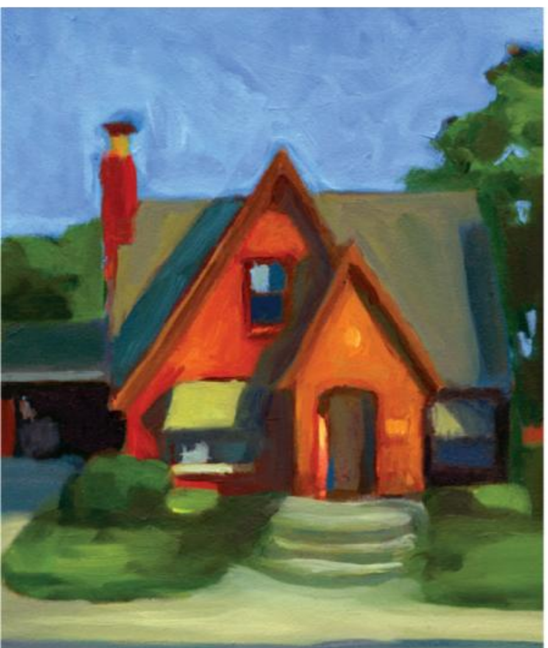
Goldman Sachs
US Financial Services Conference

December 8-9, 2015



MGIC Investment Corporation (NYSE: MTG)

Forward Looking Statements and Risk Factors

As used in this presentation, “we,” “our” and “us” refer to MGIC Investment Corporation’s consolidated operations or to MGIC Investment Corporation, as the context requires, and “MGIC” refers to Mortgage Guaranty Insurance Corporation.

This presentation may contain forward looking statements. Our actual results could be affected by the risk factors that are summarized and appear at the end of this presentation. These risk factors may also cause actual results to differ materially from the results contemplated by any 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 prepared in December 2015.

MGIC at a Glance

as of September 30, 2015

MGIC

Ready, willing and able to expand our role in a robust mortgage finance system

Credit trends continue to develop favorably

$173bn Insurance in force

Exceptional customer service while being low cost provider

Experienced sales and operations staff supporting ~3,000 lenders

Nearly 60 years of experience provides an unparalleled foundation for success

$2.2bn statutory capital (1)

$5bn high quality investment portfolio

$371mm Q315 YTD adjusted net income (2)

$2.1bn shareholders' equity

$6bn Assets

1. *Statutory capital is the sum of policyholder surplus plus contingency reserve*
2. *Adjusted net income is a non-GAAP financial measure that adjusts GAAP net income of $1,070 million by $698 million to remove the effects of the reversal of the valuation allowance in the third quarter of 2015. See November 6, 2015 Form 10-Q for more details of the reversal of the valuation allowance and deferred tax asset.*

Positive Business Trends

as of September 30, 2015

MGIC

Legacy Credit Continues to Improve

- Default inventory down 22% y/o/y
- 17% fewer new delinquency notices received YTD 2015 v. 2014
- Claim rate applied to new notices improved as economic and housing conditions continue to improve
- 2009 and > generating < 5% of credit losses YTD 2015
- Supportive economic and housing market fundamentals

Growing Insurance in Force and Low Cost Provider

- $33 billion of NIW YTD 2015; predominantly BPMI
- >2008 plus HARP is 73% of Insurance in Force
- Insurance in Force up 6% y/o/y
- Industry low expense ratio of ~15%
- Supportive household formation and first time home buyer fundamentals

Increasing Financial Strength and Flexibility

- $2.2 billion of statutory capital; $1 billion in excess of minimum required by state regulator
- Generating consistent net income
- Shareholder equity of $2.1 billion
- $469 million of cash and investments at holding company
- Strategic relationships with reinsurance partners

Leverage our customer experience to prudently grow insurance in force, while achieving acceptable returns

MGIC Investment Corporation
Q3 YTD 2015 Financial Overview

`	9 Months Ending		% Change
	Sep-14	Sep-15	y/o/y
	(All Amounts Shown in Millions Except Where Indicated)		
NIW (billions)	$ 23.9	$ 33.2	38.9%
Net Premium Written	$ 654	$ 779	19.1%
Total Revenues	$ 701	$ 783	11.6%
Incurred Losses, Net	$ 379	$ 248	-34.4%
Net Income (Loss) excluding DTA Valuation Allowance Reversal (1)	$ 178	$ 371	109.2%
Paid Claims, Net	$ 906	$ 661	-27.0%
Default Inventory (# of Units)	83,154	64,642	-22.3%
Investments (incl. Cash and Cash Equivalents)	$ 4,891	$ 4,979	1.8%
Loss Reserves	$ 2,528	$ 1,980	-21.7%
Key Operating Metrics			
Loss Ratio (%)	60.1	37.1	
Expense Ratio (%)	15.0	15.2	
Statutory Risk to Capital - MGIC	15.0:1	12.3:1	
Insurance in Force (billions)	162.4	172.7	
Persistency %	82.8	80.0	

- ✓ $1.1 billion net income
  - Excluding reversal of DTA valuation allowance net income was $371.4 million (1)
  - Premiums written up 19% year over year
- ✓ Market share ~20%
  - Insurance in force grew 6% year over year
  - $33.2 billion NIW 1st 9 months
- ✓ Incurred losses down 34% y/o/y
  - Paid losses down 27% y/o/y
  - New notices down 17% y/o/y
  - Cure rate on new notices improved y/o/y
  - Default inventory down 22% y/o/y
- ✓ Improved Capital Position
  - GAAP Equity of $2.1 billion
  - Statutory Capital of $2.2 billion (2)

1. *Adjusted net income is a non-GAAP financial measure that adjusts GAAP net income of $1,070 million by $698 million to remove the effects of the reversal of the valuation allowance in the third quarter of 2015. See November 6, 2015 Form 10-Q for more details of the reversal of the valuation allowance and deferred tax asset.*
2. *Statutory capital is the sum of policyholder surplus plus contingency reserve*

MGIC Investment Corporation
Investment Portfolio Overview

- $5 billion as of September 30, 2015 including $469 million at holding company (1)
- 100% Investment Grade
- Effective Duration of 4.7 years (excludes cash and cash equivalents)
- Embedded pre-tax yield, based on book value, is 2.52%

1. *Includes Investments , Cash and cash Equivalents. Holding company cash and investments reduced in November 2015 due to repayment of $62 million senior note that matured on November 1, additionally interest payments were made on the remaining debt obligations per contractual obligations.*

Balance Sheet Management

MGIC

$345 million
5% Convertible Senior Notes
April 2017 Maturity
Conversion Price: $13.44
~$17mm annual debt service

- Current plan is to repay at maturity
- Lowers leverage ratio and minimizes dilution
- Utilizes holding company resources
- Earlier action possible depending on shareholder value equation

$500 million
2% Convertible Senior Notes
April 2020 Maturity
Conversion Price: $6.95
~$10mm annual debt service

- Trading like equity given conversion price
- Can force conversion in April 2017 if stock price is $9.04 or >
- Forcing conversion lowers leverage ratio and debt service costs
- Preserves holding company resources, dilution already anticipated

$390 million
9% Junior Subordinated Debentures
April 2063 Maturity
Conversion Price: $13.50
~$35mm annual debt service

- Continue to service debt
- Opportunistically seek ways to restructure in a manner that adds to long term shareholder value

