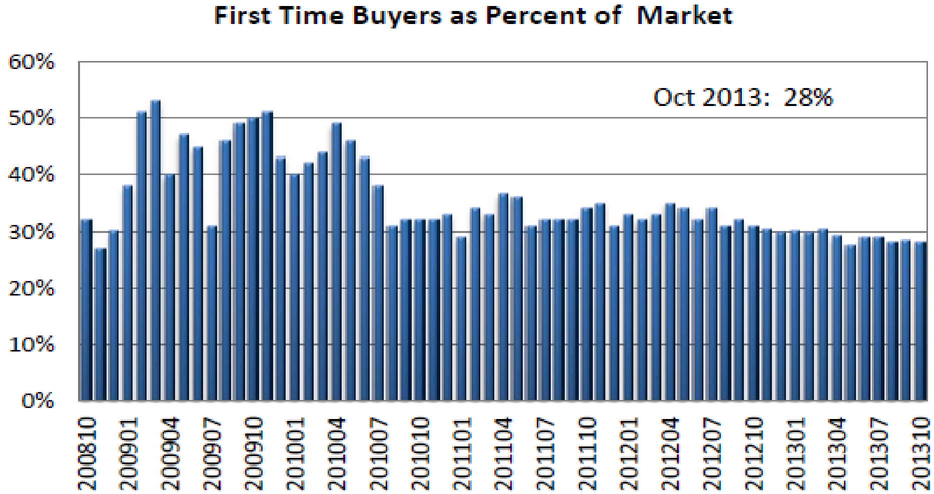
Household Growth

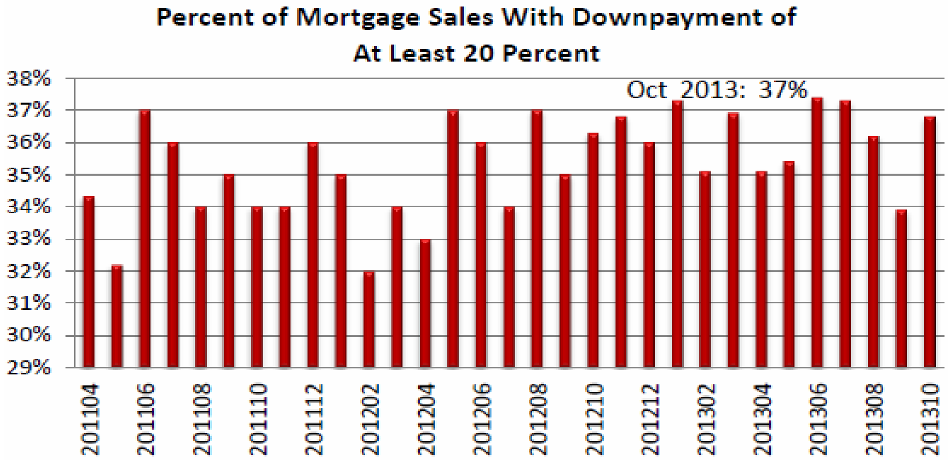


Source: The Joint Center for Housing Studies of Harvard University,

Many Borrowers Require High LTV Loans

- Down payment cited as one of the main obstacles to home ownership
- ~30% of home purchasers are 1st time home buyers who typically lack a 20% down payment
- ~45% of ***ALL*** home buyers use a down payment of less than 20%





Source: National Association of Realtors October 2013 Survey

Mortgage Origination Outlook

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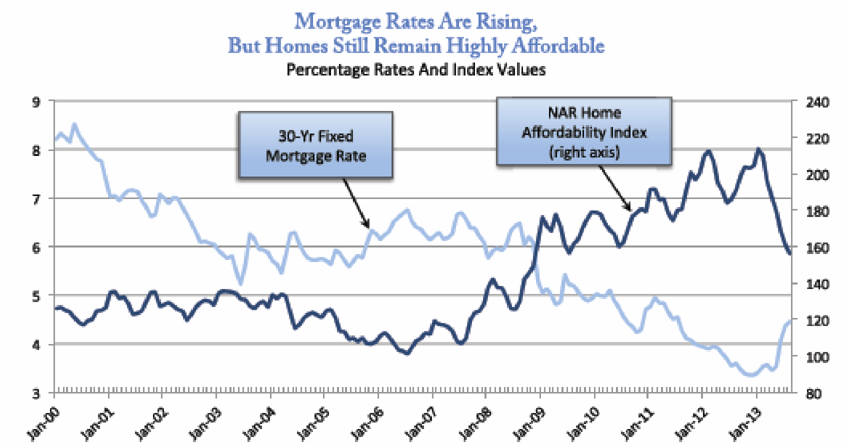

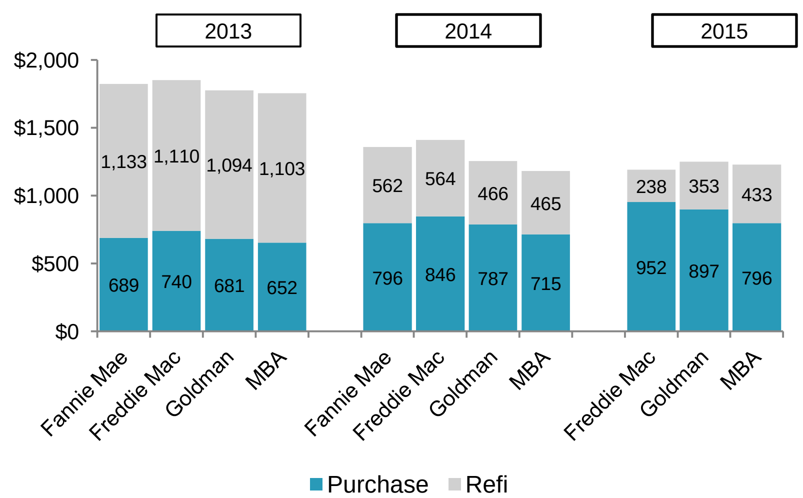

- Housing remains affordable, despite recent rise in rates and home prices
  - FHFA Puchase Only Index up 8.4% y-o-y in Q3 2013
  - Nationally the average supply is ~5 months
- 2013 forecasts range from ~$1.7 to $1.8 trillion
  - Slowly rising interest rates and home prices
  - Purchase money share increasing
- 2014/2015 forecasts range from $1.2 to $1.4 trillion
  - Continue decline of refi's
  - Growing purchase share

