



**national
public finance
guarantee**

Operating Supplement

Fourth Quarter 2011

MBIA Inc. and Subsidiaries
Quarterly Operating Supplement ⁽¹⁾

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⁽¹⁾ This report is unaudited.

Safe Harbor Disclosure

This Operating Supplement includes statements that are not historical or current facts and are “forward-looking statements” made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. The words “believe,” “anticipate,” “project,” “plan,” “expect,” “intend,” “will likely result,” “looking forward” or “will continue,” and similar expressions identify forward-looking statements. These statements are subject to certain risks and uncertainties that could cause actual results to differ materially from historical earnings and those presently anticipated or projected, including, among other risks and uncertainties, uncertainty regarding whether the Company will realize, or will be delayed in realizing, insurance loss recoveries expected in disputes with sellers/servicers of RMBS transactions at the levels recorded in its financial statements, the possibility that the Company will experience severe losses or liquidity needs due to increased deterioration in its insurance portfolios and in particular, due to the performance of CDOs including multi-sector, CMBS and CRE CDOs and RMBS, failure to obtain regulatory approval to implement our risk reduction and liquidity strategies, the possibility that loss reserve estimates are not adequate to cover potential claims, the Company’s ability to access capital and the Company’s exposure to significant fluctuations in liquidity and asset values within the global credit markets, in particular in the ALM business, the Company’s ability to fully implement its strategic plan, including its ability to achieve high stable ratings for National or any other insurance subsidiaries, and the Company’s ability to commute certain of its insured exposures, including as a result of limited available liquidity, the Company’s ability to favorably resolve litigation claims against the Company, and changes in general economic and competitive conditions. These and other factors that could affect financial performance or could cause actual results to differ materially from estimates contained in or underlying the Company’s forward-looking statements are discussed under the “Risk Factors” section in MBIA Inc.’s most recent Annual Report on Form 10-K, which may be updated or amended in the Company’s subsequent filings with the Securities and Exchange Commission. The Company cautions readers not to place undue reliance on any such forward-looking statements, which speak only to their respective dates. The Company undertakes no obligation to publicly correct or update any forward-looking statement if it later becomes aware that such result is not likely to be achieved.

U.S. Public Finance Insurance
(primarily National Public Finance Guarantee Corporation)
Net Premiums Earned and Refundings and Other Accelerations ⁽¹⁾
(dollars in thousands)

	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Full Year
Net Premiums Earned					
2011					
Financial Guarantee	\$ 88,887	\$ 105,785	\$ 147,155	\$ 112,260	\$ 454,087
Insured Derivatives	122	1,461	110	166	1,859
Total	\$ 89,009	\$ 107,246	\$ 147,265	\$ 112,426	\$ 455,946
2010					
Financial Guarantee	\$ 113,372	\$ 117,219	\$ 99,620	\$ 111,546	\$ 441,757
Insured Derivatives	102	103	155	122	482
Total	\$ 113,474	\$ 117,322	\$ 99,775	\$ 111,668	\$ 442,239
Refundings and Other Accelerations					
2011					
Financial Guarantee	\$ 12,446	\$ 30,595	\$ 78,751	\$ 49,372	\$ 171,164
Insured Derivatives	-	1,346	-	-	1,346
Total	\$ 12,446	\$ 31,941	\$ 78,751	\$ 49,372	\$ 172,510
2010					
Financial Guarantee	\$ 26,060	\$ 31,127	\$ 17,765	\$ 31,631	\$ 106,583
Insured Derivatives	-	-	22	-	22
Total	\$ 26,060	\$ 31,127	\$ 17,787	\$ 31,631	\$ 106,605

⁽¹⁾ Premiums earned differ from amounts reported for National Public Finance Guarantee Corporation due to U.S. public finance policies that were subsequently determined to have refunded prior to the reinsurance agreement with MBIA Insurance Corporation that became effective on 1/1/09. The premiums associated with those refunded issues were returned to MBIA Insurance Corporation.

