

MBIA's Exposure to Hurricane Katrina as of 3/31/08

As previously reported, MBIA has significant exposures in its insured portfolio relating to regions impacted by Hurricane Katrina. However, as many affected regions have demonstrated an ability to recover quickly from the disaster, the Company has focused much of its attention on the New Orleans area. During 2006 and 2007, MBIA-insured issuers in New Orleans stabilized as a result of improved near term and intermediate term liquidity. The two primary contributing factors have been the debt service relief afforded to local issuers from the State of Louisiana's \$400.0 million issuance of Tax Credit Bonds and the availability of Community Disaster Relief Loan monies.

Furthermore, property and sales tax receipts in New Orleans have performed better than expected. MBIA is continuing its communication with issuers, trustees and relevant state and local officials to evaluate the actual and potential impact that the hurricane may have on its insured credits over the long term. As of 3/31/08, there are no un-reimbursed claims outstanding and the Company has not established any loss reserves with regards to Katrina related credits.

The table below notes MBIA-insured exposure by bond category and location in regions that were affected by Hurricane Katrina as of 3/31/08.

Net Par Exposure as of 3/31/08 (\$ in millions)

Bond Category	Alabama	New Orleans	Other Louisiana	Mississippi	Total
General Obligation	\$ -	\$ 331.4	\$ -	\$ -	\$ 331.4
Tax-Backed & Leases	-	18.4	-	-	18.4
Muni Utility	-	106.8	-	-	106.8
Higher Ed and Other Non-Profit	-	-	-	-	-
Transportation	-	-	-	-	-
Exposure Total	\$ -	\$ 456.6	\$ -	\$ -	\$ 456.6