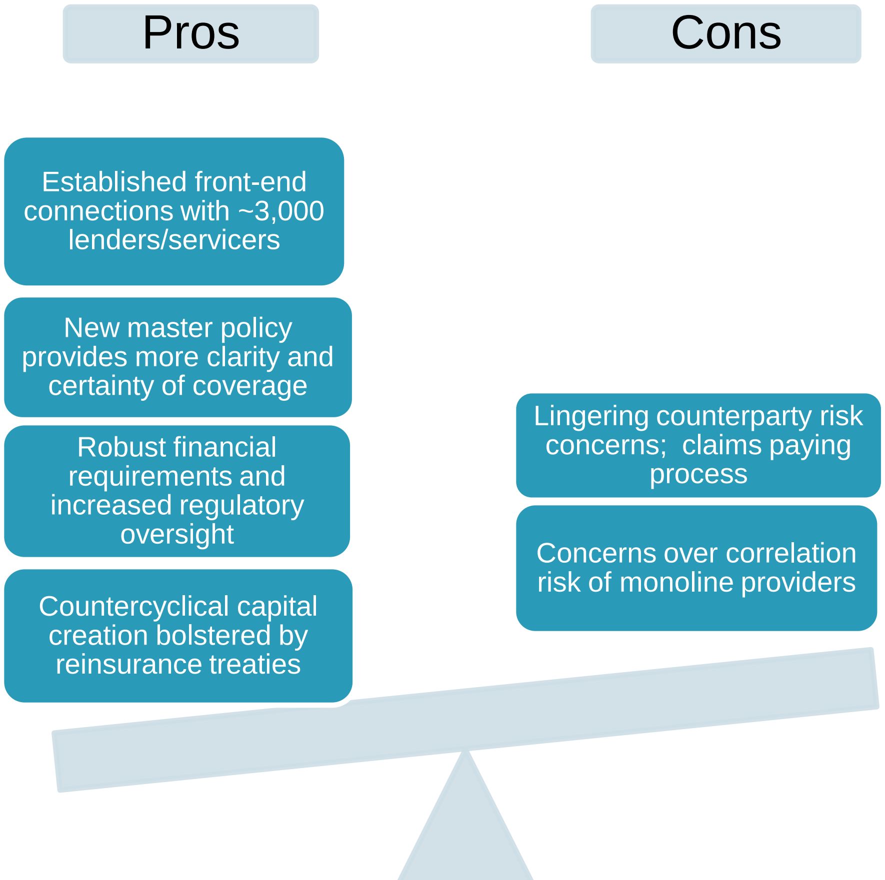
Objectives

- Improve ratings
  - Lower leverage ratio
  - Lower debt service
  - Determine optimal leverage ratio
- Improve shareholder value
  - Minimize dilution
  - Resume writing company dividend
- Maintain PMIERs compliance
  - Determine extent and form of cushion

Optimize our capital position to maximize shareholder returns

The Case for MIs Assuming More Risk

MGIC



- ✓ Deeper coverage could double the amount of loss protection for the GSE's putting the U.S. taxpayer in a more remote loss position as private capital absorbs more losses
- ✓ Incremental MI premium could be more than offset by lower fees charged by the GSEs resulting in a borrower benefit
- ✓ Expanding universe of residential loans that are commercially insured creates a stronger counterparty for the GSEs

Help shape the future of housing finance policy

Counterparty Comparison

MGIC

Existing GSE Risk Transfers

- Only a capped portion of losses are 100% capitalized for various capital market transactions
- No additional capital opportunity if losses exceed limits
- Opportunistic, non-dedicated sources of capital
- Little to no consumer benefit as rates and fees are not impacted

Primary Mortgage Insurance

- Hard assets on balance sheet to support 100% of *all* losses in expected stress scenario (1)
- Additional capital possible to meet losses in excess of stress scenario
- Long term dedicated source of capital
- Highly regulated by experienced state regulators and by GSE PMIERs
- Coverage cancels as loan balance paid down, benefitting consumers

1. *Private Mortgage Insurer Eligibility Requirements (PMIERs) contain financial requirements that require a mortgage insurers Available Assets to exceed the Minimum Required Assets as defined in the PMIERs using scenarios. The scenarios include projected house prices, interest rates, unemployment rates, and other factors similar to what is used in Federal Reserve Board's Comprehensive Capital Analysis and Review (CCAR) exercise. The PMIERs apply the CCAR Severely Adverse stress scenario (excluding the Global Market Shocks) for loans insured after 2008 to maintain rough consistency with the stress tests of the federal financial regulators.*

Private Mortgage Insurance Works

MGIC

Tested

- Prior to Great Recession the GSE accepted rating standard was "AA-" or its equivalent
- The expectation for a counterparty with "AA-" rating was that ~87.5% of valid obligations would be honored in stress environment (1)
- In a home price decline worse than the Great Depression the MI industry has paid over $50 billion in claims since 2007 or ~96% of all valid claims (2)

Strengthened

- $6.6 billion new capital raised by existing companies beginning in 2007
- $1.4 billion new capital raised by new entrants
- Generating consistent net income

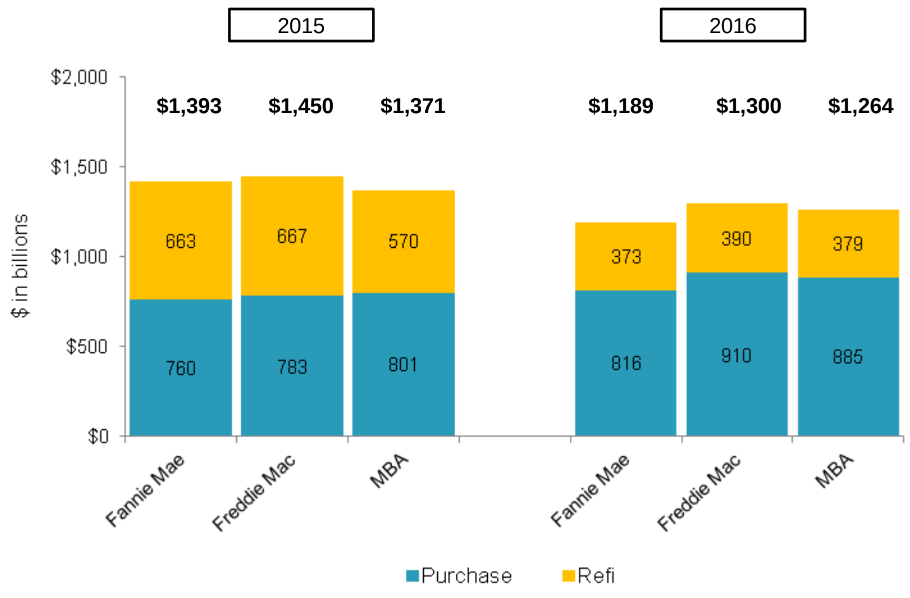
Ready for the Future

- New Master Policy provides more clarity and certainty of coverage
- More robust capital management expectations and requirements (internally and externally)
- Premiums earned from 2009 and forward books have materially exceeded incurred losses resulting in organic capital growth
- Established strategic reinsurance relationships

1. *Standard and Poor's Rating Definitions*
2. *USMI*

Mortgage Origination Outlook

Origination Forecasts



- ✓ Housing remains affordable
- ✓ 2015 origination forecasts range from $1.3 to $1.5 trillion
- ✓ 2016 forecasts 7-16% increase in purchase market offset by decrease in refinance market
- ✓ Decreasing distressed and cash sales
- ✓ Good environment for Private MI

