
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of report (Date of earliest event reported): **November 1, 2022**

Enact Holdings, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other Jurisdiction of
Incorporation)

001-40399
(Commission
File Number)

46-1579166
(IRS Employer
Identification No.)

8325 Six Forks Road
Raleigh, North Carolina 27615
(919) 846-4100
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, par value \$0.01 per share	ACT	The Nasdaq Stock Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 Results of Operations and Financial Condition.

On November 1, 2022, Enact Holdings, Inc. (the "Company") issued (1) a press release announcing its financial results for the quarter ended September 30, 2022, a copy of which is attached hereto as Exhibit 99.1 and is incorporated herein by reference, and (2) a financial supplement for the quarter ended September 30, 2022, a copy of which is attached hereto as Exhibit 99.2 and is incorporated herein by reference.

The information contained in Item 2.02 of this Current Report on Form 8-K (including Exhibits 99.1 and 99.2) is being furnished and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 (the "Exchange Act") or otherwise subject to the liabilities under that Section and shall not be deemed to be incorporated by reference into any filing of the company under the Securities Act of 1933, as amended or the Exchange Act, except as shall be expressly set forth by specific reference in such filing. The information contained in Item 2.02 of this Current Report on Form 8-K shall not be incorporated by reference into any registration statement or other document pursuant to the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in any such filing.

Item 8.01 Other Events

On November 1, 2022, the Board of Directors of the Company declared a special cash dividend of \$183 million, or \$1.12 per share. The dividend is expected to be paid on December 6, 2022 to the Company's shareholders of record as of the close of business on November 18, 2022.

On November 1, 2022, the Board of Directors of the Company also announced the authorization of a share repurchase program of up to \$75 million of the Company's outstanding shares of common stock. A copy of the press release announcing the special cash dividend and share repurchase program is furnished as Exhibit 99.3 to this Current Report on Form 8-K.

Item 9.01 Financial Statements and Exhibits.

The following materials are furnished as exhibits to this Current Report on Form 8-K:

Exhibit Number	
99.1	Press Release dated November 1, 2022- Financial results
99.2	Financial Supplement for the quarter ended September 30, 2022
99.3	Press Release dated November 1, 2022- Special dividend and share repurchase program
104	Cover Page Interactive Data File (the Cover Page Interactive Data File is embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Enact Holdings, Inc.

By: /s/ Hardin Dean Mitchell
Name: Hardin Dean Mitchell
Title: Executive Vice President, Chief Financial Officer and Treasurer

Dated: November 1, 2022

ENACT REPORTS THIRD QUARTER 2022 RESULTS AND ANNOUNCES QUARTERLY DIVIDEND

GAAP Net Income of \$191 million, or \$1.17 per diluted share
Adjusted Operating Income of \$191 million, or \$1.17 per diluted share
Return on Equity of 18.6% and Adjusted Operating Return on Equity of 18.6%
Record Insurance-in-Force of \$242 billion, a 9% increase year-over-year
PMIERS Sufficiency of 174% or \$2,249 million
Book Value Per Share of \$25.28 and Book Value Per Share excluding AOCI of \$27.90
Announces quarterly cash dividend of \$0.14 per common share

Raleigh, NC, November 1, 2022 – Enact Holdings, Inc. (Nasdaq: ACT) today announced financial results for the third quarter of 2022.

"We delivered strong results in a dynamic environment," said Rohit Gupta, President and CEO of Enact. "Throughout the quarter we continued to execute against all aspects of our cycle-tested growth strategy, writing profitable new business, investing in our growth, and managing our risk, while also delivering on our commitment to return excess capital to shareholders. While several factors are creating uncertainty in the housing market in the near-term, we believe the longer-term drivers of demand remain in place, and the strength of our portfolio, balance sheet, and cash flows position us well to prudently navigate the current market environment while continuing to successfully pursue our long-term growth strategy, and drive value creation for all stakeholders."

Key Financial Highlights

<i>(In millions, except per share data or otherwise noted)</i>	3Q22	2Q22	3Q21
Net Income (loss)	\$191	\$205	\$137
<i>Diluted Net Income (loss) per share</i>	\$1.17	\$1.25	\$0.84
Adjusted Operating Income (loss)	\$191	\$205	\$137
<i>Adj. Diluted Operating Income (loss) per share</i>	\$1.17	\$1.26	\$0.84
NIW (\$B)	\$15	\$17	\$24
Primary IIF (\$B)	\$242	\$238	\$222
Persistency	82 %	80 %	65 %
Net Premiums Earned	\$235	\$237	\$243
Losses Incurred	\$(40)	\$(62)	\$34
<i>Loss Ratio</i>	(17)%	(26)%	14 %
Operating Expenses	\$58	\$61	\$59
<i>Expense Ratio</i>	25 %	26 %	24 %
Net Investment Income	\$39	\$36	\$36
Return on Equity	18.6 %	20.1 %	13.2 %
Adjusted Operating Return on Equity	18.6 %	20.2 %	13.2 %
PMIERS Sufficiency (\$)	\$2,249	\$2,047	\$2,287
PMIERS Sufficiency (%)	174 %	166 %	181 %

Third Quarter 2022 Financial and Operating Highlights

- Net income was \$191 million, or \$1.17 per diluted share, compared with \$205 million, or \$1.25 per diluted share, for the second quarter of 2022 and \$137 million, or \$0.84 per diluted share, for the third quarter of 2021. The sequential decline in net income was driven by the favorable reserve development in the second quarter of 2022. The year-over-year improvement in net income was primarily driven by lower losses from favorable reserve development.
- Adjusted operating income was \$191 million, or \$1.17 per diluted share, compared with \$205 million, or \$1.26 per diluted share, for the second quarter of 2022 and \$137 million, or \$0.84 per diluted share, for the third quarter of 2021.
- New insurance written (NIW) was \$15 billion, down 14% from \$17 billion in the second quarter of 2022, and down 37% from \$24 billion in the third quarter of 2021, due to lower originations as a result of increased mortgage rates. Our NIW for the third quarter was comprised of 94% monthly premium policies and 97% purchase originations.
- Primary Insurance-In-Force was \$242 billion, up 2% from \$238 billion in the second quarter of 2022 and up 9% from \$222 billion in the third quarter of 2021, driven by NIW and increased persistency.
- Persistency was 82%, up from 80% in the second quarter of 2022 and 65% in the third quarter of 2021. The continued increase in persistency has been primarily driven by an increase in mortgage rates and an ongoing decline in the percentage of our in-force policies with mortgage rates above current rates.
- Net premiums earned were \$235 million, down 1% from \$237 million in the second quarter of 2022 and down 3% from \$243 million in the third quarter of 2021. Net earned premium yield was down from the second quarter of 2022 and the third quarter of 2021, driven by the lapse of older, higher-priced policies as compared to our new insurance written and lower single premium cancellations along with modestly higher ceded premiums as compared to third quarter of 2021. The decline in net earned premium yield was partially offset by IIF growth.
- Losses incurred for the third quarter of 2022 were \$(40) million and the loss ratio was (17)%, compared to \$(62) million and (26)%, respectively, in the second quarter of 2022, driven by a reserve release of \$105 million on favorable cure performance primarily from 2020 and early 2021 COVID related delinquencies, partially offset by \$25 million reserve strengthening related to early 2022 delinquencies given higher economic uncertainty. The net reserve release of \$80 million compares to a \$96 million reserve release in the second quarter of 2022. Current quarter losses incurred and the loss ratio compare favorably to results for the third quarter 2021 of \$34 million and 14%, respectively, driven by the favorable reserve development in the current quarter partially offset by higher new delinquencies from recent large books that are aging and going through their normal loss development pattern.
- The percentage of loans in default at quarter end was 1.99%, compared to 2.06% as of June 30, 2022, and 3.08% as of September 30, 2021, as cures continued to outpace new delinquencies.
- Operating expenses in the current quarter were \$58 million and the expense ratio was 25%, compared to \$61 million and 26%, respectively, in the second quarter of 2022, primarily driven by lower variable costs associated with production volume. Current quarter expenses were relatively flat as compared to results of the third quarter of 2021 of \$59 million and 24%, respectively, driven by lower variable costs associated with production volume, mostly offset by higher general and administrative expenses in the current quarter.
- Net investment income was \$39 million, up from \$36 million for the second quarter of 2022 and \$36 million in the third quarter of 2021, driven by rising interest rates and higher average invested assets and partially offset by lower bond calls.
- Annualized return on equity for the third quarter of 2022 was 18.6%, and annualized adjusted operating return on equity was 18.6%. Current quarter results are down from second quarter 2022 results of 20.1% and 20.2%, respectively, and up from third quarter 2021 results of 13.2%

and 13.2%, respectively. The sequential decrease in both return on equity and adjusted operating return on equity were driven, in part, by a larger reserve release in the second quarter of 2022 as compared to the current quarter, partially offset by the change in unrealized gains / losses in our asset portfolio, and the payment of a \$23 million dividend, or \$0.14 per share, in the third quarter of 2022.