**Amortization of Gross Par, Gross Debt Service, Net Unearned Premium
and Cash Premiums Collected and Expected**
(dollars in millions)

	Ending Gross Par Outstanding	Ending Gross Debt Service Outstanding	Net Unearned Premiums ⁽¹⁾	Expected Future Premium Earnings ^{(1) (2)}				Cash Premiums Collected and Expected ⁽³⁾
				Upfront	Installments	Accretion	Total	
4th Qtr. 2011	\$ 410,360	\$ 656,601	\$ 2,451					7
1st Qtr. 2012	404,791	645,847	2,387	60	4	2	66	2
2nd Qtr. 2012	398,105	634,395	2,325	58	4	2	64	7
3rd Qtr. 2012	389,192	620,134	2,265	56	4	2	62	5
4th Qtr 2012	382,152	608,250	2,206	55	4	2	61	7
2013	356,177	563,037	1,985	205	16	8	229	18
2014	332,760	521,484	1,783	186	16	8	210	18
2015	310,648	482,341	1,599	169	15	7	191	18
2016	289,249	444,833	1,430	154	15	7	176	18
2017-2021	190,359	279,874	783	581	66	31	678	82
2022-2026	109,604	155,391	384	345	54	24	423	68
2027 and thereafter	0	0	-	272	112	36	420	174
Total				\$ 2,141	\$ 310	\$ 129	\$ 2,580	\$ 424

⁽¹⁾ Includes financial guarantee and insured derivative premiums.

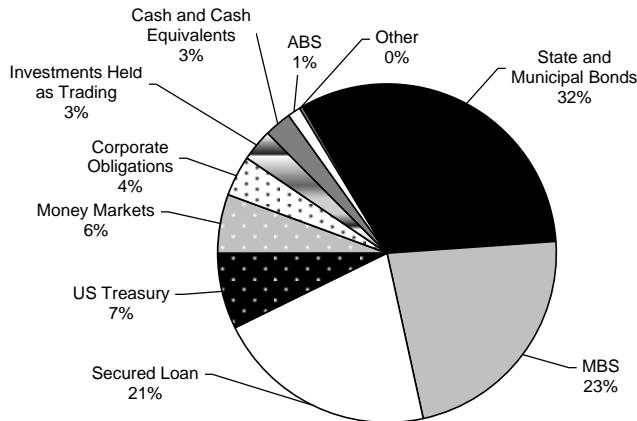
⁽²⁾ Actual future premium earnings will differ from the current projection due to the addition of new business and refundings.

⁽³⁾ Represents installment-based future net, undiscounted collections.

U.S. Public Finance Insurance
(primarily National Public Finance Guarantee Corporation)
Investment Portfolio Including Cash and Cash Equivalents and Secured Loan
As of December 31, 2011
(dollars in thousands)

<u>Investments</u> ⁽¹⁾	<u>Market Value</u>	<u>% of Market Value</u>	<u>Amortized Cost</u>	<u>Book Yield</u>
Fixed-Maturity Securities:				
Tax Exempt	\$1,106,760	28%	\$ 1,067,503	4.07%
Taxable	2,140,635	55	2,072,593	3.89
Short-Term	641,989	17	640,861	0.70
Total	<u>3,889,384</u>	<u>100%</u>	<u>\$ 3,780,957</u>	3.40%
Cash and Cash Equivalents	<u>138,175</u>			
Total Fixed Income Including Cash and Cash Equivalents	4,027,559			
Secured Loan to MBIA Corp.	1,130,000			
Investments Held as Trading	163,034			
Other	<u>16,443</u>			
Total	<u>\$5,337,036</u>			

Total Investment Portfolio
Including Cash and Cash Equivalents and Secured Loan
Market Value Outstanding \$5,337,036