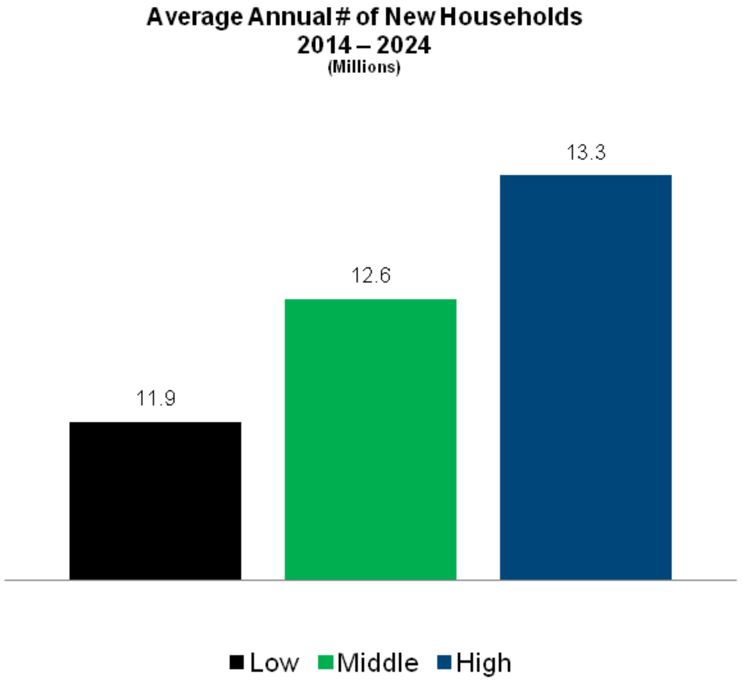
Pursue new business opportunities that leverage our core competencies

Source: Fannie Mae, Freddie Mac, and MBA

Demographic Drivers of Demand

- ✓ Pent up demand
  - ✓ Household formations slowed between 2007 and 2012
- ✓ Forecasts estimate that, on average, between 1.1 – 1.3 million households will be formed annually through 2024
- ✓ Majority of growth from minority groups that are typically first time homebuyers
  - ✓ By 2025, minorities will make up 36 percent of all US households and 46 percent of those will be aged 25–34, thus accounting for nearly half of the typical first-time homebuyer market
- ✓ Millennials / Gen Y / Next Gen

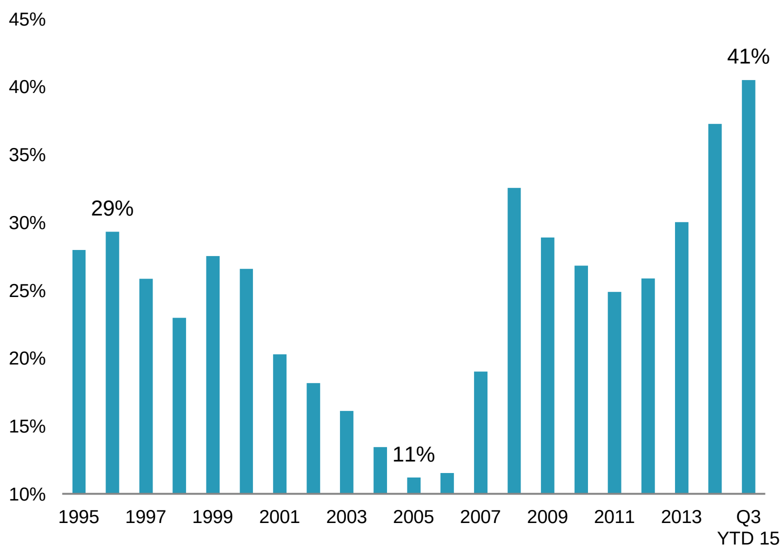
Growth Estimates



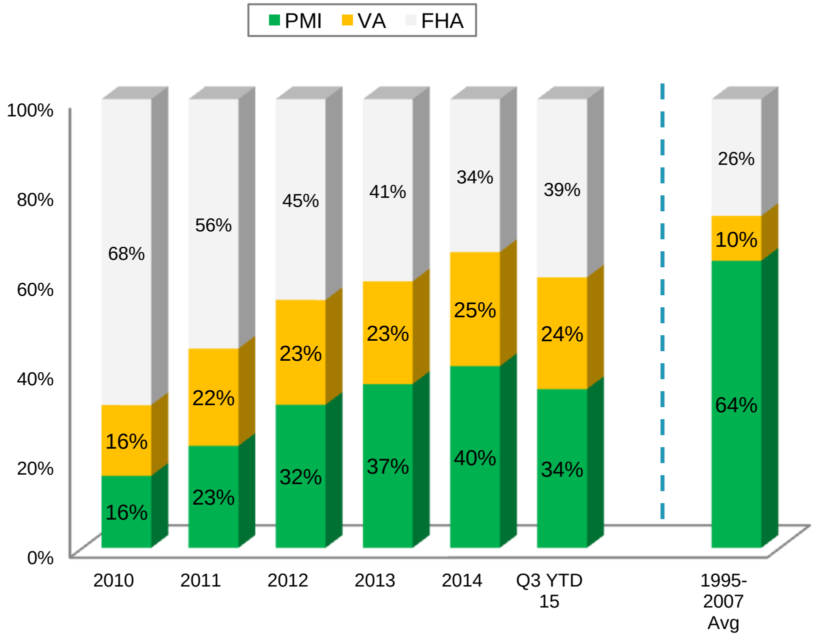
High LTV Lending Trends

MGIC

Low Down Payment (High LTV) Loans as % of Total Market (1)



Low Down Payment MI Market Share (2)



1) *Insured loans equals the total dollar volume of PMI, FHA and VA insurance issued in that period as a percentage of total originations for the same period as reported by Inside Mortgage Finance*
2) *Source: Inside Mortgage Finance*

Summary

MGIC

- **Financial position**
  - Solid and improving statutory capital position
  - 2009 – 2015 or "new" books are very profitable
  - Generating consistent profits beginning on Q1 2014
  - Growing insurance in force and premiums
  - Declining losses from 2005-2008 books
  - Reinsurance increases capital strength and financial flexibility
- **Established market player in a proven industry**
  - Market share for Q315 YTD: ~20%
  - Lowest expense ratio in industry
  - Experienced sales and underwriting organization
  - ~3,000 lenders purchase insurance from MGIC
- **Significant growth opportunities**
  - Purchase market remains strong/Pent up demand
  - Need and demand for low down-payment lending
  - Possible risk sharing with GSEs, FHA, and VA
  - Eventual return of non-GSE market
- **Regulatory environment**
  - Clarified eligibility criteria with GSEs
  - Congressional Activity
    - FHA
    - GSEs
  - NAIC updates on the horizon
  - Focus is on expanding access to credit

Appendix

MGIC Investment Corporation Overview

✓ Who we are

- The nation's oldest private mortgage insurer, with insurance in force of $172.7 billion
- In 1957 Max Karl founded the modern MI industry and MGIC in Milwaukee, WI
- ~800 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 mortgage credit risk
- Provide ***long term*** credit enhancement options to investors in mortgages