Capital and Liquidity

- PMIERS sufficiency was 174% and \$2,249 million above the published PMIERS requirements, compared to 166% and \$2,047 million above the published PMIERS requirements in the second quarter of 2022. The sequential increase in PMIERS sufficiency was driven by the execution of an XOL transaction, our business cash flows and lower delinquencies, and partially offset by NIW and amortization of existing reinsurance transactions.
- PMIERS sufficiency benefited from a 0.30 multiplier applied to the risk-based required asset factor for certain non-performing loans, which resulted in a reduction of the published PMIERS required assets by an estimated \$140 million at the end of the current quarter, compared to \$178 million at the end of the second quarter 2022 and \$570 million at the end of the third quarter 2021. These amounts are gross of incremental reinsurance benefits from the elimination of the 0.30 multiplier.
- Enact Holdings, Inc. held \$202 million of cash and \$211 million of invested assets as of September 30, 2022. Combined cash and invested assets decreased \$55 million from the prior quarter, due to our dividend paid in the current quarter and our semi-annual interest payment on our 2025 debt. Secured approximately \$201 million of additional excess of loss ("XOL") reinsurance coverage on September 19, 2022. This credit risk transfer (CRT) transaction covers a portfolio of existing mortgage insurance policies written from January 1, 2022 through June 30, 2022, and is effective September 1, 2022. Reinsurance coverage is provided by a panel of reinsurers each currently rated "A-" or better by Standard & Poor's or A.M. Best Company, Inc.
- Moody's Investors Service upgraded the insurance financial strength rating for Enact Mortgage Insurance Corporation - to Baa1 from Baa2, and Enact's long-term issuer rating and senior unsecured debt rating to Ba1 from Ba2. The outlook for the ratings is stable.

Recent Events

- The company announced today that its Board of Directors has declared a quarterly dividend of \$0.14 per common share, payable on December 6, 2022, to shareholders of record on November 18, 2022. Future dividends will be subject to Board approval.
- The company also announced separately today that its Board of Directors has approved a special cash dividend of \$183 million, or \$1.12 per common share, and authorized a \$75 million stock repurchase program. The special cash dividend is payable on December 6, 2022 to the shareholders of record as of close of business on November 18, 2022.
- In October, EMICO, our primary mortgage insurance operating company completed a distribution of \$242 million to our holding company to bolster its financial flexibility and support our ability to return capital to shareholders.

Conference Call and Financial Supplement Information

This press release, the third quarter 2022 financial supplement and earnings presentation are now posted on the Company's website, <https://ir.enactmi.com>. Investors are encouraged to review these materials.

Enact will discuss third quarter financial results in a conference call tomorrow, Wednesday, November 2, 2022, at 8:00 a.m. (Eastern). Enact's conference call can be accessed via telephone and Internet. The dial-in number for the conference call is 833-634-2594 or 412-902-4104 (outside the U.S.); participants should ask to be joined into the Enact Holdings, Inc. call. To participate in the call by webcast, register at

<https://ir.enactmi.com/news-and-events/events> at least 15 minutes prior to the webcast to download and install any necessary software.

A digital replay of the webcast will be available on the Enact website following the live broadcast for a period of one year at <https://ir.enactmi.com/news-and-events/events>.

In addition to the information provided in the company's earnings news release, other statistical and financial information, which is expected to be referred to during the conference call, is available on Enact's website at <https://ir.enactmi.com>.

About Enact

Enact (Nasdaq: ACT), operating principally through its wholly-owned subsidiary Enact Mortgage Insurance Corporation since 1981, is a leading U.S. private mortgage insurance provider committed to helping more people achieve the dream of homeownership. Building on a deep understanding of lenders' businesses and a legacy of financial strength, we partner with lenders to bring best-in class service, leading underwriting expertise, and extensive risk and capital management to the mortgage process, helping to put more people in homes and keep them there. By empowering customers and their borrowers, Enact seeks to positively impact the lives of those in the communities in which it serves in a sustainable way. Enact is headquartered in Raleigh, North Carolina.

Safe Harbor Statement

This communication contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act. These forward-looking statements may address, among other things, our expected financial and operational results, the related assumptions underlying our expected results, and the quotations of management. These forward-looking statements are distinguished by use of words such as "will," "may," "would," "anticipate," "expect," "believe," "designed," "plan," "predict," "project," "target," "could," "should," or "intend," the negative of these terms, and similar references to future periods. These views involve risks and uncertainties that are difficult to predict and, accordingly, our actual results may differ materially from the results discussed in our forward-looking statements. Our forward-looking statements contained herein speak only as of the date of this press release. Factors or events that we cannot predict, including uncertainty around Covid-19 and the effects of government and other measures seeking to contain its spread; supply chain constraints; inflation; increases in interest rates; risks related to an economic downturn or recession in the United States and in other countries around the world; changes in political, business, regulatory, and economic conditions; future adverse rating agency actions, including with respect to rating downgrades or potential downgrades or being put on review for potential downgrade, all of which could have adverse implications; changes in or to Fannie Mae and Freddie Mac (the "GSEs"), whether through Federal legislation, restructurings or a shift in business practices; failure to continue to meet the mortgage insurer eligibility requirements of the GSEs; competition for customers; lenders or investors seeking alternatives to private mortgage insurance; an increase in the number of loans insured through Federal government mortgage insurance programs, including those offered by the Federal Housing Administration; and other factors described in the risk factors contained in our Annual Report on Form 10-K and other filings with the Securities and Exchange Commission, may cause our actual results to differ from those expressed in forward-looking statements. In addition, the potential for future dividend payments and other forms of returning capital to shareholders, including share repurchases, will be determined in consultation with the Board of Directors, and after considering economic and regulatory factors, current risks to the Company, and subsidiary performance. Although Enact believes the expectations reflected in such forward-looking statements are based on reasonable assumptions, the Company can give no assurance that its expectations will be achieved and it undertakes no obligation to update publicly any forward-looking statements as a result of new information, future events, or otherwise, except as required by applicable law.

GAAP/Non-GAAP Disclosure Discussion

This communication includes the non-GAAP financial measures entitled "adjusted operating income (loss)", "adjusted operating income (loss) per share," and "adjusted operating return on equity." Adjusted operating income (loss) per share is derived from adjusted operating income (loss). The chief operating decision maker evaluates performance and allocates resources on the basis of adjusted operating income (loss). The Enact Holdings, Inc. (the "Company") defines adjusted operating income (loss) as net income (loss) excluding the after-tax effects of net investment gains (losses), restructuring costs and infrequent or unusual non-operating items. The Company excludes net investment gains (losses) and infrequent or unusual non-operating items because the company does not consider them to be related to the operating performance of the Company and other activities. The recognition of realized investment gains or losses can vary significantly across periods as the activity is highly discretionary based on the timing of individual securities sales due to such factors as market opportunities or exposure management. Trends in the profitability of our fundamental operating activities can be more clearly identified without the fluctuations of these realized gains and losses. We do not view them to be indicative of our fundamental operating activities. Therefore, these items are excluded from our calculation of adjusted operating income. In addition, adjusted operating income (loss) per share is derived from adjusted operating income (loss) divided by shares outstanding. Adjusted operating return on equity is calculated as annualized adjusted operating income for the period indicated divided by the average of current period and prior periods' ending total stockholders' equity.

