NEWS RELEASE

S&P and Moody's Reaffirm MBIA's Triple-A Ratings; MBIA CEO Comments on Affirmations

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

MBIA (NYSE:MBI) today released a statement regarding the recent rating actions by Standard and Poors and Moody's Investors Service. "We are very pleased that Moody's has now joined Standard & Poors in affirming our Triple-A rating, adding to the growing confidence among our shareholders and issuers that MBIA continues to play a vital role in the bond market," said Jay Brown, Chairman and Chief Executive Officer of MBIA. "This reaffirmation is a major step in our five-year transformation plan."

"MBIA's claims paying resources are many multiples of our estimated loss exposure," Mr. Brown stated. "In fact, the entire U.S. mortgage market would have to realize ultimate losses many times greater than any credible prediction before MBIA's ability to meet its policyholder obligations would be compromised."

Moody's said in its press release today that these rating actions reflect its assessment of MBIA's ongoing efforts to strengthen its capital position, as well as changes the Company is implementing to reduce the volatility associated with its insured portfolio. The agency also confirmed the Aa2 rating on surplus notes issued by MBIA Insurance Corporation, and the Aa3 senior unsecured ratings of parent company, MBIA Inc. It stated the rating outlook is negative.

On Monday, Standard & Poors' cited MBIA management's success in raising $2.6 billion of additional debt and equity capital as it affirmed MBIA's rating of AAA financial strength with a negative outlook.

In moves to strengthen the company, MBIA's board of directors yesterday approved additional measures to strengthen the company's capital position and support its top credit ratings, including the elimination of the quarterly dividend, suspension of all new structured finance business for approximately six months and a cessation of insurance activities on new derivative credit contracts.

"MBIA is committed to the millions of investors, municipalities and other stakeholders that rely on our insurance products for better bond markets and peace of mind," Mr. Brown concluded.

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.

Contact: Media: MBIA Willard Hill, +1-914-765-3860 or APCO Worldwide Adam Segall, +1-212-300-1800 or Investor Relations: MBIA Greg Diamond, +1-914-765-3190