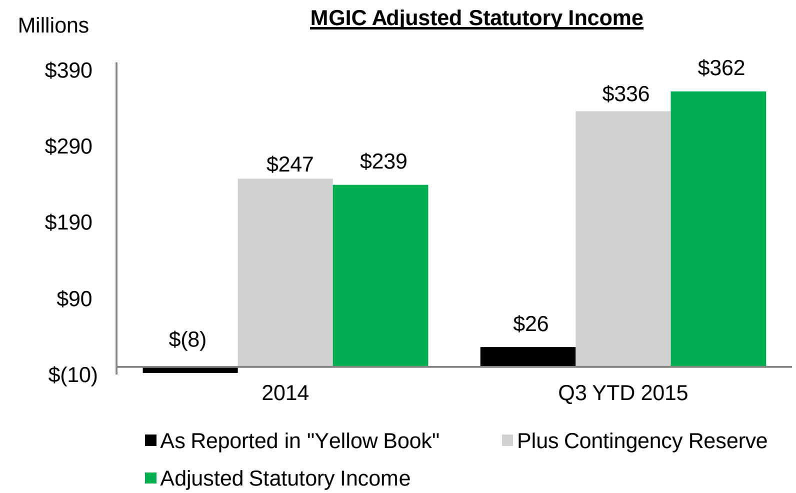
✓ What we are focused on

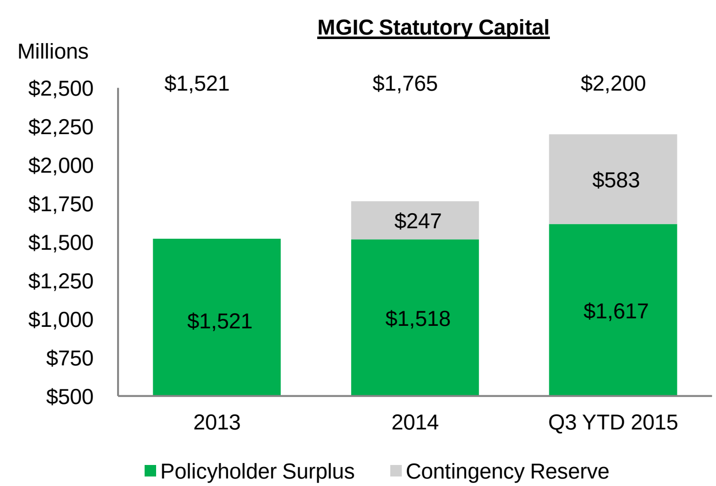
- Expanding opportunities for responsible borrowers to achieve and sustain homeownership
- Maximizing the amount of new business written while maintaining rational underwriting guidelines and pricing for appropriate returns for the credit risk undertaken
- Mitigating losses in a professional and responsible manner
- Maintaining industry leading cost advantage

Statutory Capital Position

MGIC

- Statutory net income is reduced by the amount of contingency reserves built in the reporting period as prescribed by the Commissioner of Insurance for the State of Wisconsin (OCI)
- WI accounts for the change in the contingency reserve through the income statement rather than the balance sheet
- Statutory capital is the total of policyholders surplus *plus* contingency reserves
- 50% of each $1 of premium earned must go into a contingency reserve to be held for 10 years or released early with OCI permission
- FY 2014 statutory net income was reduced by $247 million as contingency reserves were built
- In Q3 YTD 2015 statutory net income was reduced by $336 million as contingency reserves were built
- At Q3 2015 MGIC had ~$2.2 billion of statutory capital
- MGIC had approximately has ~$1.1 billion in excess of minimum capital required by OCI as of September 30, 2015





Reinsurance Overview

Key Terms

- 30% Quota Share / 20% Ceding Commission
- Profit Commission (varies depending on losses incurred and ceded)
- Covers new business through 2016 / ~75% of in force
- 10 Year term / MTG option for early termination in 2018
- Effective July 1, 2015

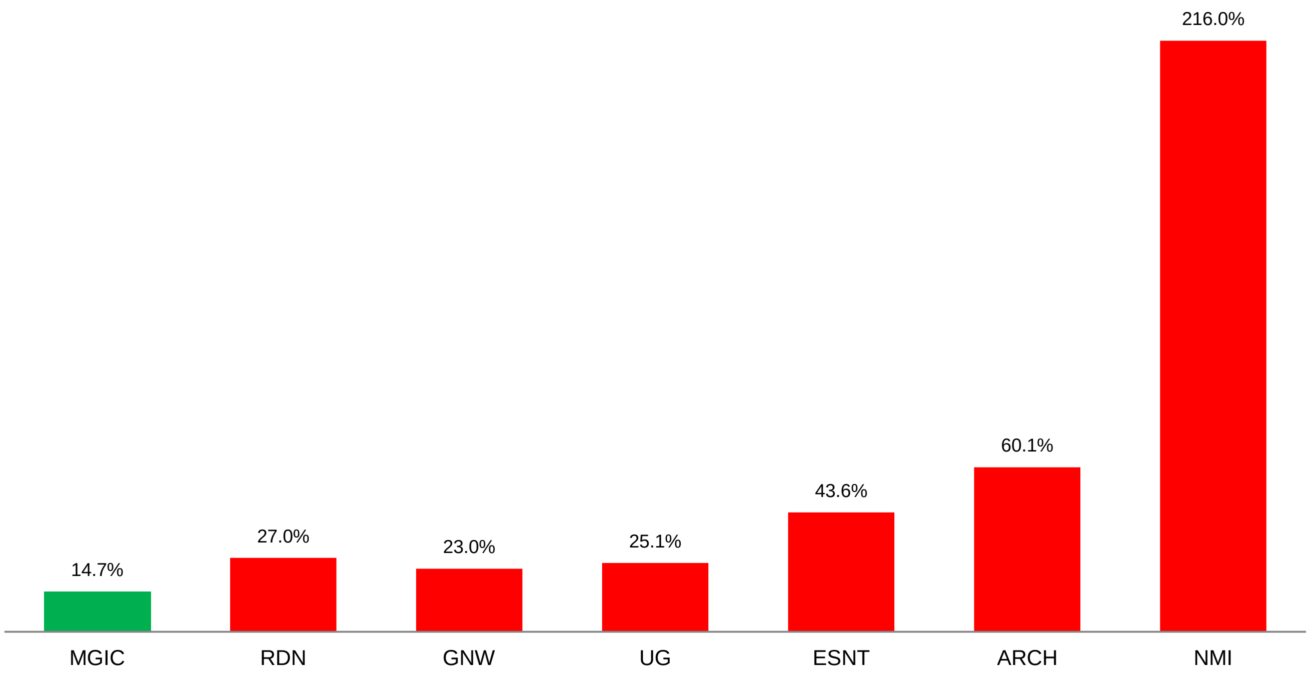
Reasons to utilize reinsurance

- Reinsurance provided at a reasonable cost of capital
- Materially reduces required assets under PMIERs
- Provides financial and strategic flexibility
- Increases return on capital

MGIC is Maintaining Cost Advantages

MGIC

Highly Efficient and Low Cost Platform (1)