While some of these items may be significant components of net income (loss) in accordance with U.S. GAAP, the Company believes that adjusted operating income (loss) and measures that are derived from or incorporate adjusted operating income (loss), including adjusted operating income (loss) per share on a basic and diluted basis and adjusted operating return on equity, are appropriate measures that are useful to investors because they identify the income (loss) attributable to the ongoing operations of the business. Management also uses adjusted operating income (loss) as a basis for determining awards and compensation for senior management and to evaluate performance on a basis comparable to that used by analysts. Adjusted operating income (loss) and adjusted operating income (loss) per share on a basic and diluted basis are not substitutes for net income (loss) available to the Company's common stockholders or net income (loss) available to the Company's common stockholders per share on a basic and diluted basis determined in accordance with U.S. GAAP. In addition, the company's definition of adjusted operating income (loss) may differ from the definitions used by other companies.

Adjustments to reconcile net income (loss) available to the Company's common stockholders to adjusted operating income (loss) assume a 21% tax rate.

The tables at the end of this press release provide a reconciliation of net income (loss) to adjusted operating income (loss) and U.S. GAAP return on equity to adjusted operating return on equity for the three months ended September 30, 2022 and 2021, as well as for the three months ended June 30, 2022.

Exhibit A: Consolidated Statements of Income (amounts in thousands, except per share amounts)

	3Q22	2Q22	3Q21
REVENUES:			
Premiums	\$235,060	\$237,386	\$243,063
Net investment income	39,493	35,776	35,995
Net investment gains (losses)	(42)	(381)	580
Other income	564	760	671
Total revenues	275,075	273,541	280,309
LOSSES AND EXPENSES:			
Losses incurred	(40,309)	(61,563)	34,124
Acquisition and operating expenses, net of deferrals	54,523	58,201	55,151
Amortization of deferred acquisition costs and intangibles	3,338	3,230	3,669
Interest expense	12,879	12,786	12,756
Total losses and expenses	30,431	12,654	105,700
INCOME BEFORE INCOME TAXES	244,644	260,887	174,609
Provision for income taxes	53,658	56,152	37,401
NET INCOME	\$190,986	\$204,735	\$137,208
Net investment (gains) losses	42	381	(580)
Costs associated with reorganization	(156)	104	339
Taxes on adjustments	24	(102)	50
Adjusted Operating Income	\$190,896	\$205,118	\$137,017
Loss ratio ⁽¹⁾	(17)%	(26)%	14 %
Expense ratio ⁽²⁾	25 %	26 %	24 %
Earnings Per Share Data:			
Net Income per share			
Basic	\$1.17	\$1.26	\$0.84
Diluted	\$1.17	\$1.25	\$0.84
Adj operating income per share			
Basic	\$1.17	\$1.26	\$0.84
Diluted	\$1.17	\$1.26	\$0.84
Weighted-average common shares outstanding			
Basic	162,843	162,842	162,840
Diluted	163,376	163,225	162,852

⁽¹⁾The ratio of losses incurred to net earned premiums.

⁽²⁾The ratio of acquisition and operating expenses, net of deferrals, and amortization of deferred acquisition costs and intangibles to net earned premiums. Expenses associated with strategic transaction preparations and restructuring costs decreased the expense ratio by zero percentage points for the three months ended September 30, 2022 and June 30, 2022 and one percentage point for the three months ended September 30, 2021.

Exhibit B: Consolidated Balance Sheets (amounts in thousands, except per share amounts)

Assets	3Q22	4Q21	3Q21
Investments:			
Fixed maturity securities available-for-sale, at fair value	\$4,877,902	\$5,266,339	\$5,376,067
Short term investments	2,434	—	12,500
Total investments	4,880,336	5,266,339	5,388,567
Cash and cash equivalents	535,775	425,828	451,582
Accrued investment income	35,896	31,061	31,372
Deferred acquisition costs	26,310	27,220	27,788
Premiums receivable	40,331	42,266	43,425
Deferred tax asset	135,152	—	—
Other assets	69,040	73,059	48,572
Total assets	\$5,722,840	\$5,865,773	\$5,991,306
Liabilities and Shareholders' Equity			
Liabilities:			
Loss reserves	\$510,237	\$641,325	\$648,365
Unearned premiums	212,987	246,319	254,806
Other liabilities	140,413	130,604	129,464
Long-term borrowings	742,211	740,416	739,838
Deferred tax liability	—	1,586	17,452
Total liabilities	1,605,848	1,760,250	1,789,925
Equity:			
Common stock	1,628	1,628	1,628
Additional paid-in capital	2,379,576	2,371,861	2,369,822
Accumulated other comprehensive income	(427,085)	83,581	133,955
Retained earnings	2,162,873	1,648,453	1,695,976
Total equity	4,116,992	4,105,523	4,201,381
Total liabilities and equity	\$5,722,840	\$5,865,773	\$5,991,306
Book value per share	\$25.28	\$25.21	\$25.80
Book value per share excluding AOCI	\$27.90	\$24.70	\$24.98
U.S. GAAP ROE ⁽¹⁾	18.6 %	14.8 %	13.2 %
Net investment (gains) losses	0.0 %	0.0 %	(0.1)%
Costs associated with reorganization	0.0 %	0.0 %	0.0 %
Taxes on adjustments	0.0 %	0.0 %	0.0 %
Adjusted Operating ROE⁽²⁾	18.6 %	14.8 %	13.2 %
Debt to Capital Ratio	15 %	15 %	15 %

⁽¹⁾ Calculated as annualized net income for the period indicated divided by the average of current period and prior periods' ending total stockholders' equity

⁽²⁾ Calculated as annualized adjusted operating income for the period indicated divided by the average of current period and prior periods' ending total stockholders' equity

Third Quarter 2022
Financial Supplement

The Enact logo consists of a white plus sign followed by the word "Enact" in a sans-serif font, with a registered trademark symbol (®) to the upper right of the word. The logo is positioned in the bottom right corner of a large green rectangular area that occupies the upper right portion of the page.

Enact®

GAAP/Non-GAAP Disclosure Discussion

This document includes the non-GAAP financial measures entitled "adjusted operating income (loss)," "adjusted operating income (loss) per share," and "adjusted operating return on equity." Adjusted operating income (loss) per share is derived from adjusted operating income (loss). The chief operating decision maker evaluates performance and allocates resources on the basis of adjusted operating income (loss). Enact Holdings, Inc. (the "Company") defines adjusted operating income (loss) as net income (loss) excluding the after-tax effects of net investment gains (losses), restructuring costs and infrequent or unusual non-operating items. The Company excludes net investment gains (losses) and infrequent or unusual non-operating items because the Company does not consider them to be related to the operating performance of the Company. The recognition of realized investment gains or losses can vary significantly across periods as the activity is highly discretionary based on the timing of individual securities sales due to such factors as market opportunities or exposure management. Trends in the profitability of our fundamental operating activities can be more clearly identified without the fluctuations of these realized gains and losses. We do not view them to be indicative of our fundamental operating activities. Therefore, these items are excluded from our calculation of adjusted operating income. In addition, adjusted operating income (loss) per share is derived from adjusted operating income (loss) divided by shares outstanding. Adjusted operating return on equity is calculated as annualized adjusted operating income for the period indicated divided by the average of current period and prior periods' ending total stockholders' equity.

