



NEWS RELEASE

MBIA Launches MXN 25 Billion Insured Infrastructure Program in Mexico with the Refinancing of the Toluca Toll Road

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ARMONK, N.Y.--(BUSINESS WIRE)--April 10, 2006--MBIA Inc. (NYSE: MBI) announced today that it is launching PADEIM (Programa AAA de Infraestructura Mexico) to facilitate and expedite the issuance of MBIA-insured securities for Mexican essential infrastructure projects and services. Approved by CNBV, Mexico's securities regulator, the Program is similar to shelf registrations in the U.S. The first transaction to benefit from the new Program is the refinancing of Autopista Mexico-Toluca, MXN 4.2 billion (USD 400 million) MBIA-insured fixed-rate notes due 2028 issued in inflation-protected units by a trust in Nacional Financiera S.N.C. (NAFIN). The transaction, which closed April 7, 2006, is rated Triple-A by Moody's Investors Service, Standard & Poor's Ratings Services, Fitch Ratings as a result of MBIA's guarantee.

Capped at MXN 25 billion, the Program does not require the creation of a special entity by MBIA nor is there any cross-collateralization among the transactions issued through the Program. Insured financings in the Program will consist of infrastructure, energy and government financings, both sovereign and sub-sovereign. The Program is also intended as a means of enhancing secondary market liquidity of MBIA-insured paper in Mexico.

"The Program represents MBIA's commitment to help finance the growing infrastructure needs of Mexico. In addition, MBIA can offer Mexican investors the opportunity to purchase long-dated Triple-A-insured securities for regional infrastructure projects in local currency," said Eugenio Mendoza, MBIA managing director and head of international new business development for the Americas. "MBIA's financial guarantee also helps lower interest

rates for the issuer and enhances investors' liquidity."

The first transaction under the Program, the Autopista Mexico-Toluca toll road is a 21-kilometer limited access highway between Mexico City and Toluca, in the state of Mexico. The facility has been in operation for over fifteen years but during that time has become one of the most expensive tolled routes in the country on a per kilometer basis. Pursuant to a memorandum of understanding among the Secretaria de Comunicaciones y Transporte (SCT), Secretaria de Hacienda y Credito Publico (SHCP), Concession Company PACSA, and MBIA, the parties will implement a strategic toll rate reduction. Through this initiative, rates will be more in line with the per kilometer tariffs charged on other Mexican toll roads. This refinancing transaction will extend the final debt maturity to 22 years and with the resulting lower annual debt service, toll rates can be reduced by an average of 40%. The toll rate changes will be implemented over the next two months. Five new toll booths are being added at the main toll plaza to handle increased volume and, within a year, electronic tolling will be incorporated, further facilitating greater usage of the roadway.

"This transaction will substantially lower the cost to drive the toll road and thus encourage increased usage," noted Mr. Mendoza. "This is the first time toll rates have been reduced by this magnitude anywhere in Mexico. In addition, the area economy is strong and toll road traffic growth has been favorable despite the current rates, which makes this transaction a strong credit. This new long-term Triple-A-rated insured financing combined with attractive interest rates enables substantial savings to be passed on to motorists."

MBIA has been an active participant in the Mexican capital markets since 1994 insuring over USD 5 billion in net par outstanding. In addition to toll road financings, MBIA has insured a number of structured trade securitizations in Mexico for entities such as Pemex and BBVA Bancomer.

MBIA Inc., through its subsidiaries, is a leading financial guarantor and a provider of specialized financial services. MBIA provides innovative and cost-effective products and services that 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 a financial strength rating of Triple-A from Moody's Investors Service, Standard & Poor's Ratings Services, Fitch Ratings, and Rating and Investment Information, Inc. Please visit MBIA's Web site at <http://www.mbia.com>.

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