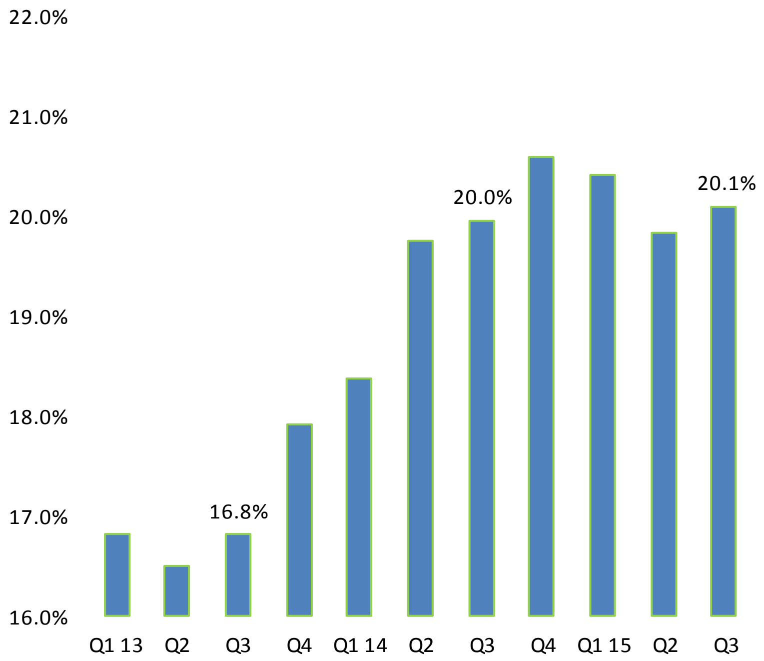


MGIC Expense Ratio 15.2% for 1st 9 months of 2015

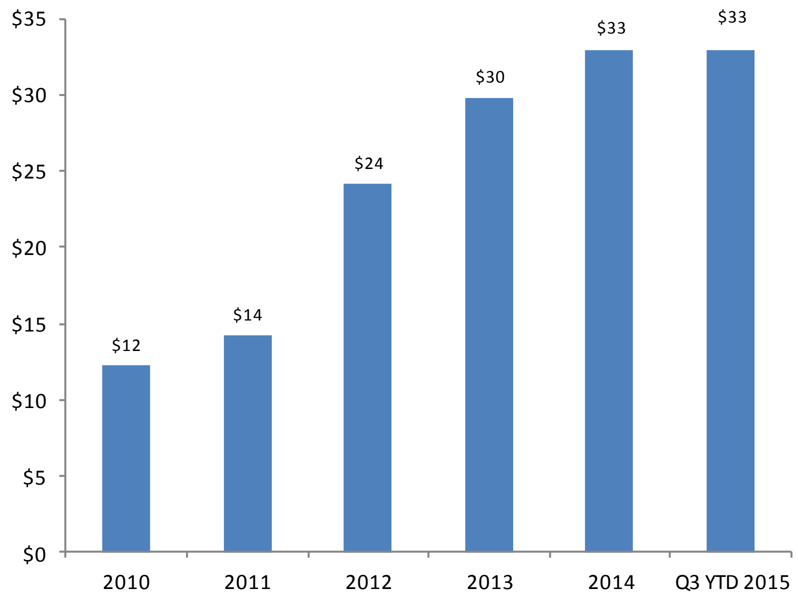
1. *2014 Full Year Expense Ratio for MGIC is for insurance operations only; FY 2014 Expense Ratio for RDN, GNW, UG, ESNT, ARCH and NMI as disclosed in press releases*

New Business Trends

MGIC Market Share of NIW(1)



Total NIW *(Billions)*



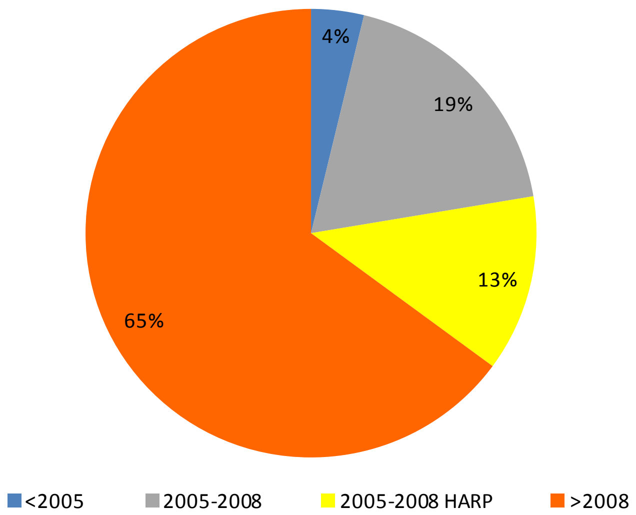
1. *Source: MGIC and Inside Mortgage Finance, not including HARP*

>2008 + HARP Now ~73% of In Force

Risk in Force as of 09/30/2015

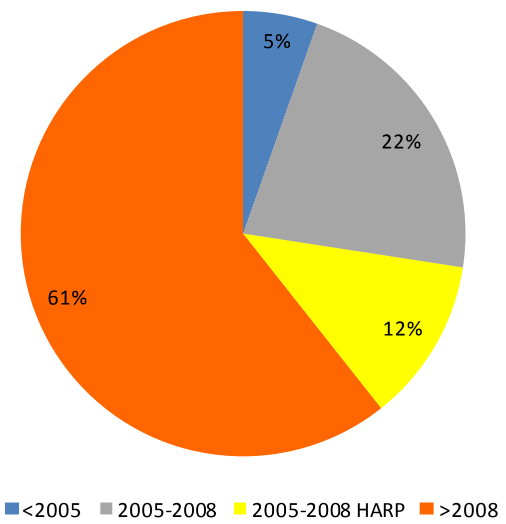
Flow

Total RIF: $42.0 billion



Total

Total RIF: $45.0 billion

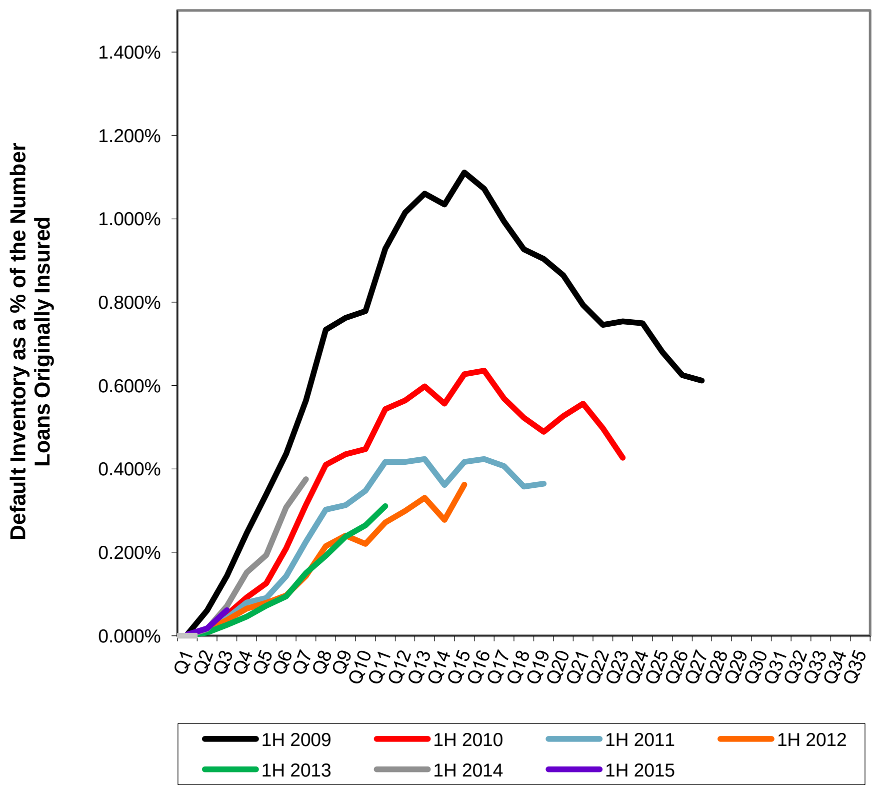


Note: Risk in force is before reinsurance. Includes bulk in force, which has been in run-off since 2008.