<u>Maturity Profile</u>	<u>Market Value</u>	<u>% of Market Value</u>	<u>Quality Distribution of Long-Term Fixed-Maturity Securities</u>	
			<u>Market Value Outstanding \$ 3,247,395</u>	
			<u>Rating</u>	<u>% of Market Value</u>
Cash and Cash Equivalents	\$ 138,175	2.7%		
Within 1 Year	641,988	12.4%		
1 to 5 Years ⁽²⁾	1,415,511	27.5%	Aaa	54%
5 to 10 Years	558,801	10.8%	Aa	33
10 to 15 Years	260,840	5.1%	A	9
15 to 20 Years	393,301	7.6%	Baa	3
More than 20 Years	<u>1,748,943</u>	<u>33.9%</u>	BIG	<u>1</u>
Total Fixed Income Including Cash and Cash Equivalents and Secured Loan	<u>\$5,157,559</u>	<u>100.0%</u>		<u>100.0%</u>

Long-Term average maturity: 8.34 years
Duration: 4.73 years

⁽¹⁾ Includes Asset Swap with notional amount of \$1.335 billion; the total market value of encumbered assets totals \$1.426 billion.

⁽²⁾ Includes \$1.130 billion of secured loan facility from National to MBIA Insurance Corp., which matures in December 2016.

National Public Finance Guarantee Corporation
Insured Portfolio Losses
Loss and Loss Adjustment Expense (LAE) Reserves and Insurance Loss Recoverable
(dollars in millions)

2011	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Full Year
Beginning Gross Loss and LAE Reserves	\$ 215	\$ 197	\$ 179	\$ 182	\$ 215
Beginning Gross Insurance Loss Recoverable	(71)	(72)	(85)	(143)	(71)
Beginning Gross Reserves	144	125	94	39	144
Ceded Reserves	-	-	-	-	-
Net Reserves	144	125	94	39	144
Change in Actual and Expected Payments	(156)	17	54	(4)	(89)
Change in Actual and Expected Salvage	160	(26)	(44)	3	93
Net (Payments), Collections and Other	(23)	(22)	(65)	(26)	(136)
Net Reserves	125	94	39	12	12
Ceded Reserves	-	-	-	-	-
Gross Reserves	125	94	39	12	12
Gross Loss and LAE Reserves	197	179	182	162	162
Gross Insurance Loss Recoverable	\$ (72)	\$ (85)	\$ (143)	\$ (150)	\$ (150)

2010	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Full Year
Beginning Gross Loss and LAE Reserves	\$ 173	\$ 208	\$ 217	\$ 223	\$ 173
Beginning Gross Insurance Loss Recoverable	(41)	(16)	(16)	(68)	(41)
Beginning Gross Reserves	132	192	201	155	132
Ceded Reserves	-	-	-	-	-
Net Reserves	132	192	201	155	132
Change in Actual and Expected Payments	203	15	23	298	539
Change in Actual and Expected Salvage	(177)	(5)	(17)	(267)	(466)
Net (Payments), Collections and Other	34	(1)	(52)	(42)	(61)
Net Reserves	192	201	155	144	144
Ceded Reserves	-	-	-	-	-
Gross Reserves	192	201	155	144	144
Gross Loss and LAE Reserves	208	217	223	215	215
Gross Insurance Loss Recoverable	\$ (16)	\$ (16)	\$ (68)	\$ (71)	\$ (71)

National Public Finance Guarantee Corporation

Liquidity Position ⁽¹⁾

(dollars in millions)