While some of these items may be significant components of net income (loss) in accordance with U.S. GAAP, the Company believes that adjusted operating income (loss) and measures that are derived from or incorporate adjusted operating income (loss), including adjusted operating income (loss) per share on a basic and diluted basis and adjusted operating return on equity, are appropriate measures that are useful to investors because they identify the income (loss) attributable to the ongoing operations of the business. Management also uses adjusted operating income (loss) as a basis for determining awards and compensation for senior management and to evaluate performance on a basis comparable to that used by analysts. Adjusted operating income (loss) and adjusted operating income (loss) per share on a basic and diluted basis are not substitutes for net income (loss) available to Company's common stockholders or net income (loss) available to Company's common stockholders per share on a basic and diluted basis determined in accordance with U.S. GAAP. In addition, the Company's definition of adjusted operating income (loss) may differ from the definitions used by other companies.

Adjustments to reconcile net income (loss) available to Company's common stockholders to adjusted operating income (loss) assume a 21% tax rate.

Consolidated Statements of Income
(amounts in thousands, except per share amounts)

	2022				2021				
	3Q	2Q	1Q	Total	4Q	3Q	2Q	1Q	Total
REVENUES:									
Premiums	\$235,060	\$237,386	\$234,279	\$706,725	\$236,864	\$243,063	\$242,480	\$252,542	\$974,949
Net investment income	39,493	35,776	35,146	110,415	35,246	35,995	34,689	35,259	141,189
Net investment gains (losses)	(42)	(381)	(339)	(762)	5	590	(1,753)	(956)	(2,124)
Other income	564	750	502	1,826	727	671	705	1,738	3,841
Total revenues	275,075	273,541	269,588	818,204	272,842	280,309	276,121	288,583	1,117,855
LOSSES AND EXPENSES:									
Losses incurred	(40,309)	(61,563)	(10,446)	(112,318)	5,972	34,124	30,003	55,374	125,473
Acquisition and operating expenses, net of deferrals	54,523	58,201	54,262	166,986	55,630	55,151	63,050	57,622	231,453
Amortization of deferred acquisition costs and intangibles	3,338	3,230	3,090	9,658	3,600	3,669	3,597	3,838	14,704
Interest expense	12,879	12,786	12,776	38,441	12,771	12,756	12,745	12,737	51,009
Total losses and expenses	30,431	12,654	59,682	102,767	77,973	105,700	109,395	129,571	422,639
INCOME BEFORE INCOME TAXES	244,644	260,887	209,906	715,437	194,869	174,609	166,726	159,012	695,216
Provision for income taxes	53,658	56,152	45,276	155,086	41,335	37,401	35,914	33,881	148,531
NET INCOME	\$190,986	\$204,735	\$164,630	\$560,351	\$153,534	\$137,208	\$130,812	\$125,131	\$546,685
Net investment (gains) losses	\$42	\$381	\$339	\$762	(\$5)	(\$580)	\$1,753	\$956	\$2,124
Costs associated with reorganization	(156)	104	222	170	89	339	2,316	0	2,744
Taxes on adjustments	24	(102)	(118)	(196)	(17)	50	(854)	(201)	(1,022)
Adjusted Operating Income	\$190,896	\$205,118	\$165,073	\$561,087	\$153,601	\$137,017	\$134,027	\$125,886	\$550,531
Loss ratio ⁽¹⁾	(17)%	(26)%	(4)%	(16)%	3%	14%	12%	22%	13%
Expense ratio ⁽²⁾	25%	26%	24%	25%	25%	24%	27%	24%	25%
Earnings Per Share Data:									
Net income per share									
Basic	\$1.17	\$1.26	\$1.01	\$3.44	\$0.94	\$0.84	\$0.80	\$0.77	\$3.36
Diluted	\$1.17	\$1.25	\$1.01	\$3.43	\$0.94	\$0.84	\$0.80	\$0.77	\$3.36
Adj operating income per share									
Basic	\$1.17	\$1.26	\$1.01	\$3.44	\$0.94	\$0.84	\$0.82	\$0.77	\$3.38
Diluted	\$1.17	\$1.26	\$1.01	\$3.44	\$0.94	\$0.84	\$0.82	\$0.77	\$3.38
Weighted-average common shares outstanding									
Basic	162,843	162,842	162,841	162,842	162,840	162,840	162,840	162,840	162,840
Diluted	163,376	163,225	163,054	163,219	162,985	162,852	162,840	162,840	162,879

⁽¹⁾The ratio of losses incurred to net earned premiums.

⁽²⁾The ratio of acquisition and operating expenses, net of deferrals, and amortization of deferred acquisition costs and intangibles to net earned premiums. Expenses associated with strategic transaction preparations and restructuring costs increased the expense ratio by zero percentage points for the three months ended September 30, 2022, June 30, 2022, March 31, 2022 and December 31, 2021, one percentage point for the three months ended September 30, 2021, two percentage points for the three months ended June 30, 2021 and one percentage point for the three months ended March 31, 2021.

Consolidated Balance Sheets
(amounts in thousands, except per share amounts)

	September 30, 2022	June 30, 2022	March 31, 2022	December 31, 2021	September 30, 2021	June 30, 2021	March 31, 2021
Investments:							
Fixed maturity securities available-for-sale, at fair value	\$4,877,902	\$4,909,362	\$5,093,084	\$5,266,339	\$5,376,067	\$5,256,467	\$5,106,128
Short term investments	2,434	0	0	0	12,500	12,500	12,500
Total investments	4,880,336	4,909,362	5,093,084	5,266,339	5,388,567	5,268,966	5,118,628
Cash and cash equivalents	535,775	383,947	440,160	425,828	451,352	435,323	431,335
Accrued investment income	35,896	33,103	32,565	31,061	31,372	30,843	28,821
Deferred acquisition costs	26,310	26,689	27,000	27,220	27,788	28,322	28,544
Premiums receivable	40,331	41,036	40,381	42,266	43,425	43,287	42,454
Deferred tax asset	135,152	98,695	56,060	0	0	0	0
Other assets	69,040	67,601	103,157	73,059	48,572	55,348	49,921
Total assets	\$5,722,840	\$5,760,433	\$5,792,407	\$5,865,773	\$5,991,306	\$5,862,089	\$5,699,703
Liabilities and Shareholder's Interest							
Liabilities:							
Loss reserves	\$510,237	\$558,894	\$625,279	\$641,325	\$648,365	\$624,256	\$603,528
Unearned premiums	212,987	224,781	236,410	240,319	254,806	263,573	280,742
Other liabilities	140,413	154,656	141,125	130,604	129,464	119,289	121,609
Long-term borrowings	742,211	741,602	741,004	740,416	739,838	739,269	738,711
Deferred tax liability	0	0	0	1,586	17,452	25,851	19,787
Total liabilities	1,605,848	1,679,933	1,743,818	1,760,250	1,789,925	1,772,238	1,764,377
Equity:							
Common stock	1,628	1,628	1,628	1,628	1,628	1,628	1,628
Additional paid-in capital	2,379,576	2,377,042	2,374,568	2,371,861	2,369,822	2,369,601	2,368,782
Accumulated other comprehensive income	(427,085)	(293,027)	(140,690)	83,581	133,955	159,854	136,960
Retained earnings	2,162,973	1,994,857	1,813,083	1,648,453	1,686,976	1,558,768	1,427,956
Total equity	\$4,116,992	\$4,080,500	\$4,048,589	\$4,105,523	\$4,201,381	\$4,089,851	\$3,935,326
Total liabilities and equity	\$5,722,840	\$5,760,433	\$5,792,407	\$5,865,773	\$5,991,306	\$5,862,089	\$5,699,703
Book value per share	\$25.28	\$25.06	\$24.86	\$25.21	\$25.80	\$25.12	\$24.17
Book value per share excluding accumulated other comprehensive income	\$27.90	\$26.86	\$25.73	\$24.70	\$24.98	\$24.13	\$23.33
U.S. GAAP ROE⁽¹⁾	18.6 %	20.1 %	16.2 %	14.8 %	13.2 %	13.0 %	12.8 %
Net investment (gains) losses	0.0 %	0.0 %	0.0 %	0.0 %	(0.1)%	0.2 %	0.1 %
Costs associated with reorganization	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.2 %	0.0 %
Taxes on adjustments	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	(0.1)%	0.0 %
Adjusted Operating ROE⁽²⁾	18.6 %	20.2 %	16.2 %	14.8 %	13.2 %	13.4 %	12.9 %
Debt to capital ratio	15%	15%	15%	15%	15%	15%	16%

⁽¹⁾ Calculated as annualized net income for the period indicated divided by the average of current period and prior periods' ending total stockholders' equity.