High Quality Business Contained in 2009 and Forward Books

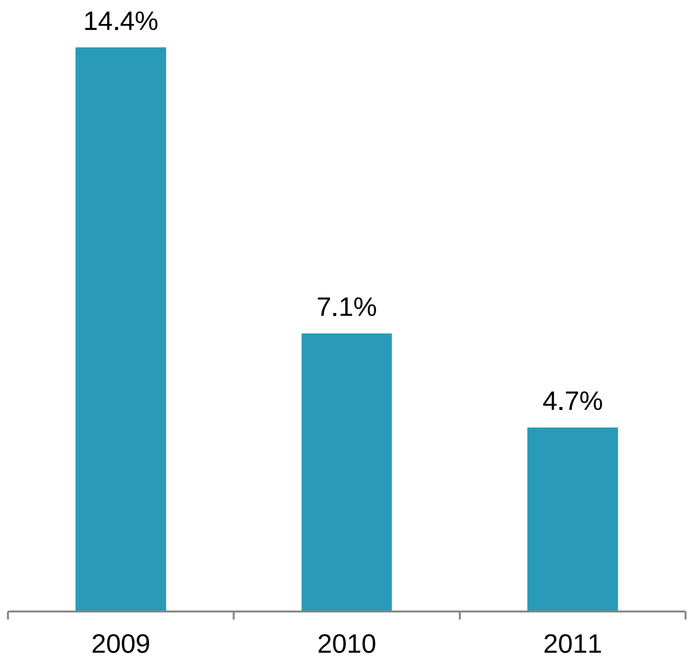
MGIC

Static Pool Delinquency Rates *(1)*
Based on Loan Count



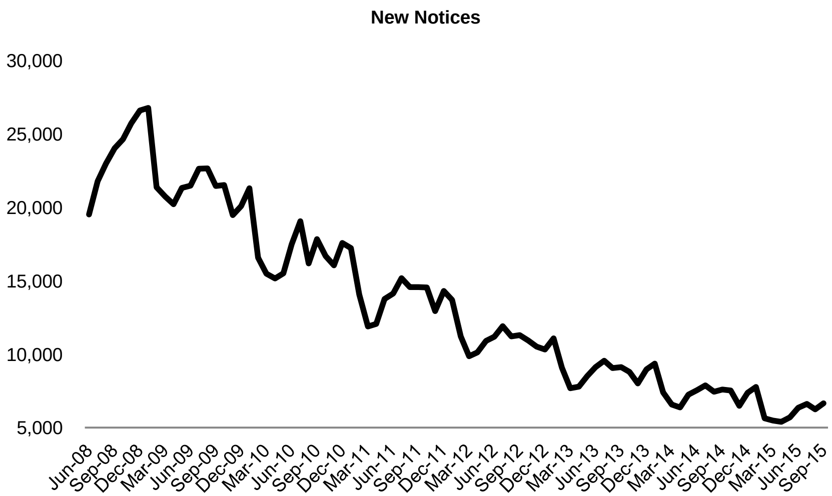
Delinquency performance of each half-year shown is reasonably representative of the entire year

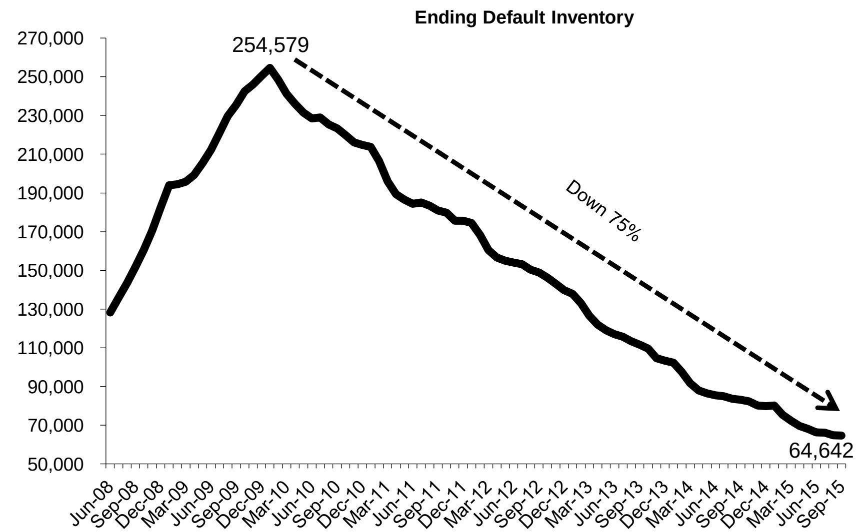
Ever to Date Loss Ratio *(2)*

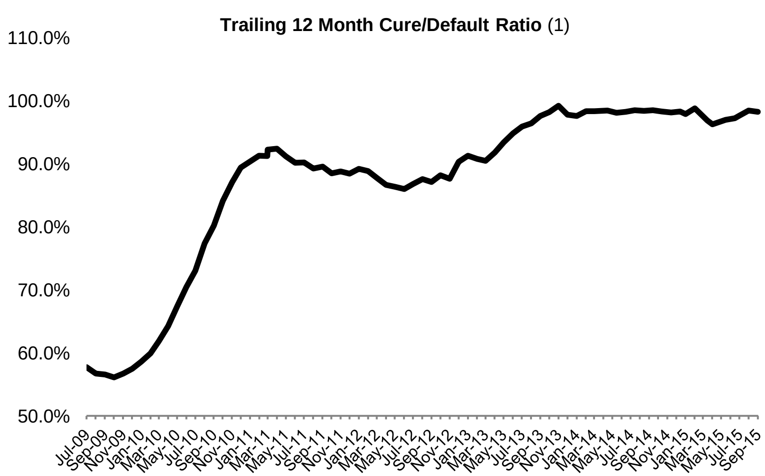


1. *Static Pool Delinquency Rates = (total number of delinquent loans at the end of the stated reporting period) / (original number of loans insured in the 6 month periods shown)*
2. *Ever to date loss ratio is the sum of paid losses plus incurred losses divided by net premiums earned for each book year shown as of December 31, 2014*

