NEWS RELEASE

MBIA to Issue $750 Million in Common Stock

2/6/2008

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

MBIA Inc. (NYSE:MBI) today announced that it will issue approximately 50.3 million shares of its common stock to raise $750 million in an underwritten registered offering. J.P. Morgan Securities Inc. and Lehman Brothers Inc. are acting as the joint book-running managers of this offering.

Warburg Pincus will provide a backstop for this offering by agreeing to purchase up to $750 million of convertible participating preferred stock, subject to limited conditions. The convertible participating preferred stock will mandatorily convert into the Company's common stock, upon a shareholder vote. Warburg Pincus has the option to purchase up to $300 million of the convertible participating preferred stock under the backstop.

The Company intends to contribute most of the net proceeds of this offering and the backstop commitment to the surplus of its subsidiary, MBIA Insurance Corporation, to support its business plan.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any offer or sale of the shares of common stock in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any jurisdiction. Any offer, solicitation or sale will be made only by means of the prospectus supplement and the accompanying base prospectus.

The shares issued are registered pursuant to MBIA Inc.'s automatic shelf registration statement which was filed with the Securities and Exchange Commission on June 29, 2007. A prospectus supplement and the accompanying

base prospectus when available may be obtained from: J.P. Morgan Securities Inc., 4 Chase Metrotech Center, CS Level, Brooklyn, NY 11245, Attention: Chase Distribution & Support Service Northeast Statement Processing, Phone: 718-242-8002; or Lehman Brothers Inc., c/o Broadridge Integrated Distribution Services, Inc., 1155 Long Island Avenue, Englewood, NY 11717, or by faxing requests to 631-254-7140 or via email at **qiana.smith@broadridge.com**.

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 on CreditWatch with negative implications from Standard & Poor's Ratings Services; and Triple-A on review for possible downgrade from Moody's Investors Service. Please visit MBIA's Web site at **www.mbia.com**.

Source: MBIA Inc.

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