Source: Goldman Sachs, Fannie Mae, Freddie Mac, MBA and HUD

Housing Policy and Regulatory Update

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- Senate and House have introduced different bills that could impact GSEs and FHA
- Federal agencies re-proposed QRM rule
- FHFA/GSEs expected to issue new MI eligibility standards in 2013
- NAIC expected to revise capital requirements (timing unknown at this time)

Summary

- **Improving financial position**
  - In compliance with all state regulatory capital standards
  - 2009 – 2013 books generating very low level of losses
  - Losses abating on 2005 – 2008 books; expected to represent less than 50% of RIF by year end 2013
  - New notices and total delinquent inventory declining
  - Improving cure rates on new notices
  - Consecutive quarters of profitability

- **Established market player in a proven industry**
  - Market share estimated at 17%
  - Lowest expense ratio
  - Experienced sales and underwriting organization

- **Significant growth opportunities**
  - FHA pullback creating opportunity
  - Growing demand for low down-payment lending
  - Recapture of share within industry
  - Pent up demand
  - Purchase market remains strong

- **Regulatory environment**
  - Pending new capital standards
    - GSEs
    - NAIC
  - Congressional Activity
    - FHA
    - GSEs
  - Re-proposed QRM rule
  - Implementation of QM by lenders

Summary of Risk Factors

Capital requirements may prevent us from continuing to write new insurance on an uninterrupted basis.

The amount of insurance we write could be adversely affected if the definition of Qualified Residential Mortgage results in a reduced number of low down payment loans available to be insured or if lenders and investors select alternatives to private mortgage insurance.

Changes in the business practices of the GSEs, federal legislation that changes their charters or a restructuring of the GSEs could reduce our revenues or increase our losses.

We may not continue to meet the GSEs' mortgage insurer eligibility requirements.

We have reported net losses for the last six years and cannot assure you when we will return to annual profitability.

Our losses could increase if we do not prevail in proceedings challenging whether our rescissions were proper or we enter into material resolution arrangements.

The benefit of our net operating loss carryforwards may become substantially limited.

We are involved in legal proceedings and are subject to the risk of additional legal proceedings in the future.

Resolution of our dispute with the Internal Revenue Service could adversely affect us.

Because we establish loss reserves only upon a loan default rather than based on estimates of our ultimate losses on risk in force, losses may have a disproportionate adverse effect on our earnings in certain periods.

Because loss reserve estimates are subject to uncertainties and are based on assumptions that are currently very volatile, paid claims may be substantially different than our loss reserves.

We rely on our management team and our business could be harmed if we are unable to retain qualified personnel.

Loan modification and other similar programs may not continue to provide benefits to us and our losses on loans that re-default can be higher than what we would have paid had the loan not been modified.

If the volume of low down payment home mortgage originations declines, the amount of insurance that we write could decline, which would reduce our revenues.

Competition or changes in our relationships with our customers could reduce our revenues or increase our losses.

Downturns in the domestic economy or declines in the value of borrowers' homes from their value at the time their loans closed may result in more homeowners defaulting and our losses increasing.

The mix of business we write also affects the likelihood of losses occurring.

The premiums we charge may not be adequate to compensate us for our liabilities for losses and as a result any inadequacy could materially affect our financial condition and results of operations.

It is uncertain what effect the extended timeframes in the foreclosure process will have on us.

We are susceptible to disruptions in the servicing of mortgage loans that we insure.

If interest rates decline, house prices appreciate or mortgage insurance cancellation requirements change, the length of time that our policies remain in force could decline and result in declines in our revenue.

Your ownership in our company may be diluted by additional capital that we raise or if the holders of our outstanding convertible debt convert that debt into shares of our common stock.

Our debt obligations materially exceed our holding company cash and investments

We could be adversely affected if personal information on consumers that we maintain is improperly disclosed.

Our Australian operations may suffer significant losses.

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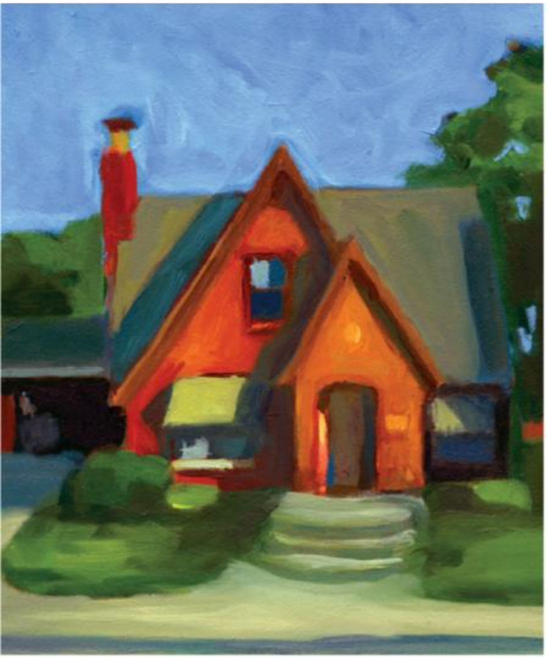

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