Positive Credit Trends





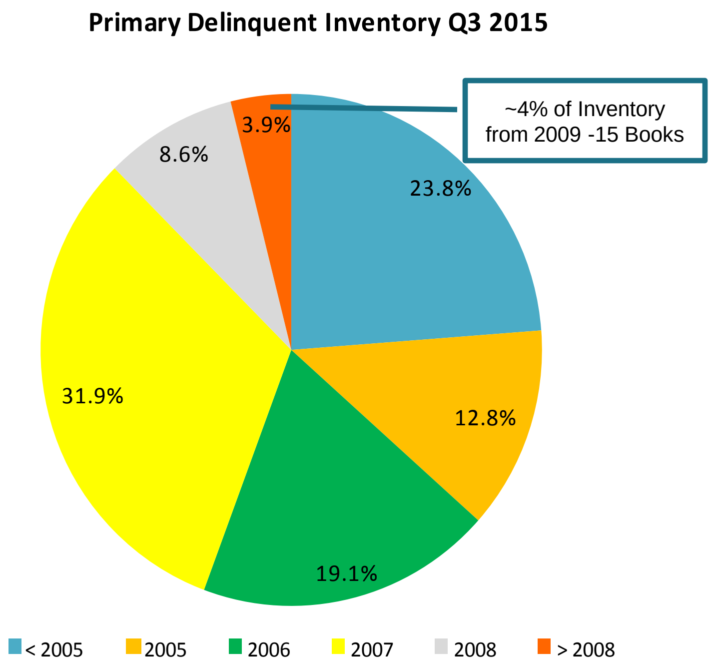


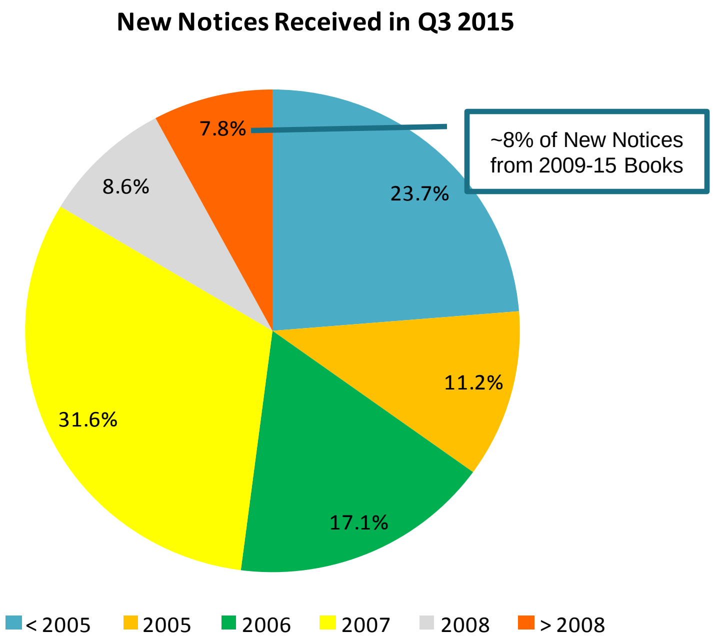
- ✓ *Approximately 85% of 2015 new notices are prior delinquencies*
- ✓ *Delinquent inventory declined 22% y/o/y @ 9/30/15*
- ✓ *Q3 15 YTD paid losses down 27% y/o/y @ 9/30/15*

1. *Trailing 12 month cure/default ratio is the sum of the last 12 month's cures / the sum of the last 12 month's new notices of default*

2008 and Prior Books Dominate Losses but Comprise just 27% of Total Risk in Force

MGIC

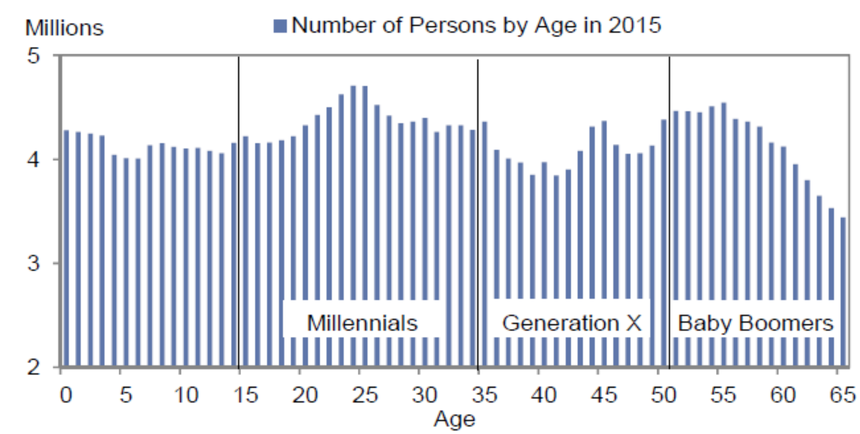




1) *Risk in force is before reinsurance. Includes bulk in force, which has been in run-off since 2008.*
2) *27% excludes HARP loans from 2005-2008*

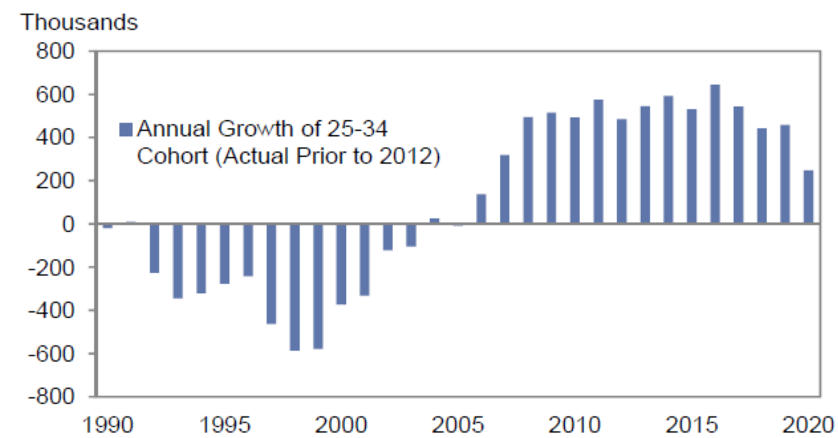
A Closer Look At Millenials

Millennials and Baby Boomers are the largest age cohorts
Number of persons by age in 2015



Source: Census Bureau.

A large increase in the 25-34 year old cohort in coming years...
Annual growth of 25-34 year olds



Source: Census Bureau.

<u>Home Buying Trends</u>

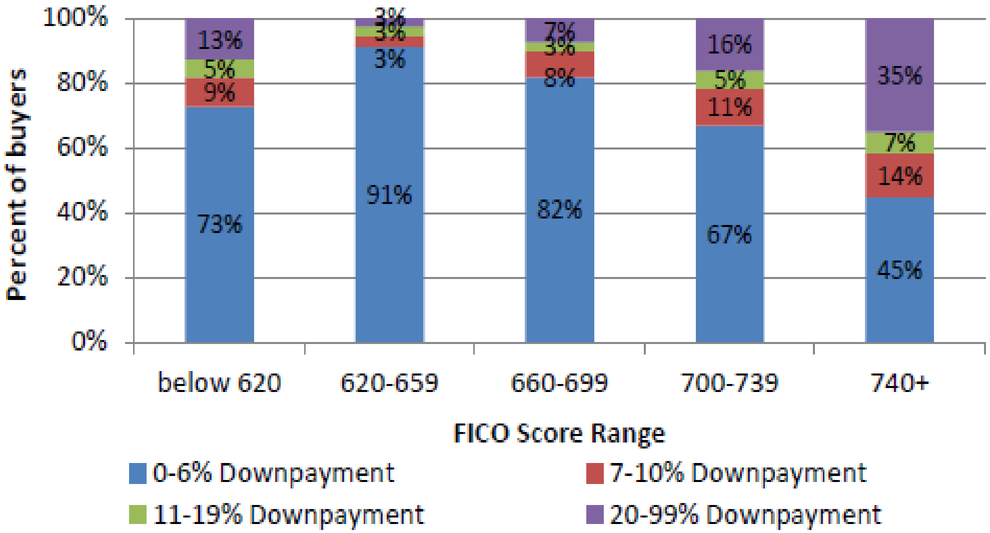
Composition of Home Buyers	First Time Home Buyers	Average Down Payment
✓ 32% Millennials	✓ 68% of Millenials	✓ 7% for Millenials
✓ 27% Gen X	✓ 29% of Gen X	✓ 10% for Gen X

Sources: Goldman Sachs and 2015 National Association of REALTORS® Home Buyer and Seller Generational Trends – March 2015

Many Purchasers Require High LTV Loans

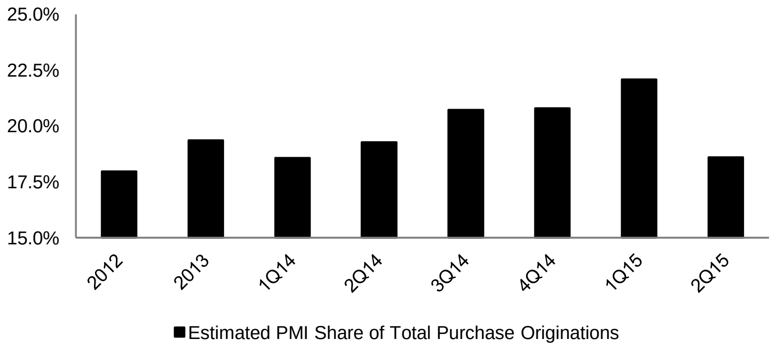
- **Down payment cited as one of the main obstacles** to home ownership
- ~**78% of home purchases are financed**
- 50% of ***ALL*** home buyers use a down payment of less than 20%
- ~**30% of home purchasers are 1st time home buyers** who typically lack a 20% down payment
  - ~67% of FTHB had a down payment of 6% or less