2011	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Full Year
Beginning Cash, Money Markets & CP:	\$ 7	\$ 24	\$ 97	\$ 54	\$ 7
Premiums ⁽²⁾	2	2	8	(111)	(99)
Net Investment Income	63	56	58	51	228
Other	-	1	-	7	8
Total Inflows	65	59	66	(53)	137
Gross Loss & LAE Payments	22	23	68	46	159
Operating & Other Expenses	29	12	21	31	93
Tax Payments	114	50	30	65	259
Total Outflows	165	85	119	142	511
Operating Cash Flow	(100)	(26)	(53)	(195)	(374)
Financing Activities	(11)	11	11	-	11
Investing Activities	128	88	(1)	258	473
Net Cash Flow	17	73	(43)	63	110
Ending Cash, Money Markets & CP ⁽³⁾:	\$ 24	\$ 97	\$ 54	\$ 117	\$ 117
Other Liquid Assets ⁽⁴⁾	352	236	91	586	586
Ending Liquidity Position	\$ 376	\$ 333	\$ 145	\$ 703	\$ 703

2010	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Full Year
Beginning Cash, Money Markets & CP:	\$ 5	\$ 2	\$ 297	\$ 49	\$ 5
Premiums	5	13	65	7	90
Net Investment Income	70	64	68	63	265
Other	1	27	-	5	33
Total Inflows	76	104	133	75	388
Gross Loss & LAE Payments	8	6	52	49	115
Operating & Other Expenses	26	11	12	27	76
Total Outflows	34	17	64	76	191
Operating Cash Flow	42	87	69	(1)	197
Financing Activities	-	(8)	8	-	-
Investing Activities	(45)	216	(325)	(41)	(195)
Net Cash Flow	(3)	295	(248)	(42)	2
Ending Cash, Money Markets & CP ⁽³⁾:	\$ 2	\$ 297	\$ 49	\$ 7	\$ 7
Other Liquid Assets ⁽⁴⁾	327	158	399	283	283
Ending Liquidity Position	\$ 329	\$ 455	\$ 448	\$ 290	\$ 290

(1) Presented on a direct cash flow basis for transactions settled within the reporting periods. Ending Liquidity Position excludes assets that are not readily available for sale such as cash & cash equivalents and assets designated to alternative investment strategy portfolios.

(2) Net of \$116mm refunded premiums to MBIA Corp. in fourth quarter 2011.

(3) Represents management's view of cash and cash equivalents; will not agree with National's Consolidated GAAP financial results which include other cash & cash equivalents of alternative investment strategies.

(4) Includes other assets with expected maturities of less than 12 months deemed to be liquid but not included in cash and cash equivalents.

**U.S. Public Finance Insurance
(National Public Finance Guarantee Corporation)**

**Insurance Expenses
(dollars in thousands)**

2011	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Full Year
Compensation	\$ 2,677	\$ 3,343	\$ 3,492	\$ 4,122	\$ 13,634
Fees and Professional Services	12,461	12,769	11,806	13,737	50,773
Building and Equipment	2,709	2,432	2,329	2,728	10,198
Other	<u>716</u>	<u>784</u>	<u>600</u>	<u>686</u>	<u>2,786</u>
Gross Insurance Expenses	18,563	19,328	18,227	21,273	77,391
Ceding Commissions (Received)/Paid	<u>654</u>	<u>1,593</u>	<u>1,121</u>	<u>1,162</u>	<u>4,530</u>
Net Insurance Expenses	19,217	20,921	19,348	22,435	81,921
Deferred Acquisition (Costs)	<u>(715)</u>	<u>(1,600)</u>	<u>(1,124)</u>	<u>(1,162)</u>	<u>(4,601)</u>
Operating Expenses	<u>\$ 18,502</u>	<u>\$ 19,321</u>	<u>\$ 18,224</u>	<u>\$ 21,273</u>	<u>\$ 77,320</u>

