NEWS RELEASE

MBIA Releases Letter Sent to New York and Illinois Insurance Departments on Ackman Plan

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

In response to media and other inquiries concerning the "Ackman plan" presented to regulators and then widely disseminated last week by Mr. William Ackman, principal of Pershing Square Capital Management, MBIA Inc. (NYSE:MBI) today released a letter (link to letter here) it sent on Friday, February 22 to the Honorable Eric Dinallo, Superintendent of the New York State Insurance Department and the Honorable Michael T. McRaith, Director of the Illinois Division of Insurance.

"As we stated last week, we believe this proposal is simply a continuation of Mr. Ackman's campaign to profit from his short positions and credit default swaps in the bond insurance industry," said Jay Brown, MBIA Chairman and CEO. "Mr. Ackman has only two objectives: to impede the ability of companies who are trying to strengthen their financial resources to meet the needs of existing and future policyholders, and to further his own personal agenda and financial objectives. His calculated practice of using the media to broadcast his self-serving and misleading letters, reports and presentations is, we believe, clear evidence of his agenda.

"At a time of critical importance in the financial guarantee industry, Eric Dinallo and the staff of the New York State Insurance Department and other regulators are working tirelessly to assist all financial guarantee companies to develop plans to meet the needs of all their constituencies," Mr. Brown continued. "Assuring that these plans treat all policyholders on an equitable basis is an extraordinary challenge that requires thoughtful and careful evaluation. Mr. Ackman should let the officials charged with regulating the industry do their jobs instead of continuing a

relentless media-driven campaign fueled only by personal financial gain."

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.

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Source: MBIA Inc.

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