NEWS RELEASE

MBIA Announces Workforce Redeployment and Reduction

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ARMONK, N.Y.--(BUSINESS WIRE)--

MBIA (NYSE:MBI) today announced that in connection with its plan to realign and refine its business and risk strategies, which will include a more focused and rigorous credit discipline in its structured finance business going forward, the Company will eliminate 48 positions. All of the position eliminations will occur within the Company's insurance operations. The Company will redeploy many of the employees into different jobs including into its Asset Management business, which is unaffected by the workforce realignment.

"As we move toward rebuilding an unquestioned balance sheet, restoring credibility with investors and customers, and transforming the firm's legal, capital and operational structure for the long-term, a difficult but necessary part of this transformation is workforce realignment," said Jay Brown, MBIA Chairman and Chief Executive Officer. "And as much as I love my job, making tough decisions that negatively impact our employees is, without a doubt, the hardest part. In making these decisions, we have tried to do so quickly and in a manner that is as painless and generous as possible, with the same treatment for every employee who will leave our organization.

"The MBIA senior management team has moved decisively in the last three weeks to assess the talent and workforce composition required to address our immediate needs and the skills that will allow us to compete effectively in the future," said Mr. Brown. "They presented their plan to me and the Compensation and Organization Committee of the Board this week. The Company will begin immediate recruitment for 15-20 new hires for strategic roles, in addition to filling another 10 open positions. We are determined to restore MBIA to the vital and successful

business it has been for over three decades, due in large part to the extraordinary contributions of every single one of our employees. Redeploying staff into new responsibilities and eliminating positions in downsized business lines is an unavoidable step along this path."

This release contains statements about future results that may constitute "forward-looking statements" within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Readers are cautioned that these statements are not guarantees of future performance. There are a variety of factors, many of which are beyond MBIA's control, which affect the operations, performance, business strategy and results and could cause its actual results to differ materially from the expectations and objectives expressed in any forward-looking statements. Accordingly, readers are cautioned not to place undue reliance on forward-looking statements which speak only as of the date they are made. MBIA does not undertake to update forward-looking statements to reflect the impact of circumstances or events that arise after the date the forward-looking statements are made. The reader should, however, consult any further disclosures MBIA may make in its future filings of its reports on Form 10-K, Form 10-Q and Form 8-K.

MBIA Inc., through its subsidiaries, is a leading financial guarantor and provider of specialized financial services. MBIA's innovative and cost-effective products and services meet the credit enhancement, financial and investment needs of its public and private sector clients, domestically and internationally. MBIA Inc.'s principal operating subsidiary, MBIA Insurance Corporation, has the following financial strength ratings: Triple-A from Fitch Ratings with ratings on Rating Watch Negative; Triple-A with negative outlook from Standard & Poor's Ratings Services; and Triple-A with negative outlook from Moody's Investors Service. Please visit MBIA's Web site at **www.mbia.com**.

Source: MBIA Inc.

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