2010	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Full Year
Compensation	\$ 2,504	\$ 3,869	\$ 2,525	\$ 2,815	\$ 11,714
Fees and Professional Services	8,188	9,195	10,885	11,620	39,888
Building and Equipment	1,474	2,814	2,767	1,817	8,872
Other	<u>801</u>	<u>982</u>	<u>788</u>	<u>752</u>	<u>3,323</u>
Gross Insurance Expenses	12,967	16,860	16,965	17,004	63,797
Ceding Commissions (Received)/Paid	<u>3,082</u>	<u>1,652</u>	<u>18,598</u>	<u>754</u>	<u>24,085</u>
Net Insurance Expenses	16,049	18,512	35,563	17,758	87,882
Deferred Acquisition (Costs)	<u>(3,100)</u>	<u>(1,657)</u>	<u>(18,599)</u>	<u>(757)</u>	<u>(24,113)</u>
Operating Expenses	<u>\$ 12,949</u>	<u>\$ 16,855</u>	<u>\$ 16,964</u>	<u>\$ 17,001</u>	<u>\$ 63,769</u>

National Public Finance Guarantee Corporation
Statutory Balance Sheets Summary
(dollars in millions)

	12/31/2011	12/31/2010
Assets:		
Cash and Investments	\$ 4,130	\$ 5,446
Secured Loan with MBIA Corp.	1,130	-
Asset Swap Facility with MBIA Inc.	1,335	1,775
Other Assets	61	69
Total Assets	\$ 6,656	\$ 7,290
Liabilities:		
Unearned Premiums	2,485	2,873
Loss and LAE Reserves ⁽¹⁾	(3)	96
Contingency Reserve	1,385	1,473
Asset Swap Facility	1,335	1,775
Other Liabilities	30	165
Total Liabilities	5,232	6,382
Total Policyholders' Surplus	1,424	908
Total Liabilities and Policyholders' Surplus	\$ 6,656	\$ 7,290

Financial and Ratio Information
(dollars in millions)

Statutory Basis		
	12/31/2011	12/31/2010
Balance Sheet		
Policyholders' Surplus	\$ 1,424	\$ 908
Contingency Reserve	1,385	1,473
Statutory Capital	2,809	2,381
Unearned Premium Reserve	2,485	2,873
Present Value of Installment Premiums ⁽¹⁾	239	282
Premium Resources ⁽²⁾	2,724	3,155
Net Loss and LAE Reserves ⁽¹⁾	(3)	96
Salvage Reserve	161	108
Gross Loss and LAE Reserves	158	204
Total Claims-Paying Resources	\$ 5,691	\$ 5,740
Net Debt Service Outstanding	\$ 635,653	\$ 752,420
Capital Ratio	226:1	316:1
Claims-Paying Resources Ratio	134:1	162:1

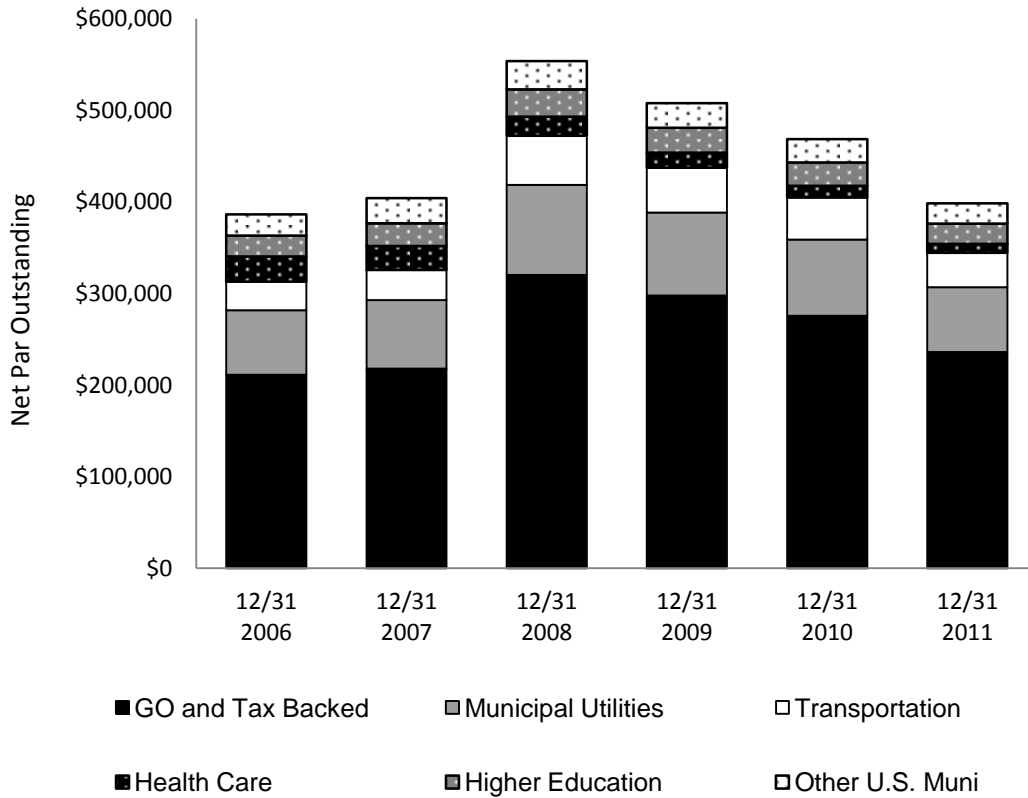
⁽¹⁾ At December 31, 2011 and December 31, 2010, the discount rate was 4.77% and 4.19%.