Distribution of Downpayment Terms by Credit Scores as Reported by REALTORS® for Homebuyers Who Purchased Property in Jan-August 2015

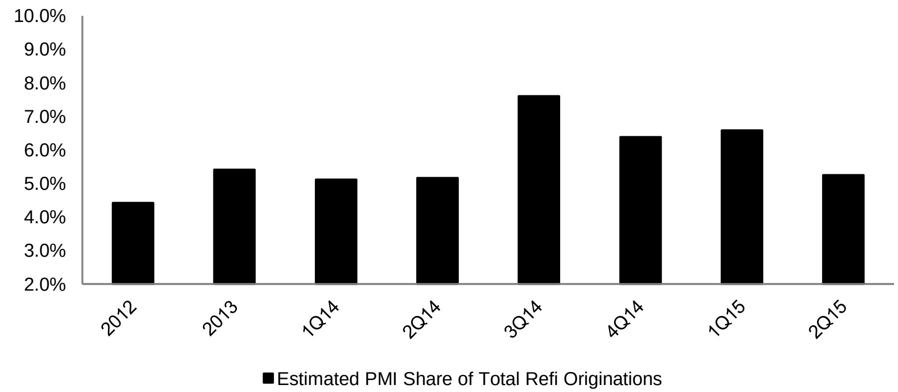


MGIC and Industry Market Share

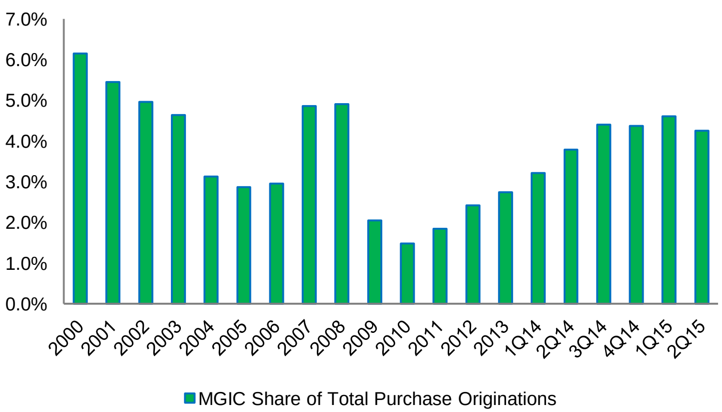
Estimated PMI Share of Total Purchase Originations



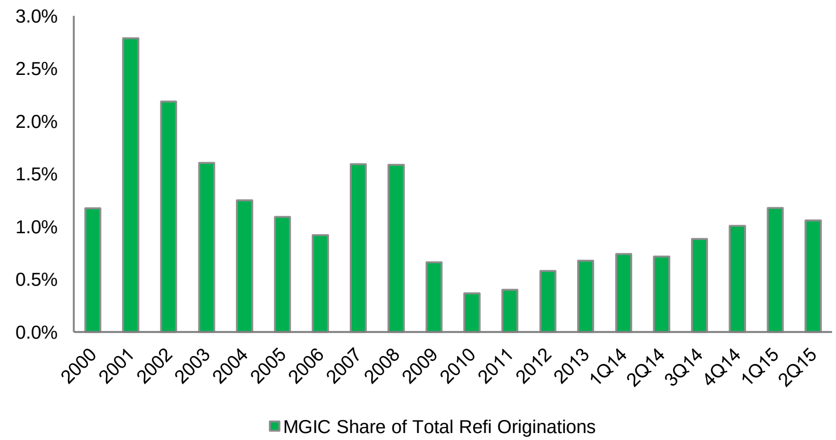
Estimated PMI Share of Total Refi Originations



MGIC Share of Total Purchase Originations



MGIC Share of Total Refi Originations



Private MI purchase and refinance percentages estimated using Arch, Essent, Genworth, Radian and MGIC press release information as a proxy for the industry which is then multiplied by the total private mortgage insurance written as published by Inside Mortgage Finance, which includes HARP refinances. Arch, Essent, Genworth, Radian and MGIC NIW does not include HARP refinance transactions. MGIC percentages are calculated using company data and total purchase and refinance data as published by IMF .

Regulatory Environment

- New Master Policy in effect
  - Standardization provides consistent terms of coverage across carriers
  - Provides assurances about the consistent handling and payment of claims
  - Brings greater transparency to contractual protections for lenders and investors
- New Financial Requirements
  - GSEs/FHFA
    - Effective date of December 31, 2015
    - MGIC taking actions to be in position to certify compliance on or before Effective Date
    - New business still expected to generate adequate returns
  - NAIC
    - Expected to propose revised capital requirements (timing unknown at this time)
    - Not expected to be more restrictive than GSE financial requirements
- Housing Policy
  - No real progress on GSE reform; status quo continues for most lenders
  - Depressed levels of non-GSE securitization
  - The PMI industry message is that MIs can do more to take risk from GSEs and taxpayers

Summary of Risk Factors

- *We may not continue to meet the GSEs' mortgage insurer eligibility requirements and our returns may decrease as we are required to maintain more capital in order to maintain our eligibility.*
- *The amount of insurance we write could be adversely affected if lenders and investors select alternatives to private mortgage insurance.*
- *Competition or changes in our relationships with our customers could reduce our revenues, reduce our premium yields and/or increase our losses.*
- *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.*
- *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, 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 or successfully develop and/or recruit their replacements.*
- *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.*
- *State capital requirements may prevent us from continuing to write new insurance on an uninterrupted basis.*
- *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 affects the likelihood of losses occurring, our Minimum Required Assets under the PMIERS, and our premium yields.*
- *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.*
- *We are susceptible to disruptions in the servicing of mortgage loans that we insure.*
- *Changes in interest rates, house prices or mortgage insurance cancellation requirements may change the length of time that our policies remain in force.*
- *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 and our information technology systems may become outdated and we may not be able to make timely modifications to support our products and services.*
- *Our Australian operations may suffer significant losses.*

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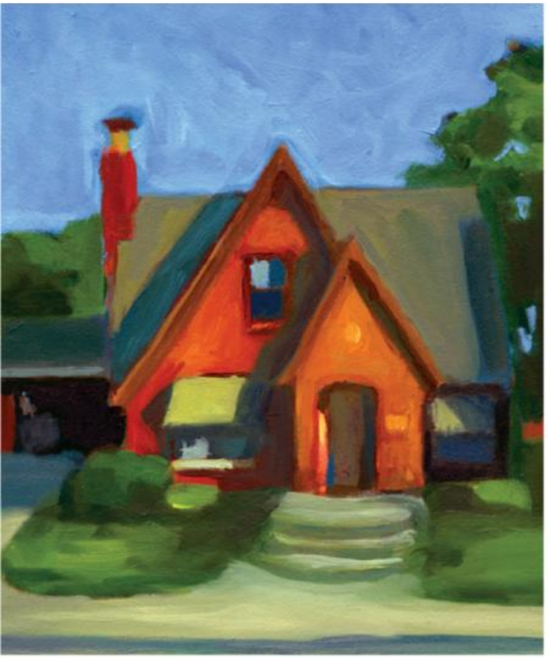

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