⁽²⁾ Calculated as annualized adjusted operating income for the period indicated divided by the average of current period and prior periods' ending total stockholders' equity.

Primary New Insurance Written Metrics
(amounts in millions)

	2022						2021											
	3Q		2Q		1Q		4Q		3Q		2Q		1Q		Total			
	Primary NIW	% of Primary NIW	Primary NIW	% of Primary NIW	Primary NIW	% of Primary NIW	Primary NIW	% of Primary NIW	Primary NIW	% of Primary NIW	Primary NIW	% of Primary NIW	Primary NIW	% of Primary NIW	Primary NIW	% of Primary NIW		
Product																		
Primary	\$15,069	100%	\$17,448	100%	\$18,823	100%	\$51,340	100%	\$21,441	100%	\$23,972	100%	\$26,657	100%	\$24,934	100%	\$97,004	100%
Pool	0	-%	0	-%	0	-%	0	-%	0	-%	0	-%	0	-%	0	-%	0	-%
Total	\$15,069	100%	\$17,448	100%	\$18,823	100%	\$51,340	100%	\$21,441	100%	\$23,972	100%	\$26,657	100%	\$24,934	100%	\$97,004	100%
Origination																		
Purchase	\$14,834	97%	\$16,802	96%	\$17,326	92%	\$48,762	95%	\$19,284	90%	\$20,988	88%	\$21,143	79%	\$15,500	62%	\$76,915	79%
Refinance	435	3%	646	4%	1,497	8%	2,578	5%	2,157	10%	2,984	12%	5,514	21%	9,434	38%	20,089	21%
Total Primary	\$15,069	100%	\$17,448	100%	\$18,823	100%	\$51,340	100%	\$21,441	100%	\$23,972	100%	\$26,657	100%	\$24,934	100%	\$97,004	100%
Payment Type																		
Monthly	\$14,138	94%	\$16,169	93%	\$17,071	91%	\$47,378	92%	\$19,395	91%	\$21,475	90%	\$24,887	93%	\$23,358	94%	\$89,115	92%
Single	890	6%	1,218	7%	1,690	9%	3,798	8%	1,991	9%	2,431	10%	1,686	7%	1,446	6%	7,554	8%
Other ⁽¹⁾	41	-%	61	-%	62	-%	164	-%	55	-%	66	-%	84	-%	130	-%	335	-%
Total Primary	\$15,069	100%	\$17,448	100%	\$18,823	100%	\$51,340	100%	\$21,441	100%	\$23,972	100%	\$26,657	100%	\$24,934	100%	\$97,004	100%
FICO Scores																		
Over 760	\$6,948	46%	\$7,981	45%	\$8,359	45%	\$23,288	45%	\$9,401	44%	\$10,708	45%	\$11,762	44%	\$10,520	42%	\$42,391	44%
740 - 759	2,354	17%	2,916	17%	3,085	16%	8,555	17%	3,406	16%	3,830	16%	3,995	15%	3,836	15%	15,067	16%
720 - 739	2,106	14%	2,530	15%	2,515	13%	7,151	14%	2,944	13%	3,177	13%	3,467	13%	3,423	14%	12,911	13%
700 - 719	1,531	10%	1,917	11%	1,952	10%	5,400	10%	2,257	11%	2,702	11%	3,131	12%	2,979	12%	11,089	11%
680 - 699	1,085	7%	1,099	6%	1,316	7%	3,500	7%	1,589	7%	1,875	8%	2,513	9%	2,480	10%	8,457	9%
660 - 679 ⁽²⁾	527	3%	598	3%	531	3%	2,056	4%	1,108	5%	1,010	4%	1,068	4%	983	4%	4,167	4%
640 - 659	234	2%	297	2%	486	3%	1,017	2%	611	3%	504	2%	547	2%	511	2%	2,173	2%
620 - 639	79	1%	106	1%	173	1%	388	1%	223	1%	166	1%	174	1%	202	1%	765	1%
<600	5	-%	4	-%	6	-%	15	-%	4	-%	0	-%	0	-%	0	-%	4	-%
Total Primary	\$15,069	100%	\$17,448	100%	\$18,823	100%	\$51,340	100%	\$21,441	100%	\$23,972	100%	\$26,657	100%	\$24,934	100%	\$97,004	100%
Weighted Avg FICO	749		748		746		748		745		747		746		745		748	
Loan-To-Value Ratio																		
95.01% and above	\$1,741	11%	\$2,177	12%	\$3,140	17%	\$7,064	14%	\$3,660	17%	\$3,396	14%	\$2,767	11%	\$3,241	9%	\$12,064	12%
90.01% to 95.00%	6,184	41%	7,458	43%	6,682	35%	20,324	39%	7,548	35%	8,838	37%	10,758	40%	9,453	38%	36,597	38%
85.01% to 90.00%	5,094	34%	5,207	30%	5,620	30%	15,921	31%	6,253	29%	7,454	31%	8,618	32%	8,392	34%	30,717	32%
80.00% and below	2,050	14%	2,606	15%	3,275	18%	8,031	16%	3,980	19%	4,294	18%	4,514	17%	4,848	19%	17,608	18%
Total Primary	\$15,069	100%	\$17,448	100%	\$18,823	100%	\$51,340	100%	\$21,441	100%	\$23,972	100%	\$26,657	100%	\$24,934	100%	\$97,004	100%
Weighted Avg DTI	39%		39%		39%		39%		38%		37%		36%		35%		37%	
Avg loan size (thousands)	\$350		\$345		\$334		\$339		\$318		\$312		\$304		\$292		\$305	

⁽¹⁾Includes loans with annual and split payment types.

⁽²⁾Loans with unknown FICO scores are included in the 660-679 category.

Insurance In-Force (IIF)⁽¹⁾ Metrics
Excludes Run-off business, which is immaterial to our results
(amounts in millions)