⁽²⁾ The amounts consist of Financial Guarantee insurance premiums and Insured Credit Derivative revenue.

U.S. Public Finance Insurance
(National Public Finance Guarantee Corporation)
Insured Portfolio Profile
Par Value by Bond Type
(dollars in millions)

Outstanding as of December 31, 2011⁽¹⁾

Bond Type	Gross		Net	
	Amount	%	Amount	%
General Obligation	\$ 155,157	37.8%	\$ 151,977	38.1%
Municipal Utilities	72,850	17.8	70,888	17.8
Tax-Backed	52,704	12.8	51,568	12.9
Transportation	39,970	9.7	37,535	9.4
General Obligation - lease	34,475	8.4	32,498	8.2
Higher Education	22,491	5.5	22,051	5.5
Health Care	10,294	2.5	9,932	2.5
Military Housing	7,988	1.9	7,978	2.0
Investor Owned Utilities ⁽²⁾	6,077	1.5	5,902	1.5
Municipal Housing	5,648	1.4	5,596	1.4
Student Loans	1,226	0.3	1,214	0.3
Other ⁽³⁾	1,480	0.4	1,463	0.4
Total	\$ 410,360	100.0%	\$ 398,602	100.0%



(1) Net of refunded issues and reinsurance; including \$9.1 billion of reinsurance ceded by FGIC to third parties.

(2) Includes Investor-Owned Utilities, Industrial Development and Pollution Control Revenue bonds.

(3) Includes certain non-profit enterprises and stadium related financings.

U.S. Public Finance Insurance
(National Public Finance Guarantee Corporation)
Insured Portfolio Profile
Par Value by Geography
(dollars in millions)

Outstanding as of December 31, 2011 ⁽¹⁾					
		Gross			Net
		Amount	%	Amount	%
<u>United States</u>					
California	\$	73,880	18.0%	\$	71,556 18.0%
New York		40,319	9.8		38,815 9.7
Florida		30,459	7.4		29,689 7.4
Texas		25,581	6.2		25,003 6.3
Illinois		21,697	5.3		20,919 5.3
New Jersey		19,480	4.8		19,062 4.8
Washington		14,660	3.6		14,459 3.6
Michigan		13,336	3.3		12,757 3.2
Pennsylvania		12,044	2.9		11,738 2.9
Massachusetts		10,325	2.5		9,758 2.4
Subtotal		261,781	63.8		253,756 63.6
Other States & Territories		145,092	35.4		141,368 35.5
Nationally Diversified		3,487	0.8		3,478 0.9
Total		\$ 410,360	100.0%		\$ 398,602 100.0%

⁽¹⁾ Net of refunded issues and reinsurance; including \$9.1 billion of reinsurance ceded by FGIC to third parties.

U.S. Public Finance Insurance
(National Public Finance Guarantee Corporation)
Insured Portfolio - 50 Largest Credits
Gross Par Outstanding as of December 31, 2011
(dollars in millions)

	Obligor Name	State	Internal Rating ⁽¹⁾	Gross Par Outstanding
1	California General Obligation	CA	a3	\$ 4,258
2	Massachusetts General Obligation	MA	a1	\$ 3,149
3	State of Washington General Obligation	WA	aa2	\$ 2,496
4	New Jersey Transportation Trust Fund Authority	NJ	aa3	\$ 2,457
5	MTA Commuter & Transit Transportation Revenue	NY	a2	\$ 2,418
6	Illinois General Obligation	IL	a3	\$ 2,321
7	New York State Lease	NY	aa3	\$ 2,204
8	The Port Authority of New York and New Jersey	NY	a1	\$ 2,082
9	Wisconsin General Obligation	WI	aa3	\$ 2,045
10	New York City General Obligation	NY	aa3	\$ 1,988
11	Chicago O'Hare General Airport	IL	a2	\$ 1,987
12	Connecticut General Obligation	CT	a3	\$ 1,983
13	Miami-Dade County Airport	FL	a3	\$ 1,961
14	Long Island Power Authority Electric	NY	a3	\$ 1,922
15	City of Houston Combined Utility System Revenue Bonds	TX	a3	\$ 1,882
16	Florida State General Obligation	FL	aa2	\$ 1,839
17	Chicago General Obligation	IL	a2	\$ 1,777
18	Puerto Rico General Obligation	PR	bbb3	\$ 1,695
19	Oregon School Boards Association General Obligation	OR	aa3	\$ 1,633
20	Puerto Rico Electric Power Authority	PR	bbb1	\$ 1,626
21	Regents of the University of California	CA	aa3	\$ 1,603
22	New Jersey Economic Development Authority State Pension Obligation Lease	NJ	aa2	\$ 1,579
23	State of California Economic Recovery Bonds	CA	a3	\$ 1,579
24	City of Chicago Board of Education	IL	a2	\$ 1,490
25	Dallas-Fort Worth International Airport	TX	a1	\$ 1,484
26	New York State Local Government Assistance Corporation	NY	a2	\$ 1,437
27	New York City Water	NY	aa2	\$ 1,416
28	Los Angeles Unified School District General Obligation	CA	aa3	\$ 1,416
29	New York State Thruway Authority Dedicated Highway & Bridge Trust	NY	aa3	\$ 1,399
30	Pennsylvania General Obligation	PA	aa2	\$ 1,398
31	Metropolitan Washington Airports Authority	DC	aa3	\$ 1,395
32	Illinois Metropolitan Pier & Exposition Authority	IL	aa3	\$ 1,391
33	Clark County School District General Obligation	NV	aa2	\$ 1,378
34	Army Hawaii Family Housing	HI	aa2	\$ 1,348
35	Illinois Regional Transportation Authority	IL	aa2	\$ 1,324
36	Seattle Port and Airport Revenue	WA	aa3	\$ 1,321
37	San Francisco International Airport	CA	a2	\$ 1,319
38	Wayne County Airport Authority	MI	a2	\$ 1,313
39	City of Detroit Sewage Disposal System	MI	a2	\$ 1,294
40	New Jersey Turnpike Authority	NJ	a2	\$ 1,279
41	Triboro Bridge & Tunnel Authority	NY	aa3	\$ 1,267
42	New York City Transitional Finance Authority Sales Tax	NY	aa2	\$ 1,255
43	California State Public Works Board Lease	CA	bbb3	\$ 1,242
44	Honolulu City and County General Obligation	HI	aa3	\$ 1,207
45	Detroit City Water System	MI	a3	\$ 1,175
46	Atlanta City Water & Sewer	GA	a3	\$ 1,110
47	Michigan State Building Authority Lease	MI	a1	\$ 1,106
48	Camp Pendleton Quantico Housing Privatization	CA	aa2	\$ 1,105
49	New York State Dormitory State Personal Income Tax	NY	aa2	\$ 1,099
50	NYC Transitional Fin Auth State Bld Aid Appropriation	NY	aa3	\$ 1,093
		Total		\$ 83,545
		Total Portfolio Exposure		\$ 410,360
		50 Largest Credits Gross Par Outstanding as % of Total Portfolio		20.4%