	2022						2021							
	3Q		2Q		1Q		4Q		3Q		2Q		1Q	
	IIF	% of IIF	IIF	% of IIF	IIF	% of IIF	IIF	% of IIF	IIF	% of IIF	IIF	% of IIF	IIF	% of IIF
Product														
Primary	\$241,813	100 %	\$237,563	100 %	\$231,853	100 %	\$226,514	100 %	\$222,464	100 %	\$217,477	100 %	\$210,187	100 %
Pool	531	- %	564	- %	600	- %	641	- %	771	- %	798	- %	841	- %
Total	\$242,344	100 %	\$238,127	100 %	\$232,453	100 %	\$227,155	100 %	\$223,235	100 %	\$218,275	100 %	\$211,028	100 %
Origination														
Purchase	\$199,322	82 %	\$192,499	81 %	\$184,080	79 %	\$176,550	78 %	\$169,944	76 %	\$162,832	75 %	\$156,298	74 %
Refinance	42,491	18 %	45,064	19 %	47,773	21 %	49,964	22 %	52,520	24 %	54,645	25 %	53,889	26 %
Total Primary	\$241,813	100 %	\$237,563	100 %	\$231,853	100 %	\$226,514	100 %	\$222,464	100 %	\$217,477	100 %	\$210,187	100 %
Payment Type														
Monthly	\$211,062	87 %	\$206,361	87 %	\$200,304	86 %	\$194,826	86 %	\$190,702	86 %	\$185,694	85 %	\$177,126	84 %
Single	28,550	12 %	28,945	12 %	29,198	13 %	29,205	13 %	29,013	13 %	28,743	13 %	29,653	14 %
Other ⁽²⁾	2,201	1 %	2,257	1 %	2,351	1 %	2,483	1 %	2,749	1 %	3,040	2 %	3,408	2 %
Total Primary	\$241,813	100 %	\$237,563	100 %	\$231,853	100 %	\$226,514	100 %	\$222,464	100 %	\$217,477	100 %	\$210,187	100 %
Book Year														
2008 and prior	\$6,849	3 %	\$7,246	3 %	\$7,723	3 %	\$8,196	3 %	\$8,963	4 %	\$9,682	4 %	\$10,500	5 %
2009-2014	2,293	1 %	2,577	1 %	2,946	1 %	3,369	2 %	3,949	2 %	4,670	3 %	5,570	2 %
2015	3,133	1 %	3,526	1 %	3,960	2 %	4,488	2 %	5,087	2 %	5,810	3 %	6,729	3 %
2016	6,772	3 %	7,377	3 %	8,076	4 %	8,997	4 %	10,082	4 %	11,499	5 %	13,213	6 %
2017	6,918	3 %	7,328	3 %	8,023	4 %	8,962	4 %	10,185	5 %	11,763	5 %	13,817	7 %
2018	7,133	3 %	7,613	3 %	8,306	4 %	9,263	4 %	10,568	5 %	12,289	6 %	14,618	7 %
2019	17,070	7 %	18,141	8 %	19,609	8 %	21,730	10 %	24,884	11 %	28,842	13 %	33,430	16 %
2020	58,497	24 %	62,154	26 %	65,807	28 %	69,963	31 %	75,785	34 %	82,308	38 %	87,599	42 %
2021	83,740	35 %	86,175	37 %	88,757	38 %	91,546	40 %	92,961	33 %	90,614	23 %	84,711	12 %
2022	49,508	20 %	35,426	15 %	18,646	8 %	0	- %	0	- %	0	- %	0	- %
Total Primary	\$241,813	100 %	\$237,563	100 %	\$231,853	100 %	\$226,514	100 %	\$222,464	100 %	\$217,477	100 %	\$210,187	100 %

⁽¹⁾Primary insurance in-force represents aggregate unpaid balance for loans the company insures.

⁽²⁾Includes loans with annual and split payment types.

Insurance In-Force (IIF) ⁽¹⁾ Metrics
Excludes Run-off business, which is immaterial to our results
(amounts in millions)

	2022						2021							
	3Q		2Q		1Q		4Q		3Q		2Q		1Q	
	IIF	% of IIF	IIF	% of IIF	IIF	% of IIF	IIF	% of IIF	IIF	% of IIF	IIF	% of IIF	IIF	% of IIF
FICO Scores														
Over 750	\$99,177	41 %	\$96,625	40 %	\$93,222	40 %	\$89,982	40 %	\$87,073	39 %	\$83,602	38 %	\$79,285	38 %
740 - 759	38,731	16 %	37,853	16 %	36,821	16 %	35,874	16 %	35,177	16 %	34,402	16 %	33,607	16 %
720 - 739	33,874	14 %	33,263	14 %	32,363	14 %	31,730	14 %	31,374	14 %	30,964	14 %	30,295	14 %
700 - 719	28,384	12 %	28,136	12 %	27,620	12 %	27,359	12 %	27,371	12 %	27,032	12 %	26,309	13 %
680 - 699	21,294	9 %	21,221	9 %	21,259	9 %	21,270	9 %	21,458	10 %	21,469	10 %	20,777	10 %
660 - 679 ⁽²⁾	10,842	4 %	10,822	5 %	10,805	5 %	10,549	5 %	10,309	5 %	10,191	6 %	10,001	5 %
640 - 659	6,115	3 %	6,154	3 %	6,188	3 %	6,124	3 %	6,009	3 %	6,008	3 %	5,981	3 %
620 - 639	2,663	1 %	2,725	1 %	2,774	1 %	2,783	1 %	2,787	1 %	2,838	1 %	2,893	1 %
<620	733	- %	764	- %	801	- %	843	- %	906	- %	971	- %	1,039	- %
Total Primary	\$241,813	100 %	\$237,563	100 %	\$231,853	100 %	\$226,514	100 %	\$222,464	100 %	\$217,477	100 %	\$210,187	100 %
Weighted Avg FICO	743		743		742		741		741		740		740	
Loan-To-Value Ratio														
95.01% and above	\$38,099	16 %	\$37,636	16 %	\$36,867	16 %	\$35,455	16 %	\$34,259	15 %	\$33,657	15 %	\$33,757	16 %
90.01% to 95.00%	101,164	42 %	99,303	41 %	96,419	42 %	95,149	42 %	94,888	43 %	94,307	44 %	92,124	44 %
85.01% to 90.00%	69,803	29 %	67,866	29 %	66,226	28 %	64,549	28 %	63,349	28 %	61,234	28 %	58,098	28 %
85.00% and below	32,747	13 %	32,758	14 %	32,341	14 %	31,361	14 %	29,968	14 %	28,279	13 %	26,208	12 %
Total Primary	\$241,813	100 %	\$237,563	100 %	\$231,853	100 %	\$226,514	100 %	\$222,464	100 %	\$217,477	100 %	\$210,187	100 %
Weighted Avg LTV	93 %		93 %		93 %		93 %		93 %		93 %		93 %	
Debt-To-Income Ratio														
45.01% and above	\$40,846	17 %	\$38,763	16 %	\$36,428	16 %	\$34,076	15 %	\$31,771	14 %	\$30,794	14 %	\$30,225	14 %
38.01% to 45.00%	85,226	35 %	83,194	35 %	80,741	35 %	79,147	35 %	78,303	35 %	76,977	35 %	74,674	36 %
38.00% and below	115,741	48 %	115,606	49 %	114,684	49 %	113,291	50 %	112,390	51 %	109,706	51 %	105,288	50 %
Total Primary	\$241,813	100 %	\$237,563	100 %	\$231,853	100 %	\$226,514	100 %	\$222,464	100 %	\$217,477	100 %	\$210,187	100 %
Weighted Avg DTI	37 %		37 %		37 %		37 %		37 %		37 %		37 %	
Primary persistency	82 %		80 %		76 %		69 %		65 %		63 %		56 %	
Avg loan size (thousands)	\$255		\$251		\$246		\$242		\$237		\$233		\$228	

⁽¹⁾Primary insurance in-force represents aggregate unpaid balance for loans the company insures.

⁽²⁾Loans with unknown FICO scores are included in the 660-679 category.