⁽¹⁾ Internal credit ratings are provided solely to indicate the underlying credit quality of guaranteed obligations based on the view of National Public Finance Guarantee Corporation. They are subject to revision at anytime and do not constitute investment advice. National Public Finance Guarantee Corporation ratings symbology has a one-to-one correspondence to the ratings symbologies used by S&P and Moody's (e.g. aa3 = AA- = Aa3, bbb2 = BBB = Baa2, etc.).

U.S. Public Finance Insurance
(National Public Finance Guarantee Corporation)
Credit Quality Distribution ⁽¹⁾
as of December 31, 2011
(dollars in millions)

	Gross Par Outstanding	
	Amount	%
<u>Public Finance</u>		
AAA	\$ 22,593	5.5%
AA	187,036	45.6%
A	158,958	38.7%
BBB	38,949	9.5%
<BBB	2,824	0.7%
Total	\$ 410,360	100.0%

⁽¹⁾ Ratings as of the end of the period, as last provided by the rating agencies, which may be out-of-date. Ratings are derived using the S&P Priority Method; where S&P's underlying rating is used, when available, Moody's underlying rating is used if the S&P underlying rating is not available and an internal underlying rating is used if neither S&P's nor Moody's underlying ratings are available. For credits where National has insured a credit that was already insured by another bond insurer, the underlying rating used is the higher of the underlying rating of the uninsured credit or the bond insurer's credit rating.

Top 10 Below Investment Grade (BIG) Credits ⁽¹⁾
(dollars in millions)

Obligor Name	Below Investment Grade (BIG) Exposure (Gross)
1 San Joaquin Hills Transportation Corridor Agency Toll Road	\$ 609
2 Harris County-Houston Sports Authority	419
3 AHERF Delaware Valley Obligated Group	136
4 Capital Projects Fin Auth FL Universities Student Hsg 2001F-1	128
5 Basketball Properties Ltd Miami Heat	123
6 Detroit City GO	115
7 George L. Smith Georgia World Congress Center Authority	113
8 Pace University	111
9 Jefferson County GO	95
10 Contra Costa County PFA Multiple Project Areas	80
	\$ 1,929
Total BIG Gross Par Exposure	\$ 2,824
Total National Gross Par Outstanding	\$ 410,360
Top 10 BIG Gross Par Exposure as % of National Gross Par Outstanding	0.5%
Total BIG Gross Par Exposure as % of National Gross Par Outstanding	0.7%
Total BIG Gross Par Exposure as % of National Gross Par Outstanding by National ratings	0.5%

⁽¹⁾ Ratings as of the end of the period, as last provided by the rating agencies, which may be out-of-date. Ratings are derived using the S&P Priority Method; where S&P's underlying rating is used, when available, Moody's underlying rating is used if the S&P underlying rating is not available and an internal underlying rating is used if neither S&P's nor Moody's underlying ratings are available. For credits where National has insured a credit that was already insured by another bond insurer, the underlying rating used is the higher of the underlying rating of the uninsured credit or the bond insurer's credit rating.

Investor Relations Contacts

Chris Young
Managing Director
Chief Financial Officer
(914) 765-3121
chris.young@nationalpfg.com

Nick Sourbis
Managing Director
Fixed Income Investor Relations
(914) 765-3385
nicholas.sourbis@nationalpfg.com