Risk In-Force (RIF)⁽¹⁾ Metrics
Excludes Run-off business, which is immaterial to our results
 (amounts in millions)

	2022												2021															
	3Q				2Q				1Q				4Q				3Q				2Q				1Q			
	RIF	% of RIF	RIF	% of RIF	RIF	% of RIF	RIF	% of RIF	RIF	% of RIF	RIF	% of RIF	RIF	% of RIF	RIF	% of RIF	RIF	% of RIF	RIF	% of RIF	RIF	% of RIF						
Product																												
Primary	\$61,124	100 %	\$59,911	100 %	\$58,295	100 %	\$56,881	100 %	\$55,866	100 %	\$54,643	100 %	\$52,866	100 %	\$51,623	100 %	\$50,400	100 %	\$49,177	100 %	\$47,954	100 %	\$46,731	100 %				
Pool	84	- %	89	- %	97	- %	105	- %	117	- %	123	- %	134	- %	145	- %	156	- %	167	- %	178	- %	189	- %				
Total	\$61,208	100 %	\$60,000	100 %	\$58,392	100 %	\$56,986	100 %	\$55,983	100 %	\$54,766	100 %	\$53,000	100 %	\$51,783	100 %	\$50,566	100 %	\$49,349	100 %	\$48,132	100 %	\$46,915	100 %				
Origination																												
Purchase	\$52,134	85 %	\$50,449	84 %	\$48,326	83 %	\$46,470	82 %	\$44,871	80 %	\$43,121	79 %	\$41,366	78 %	\$39,615	77 %	\$37,864	76 %	\$36,113	75 %	\$34,362	74 %	\$32,611	73 %				
Refinance	8,990	15 %	9,462	16 %	9,969	17 %	10,411	18 %	10,995	20 %	11,522	21 %	12,095	22 %	12,668	23 %	13,241	24 %	13,814	25 %	14,387	26 %	14,960	27 %				
Total Primary	\$61,124	100 %	\$59,911	100 %	\$58,295	100 %	\$56,881	100 %	\$55,866	100 %	\$54,643	100 %	\$52,866	100 %	\$51,623	100 %	\$50,400	100 %	\$49,177	100 %	\$47,954	100 %	\$46,731	100 %				
Payment Type																												
Monthly	\$54,247	89 %	\$52,896	88 %	\$51,153	88 %	\$49,614	87 %	\$48,495	87 %	\$47,153	86 %	\$45,009	85 %	\$43,866	84 %	\$42,723	83 %	\$41,580	82 %	\$40,437	81 %	\$39,294	80 %				
Single	6,324	10 %	6,449	11 %	6,561	11 %	6,658	12 %	6,709	12 %	6,766	13 %	6,817	13 %	6,874	13 %	6,927	14 %	6,984	14 %	7,041	14 %	7,098	15 %				
Other ⁽²⁾	553	1 %	566	1 %	581	1 %	609	1 %	662	1 %	724	1 %	808	2 %	907	2 %	1,016	2 %	1,135	2 %	1,264	2 %	1,403	3 %				
Total Primary	\$61,124	100 %	\$59,911	100 %	\$58,295	100 %	\$56,881	100 %	\$55,866	100 %	\$54,643	100 %	\$52,866	100 %	\$51,623	100 %	\$50,400	100 %	\$49,177	100 %	\$47,954	100 %	\$46,731	100 %				
Book Year																												
2008 and prior	\$1,764	3 %	\$1,867	3 %	\$1,991	3 %	\$2,112	3 %	\$2,309	4 %	\$2,494	4 %	\$2,705	5 %	\$2,916	5 %	\$3,131	5 %	\$3,350	6 %	\$3,573	6 %	\$3,800	7 %				
2009-2014	609	1 %	687	1 %	788	1 %	904	2 %	1,062	2 %	1,260	2 %	1,510	3 %	1,795	3 %	2,136	4 %	2,531	4 %	2,976	5 %	3,471	6 %				
2015	840	1 %	943	2 %	1,058	2 %	1,197	2 %	1,355	2 %	1,549	3 %	1,795	3 %	2,090	4 %	2,425	4 %	2,810	5 %	3,245	5 %	3,730	6 %				
2016	1,905	3 %	1,964	3 %	2,147	4 %	2,388	4 %	2,676	5 %	3,052	6 %	3,503	7 %	4,014	7 %	4,585	8 %	5,266	9 %	6,067	10 %	6,968	11 %				
2017	1,792	3 %	1,922	3 %	2,094	4 %	2,324	4 %	2,631	5 %	3,032	6 %	3,556	7 %	4,105	7 %	4,736	8 %	5,427	9 %	6,248	10 %	7,169	11 %				
2018	1,806	3 %	1,922	3 %	2,092	4 %	2,330	4 %	2,656	5 %	3,086	6 %	3,671	7 %	4,312	7 %	5,007	8 %	5,772	9 %	6,617	10 %	7,572	11 %				
2019	4,313	7 %	4,575	8 %	4,935	8 %	5,454	10 %	6,239	11 %	7,225	13 %	8,361	16 %	9,747	16 %	11,383	19 %	13,278	23 %	15,433	25 %	17,838	29 %				
2020	14,891	25 %	15,763	26 %	16,606	28 %	17,574	31 %	18,965	34 %	20,536	37 %	21,787	41 %	23,718	41 %	26,349	45 %	29,660	51 %	33,841	58 %	38,882	64 %				
2021	20,848	34 %	21,384	36 %	21,959	38 %	22,598	40 %	23,973	43 %	26,094	48 %	28,985	51 %	32,766	54 %	37,437	63 %	42,688	73 %	49,089	83 %	57,141	92 %				
2022	12,456	20 %	8,884	15 %	4,625	8 %	0	- %	0	- %	0	- %	0	- %	0	- %	0	- %	0	- %	0	- %	0	- %				
Total Primary	\$61,124	100 %	\$59,911	100 %	\$58,295	100 %	\$56,881	100 %	\$55,866	100 %	\$54,643	100 %	\$52,866	100 %	\$51,623	100 %	\$50,400	100 %	\$49,177	100 %	\$47,954	100 %	\$46,731	100 %				

⁽¹⁾Primary risk in-force represents risk on current loan balances as provided by servicers, lenders and investors.

⁽²⁾Includes loans with annual and split payment types.

Risk In-Force (RIF)⁽¹⁾ Metrics
Excludes Run-off business, which is immaterial to our results
(amounts in millions)

	2022						2021							
	3Q		2Q		1Q		4Q		3Q		2Q		1Q	
	RIF	% of RIF	RIF	% of RIF	RIF	% of RIF	RIF	% of RIF	RIF	% of RIF	RIF	% of RIF	RIF	% of RIF
FICO Scores														
Over 760	\$24,965	41 %	\$24,252	40 %	\$23,326	40 %	\$22,489	40 %	\$21,767	39 %	\$20,908	38 %	\$19,829	37 %
740 - 759	9,808	16 %	9,559	16 %	9,267	16 %	9,009	16 %	8,824	16 %	8,628	16 %	8,442	16 %
720 - 739	8,656	14 %	8,484	14 %	8,224	14 %	8,055	14 %	7,966	14 %	7,879	14 %	7,715	15 %
700 - 719	7,200	12 %	7,129	12 %	6,974	12 %	6,907	12 %	6,823	12 %	6,848	13 %	6,678	13 %
680 - 699	5,356	9 %	5,329	9 %	5,334	9 %	5,334	9 %	5,383	10 %	5,385	10 %	5,231	10 %
660-679 ⁽²⁾	2,739	4 %	2,728	5 %	2,715	5 %	2,638	5 %	2,568	5 %	2,531	5 %	2,484	5 %
640 - 659	1,541	3 %	1,547	3 %	1,550	3 %	1,530	3 %	1,497	3 %	1,494	3 %	1,485	3 %
620 - 639	672	1 %	687	1 %	699	1 %	702	1 %	705	1 %	720	1 %	734	1 %
<620	187	- %	196	- %	206	- %	217	- %	233	- %	250	- %	268	- %
Total Primary	\$61,124	100 %	\$59,911	100 %	\$58,295	100 %	\$56,881	100 %	\$55,866	100 %	\$54,643	100 %	\$52,866	100 %
Loan-To-Value Ratio														
95.01% and above	\$10,809	18 %	\$10,647	18 %	\$10,379	18 %	\$9,907	17 %	\$9,490	17 %	\$9,228	17 %	\$9,151	17 %
90.01% to 95.00%	29,379	48 %	28,838	48 %	27,987	48 %	27,608	49 %	27,509	49 %	27,308	50 %	26,637	51 %
85.01% to 90.00%	17,019	28 %	16,517	27 %	16,082	27 %	15,644	27 %	15,322	28 %	14,776	27 %	13,997	26 %
85.00% and below	3,917	6 %	3,909	7 %	3,847	7 %	3,722	7 %	3,545	6 %	3,331	6 %	3,081	6 %
Total Primary	\$61,124	100 %	\$59,911	100 %	\$58,295	100 %	\$56,881	100 %	\$55,866	100 %	\$54,643	100 %	\$52,866	100 %
Debt-To-Income Ratio														
45.01% and above	\$10,393	17 %	\$9,843	16 %	\$9,227	16 %	\$8,631	15 %	\$8,048	14 %	\$7,798	14 %	\$7,643	14 %
38.01% to 45.00%	21,603	35 %	21,058	35 %	20,392	35 %	19,974	35 %	19,773	36 %	19,445	36 %	18,888	36 %
38.00% and below	29,128	48 %	29,010	49 %	28,676	49 %	28,276	50 %	28,045	50 %	27,400	50 %	26,335	50 %
Total Primary	\$61,124	100 %	\$59,911	100 %	\$58,295	100 %	\$56,881	100 %	\$55,866	100 %	\$54,643	100 %	\$52,866	100 %

⁽¹⁾Primary risk in-force represents risk on current loan balances as provided by servicers, lenders and investors.

⁽²⁾Loans with unknown FICO scores are included in the 660-679 category.

Delinquency Metrics
Excludes Run-off business, which is immaterial to our results
(dollar amounts in thousands)

	2022			2021			
	3Q	2Q	1Q	4Q	3Q	2Q	1Q
Average Paid Claim⁽¹⁾	\$42.2	\$50.1	\$51.6	\$27.2	\$26.7	\$63.1	\$54.7
Reserves:							
Primary direct case ⁽²⁾	\$476,063	\$525,948	\$590,508	\$606,102	\$612,754	\$588,683	\$564,208
All other ⁽²⁾	34,174	32,946	34,771	35,223	34,909	34,838	38,704
Total Reserves	\$510,237	\$558,894	\$625,279	\$641,325	\$647,663	\$623,521	\$602,912
Beginning Number of Primary Delinquencies	19,513	22,571	24,820	28,904	33,568	41,332	44,994
New delinquencies	9,121	7,847	8,724	8,282	7,427	6,862	10,053
Delinquency cures	(9,588)	(10,806)	(10,860)	(11,929)	(11,746)	(14,473)	(13,478)
Paid claims	(187)	(90)	(107)	(430)	(343)	(143)	(134)
Rescissions and claim denials	(3)	(9)	(6)	(7)	(2)	(10)	(13)
Ending Number of Primary Delinquencies	18,856	19,513	22,571	24,920	28,904	33,568	41,332
Primary delinquency rate	1.99 %	2.06 %	2.40 %	2.65 %	3.08 %	3.60 %	4.48 %
Average Reserve Per Primary Delinquency⁽³⁾	\$25.2	\$27.0	\$26.2	\$24.4	\$21.2	\$17.5	\$13.7
Beginning Direct Primary Case Reserves	\$525,948	\$590,508	\$606,102	\$612,754	\$588,683	\$564,208	\$516,863
Paid claims	(8,349)	(4,810)	(5,617)	(11,213)	(6,293)	(7,377)	(5,935)
Change in reserves	(41,536)	(59,750)	(9,977)	4,561	32,364	31,852	53,278
Ending Reserves	\$476,063	\$525,948	\$590,508	\$606,102	\$612,754	\$588,683	\$564,208
Incurred Losses⁽⁴⁾							
Current quarter delinquencies ⁽⁵⁾	\$38,696	\$34,654	\$39,220	\$37,056	\$33,047	\$30,301	\$43,839
Development of current quarter delinquencies ⁽⁶⁾	-	-	-	-	-	-	-
Prior period development ⁽⁷⁾	(78,005)	(96,217)	(49,666)	(31,004)	1,077	(298)	11,535
Total Incurred Losses	(\$40,309)	(\$61,563)	(\$10,446)	\$5,972	\$34,124	\$30,003	\$55,374
Policies in Force (count)	949,052	946,891	941,689	937,350	936,934	933,616	922,186

⁽¹⁾ Average paid claims in the third quarter of 2022 and the fourth and third quarters of 2021 include payments in relation to agreements on non-performing loans.

⁽²⁾ Primary direct case excludes loss adjustment expenses (LAE), pool, incurred but not reported (IBNR) and reinsurance reserves. Other includes LAE, IBNR, pool, and reinsurance reserves.

⁽³⁾ Primary direct case reserves divided by primary delinquency count.

⁽⁴⁾ Provides additional breakdown of incurred losses, which includes the impact of new delinquencies within each quarterly period reported. We believe providing loss information in this manner allows transparency and consistency for investors to understand performance.

⁽⁵⁾ Defaulted loans with most recent delinquency notice in the quarter indicated.

⁽⁶⁾ Development of current quarter delinquencies within the current quarter. This includes reserve impact from current period delinquencies that cure in the period and reserve development from the date of delinquency to quarter end.

Missed Payment Status Tables
Excludes Run-off business, which is immaterial to our results
(dollar amounts in millions)

Percentage Reserved by Payment Status	September 30, 2022				December 31, 2021				September 30, 2021			
	Delinquencies	Direct Case Reserves	Risk In-Force	Reserves as % of RIF	Delinquencies	Direct Case Reserves	Risk In-Force	Reserves as % of RIF	Delinquencies	Direct Case Reserves	Risk In-Force	Reserves as % of RIF
3 payments or less in default	7,446	\$48	\$401	12 %	6,586	\$35	\$340	10 %	6,192	\$32	\$319	10 %
4 - 11 payments in default	6,119	146	358	41 %	7,360	111	426	26 %	9,021	128	529	24 %
12 payments or more in default	5,291	282	295	96 %	10,874	460	643	72 %	13,691	453	813	59 %
Total	18,856	\$476	\$1,054	45 %	24,820	\$606	\$1,409	43 %	28,904	\$613	\$1,661	37 %

Delinquency Performance
Excludes Run-off business, which is immaterial to our result

September 30, 2022												
Top 10 States				Top 10 MSAs / Metro Divisions				Book Year RIF & Losses				
	% RIF	% Case Reserves ⁽¹⁾	Delq Rate		% RIF	% Case Reserves ⁽¹⁾	Delq Rate		% RIF	% Case Reserves ⁽¹⁾	Delq Rate	Cum Delq Rate ⁽²⁾
California	12%	10%	2.02%	Chicago-Naperville, IL Metro Division	3%	4%	2.85%	2008 and prior	3%	28%	9.71%	5.57%
Texas	8%	7%	2.10%	Phoenix, AZ MSA	3%	2%	1.11%	2009-2014	1%	4%	5.00%	0.70%
Florida ⁽³⁾	8%	8%	1.93%	New York, NY Metro Division	3%	9%	3.88%	2015	1%	4%	3.68%	0.70%
New York ⁽³⁾	5%	14%	2.97%	Atlanta, GA MSA	2%	3%	2.47%	2016	3%	7%	3.14%	0.83%
Illinois ⁽³⁾	5%	6%	2.53%	Washington-Arlington, DC Metro Division	2%	2%	1.79%	2017	3%	8%	3.75%	1.03%
Michigan	4%	3%	1.69%	Houston, TX MSA	2%	3%	2.74%	2018	3%	10%	4.47%	1.18%
Arizona	3%	2%	1.87%	Riverside-San Bernardino CA MSA	2%	2%	2.14%	2019	7%	12%	2.85%	0.94%
North Carolina	3%	2%	1.62%	Los Angeles-Long Beach, CA Metro Division	2%	2%	1.78%	2020	23%	16%	1.31%	0.86%
Georgia	3%	3%	2.26%	Dallas, TX Metro Division	2%	4%	3.83%	2021	34%	10%	0.92%	0.83%
Pennsylvania ⁽³⁾	3%	3%	2.11%	Nassau County, NY	2%	4%	5.55%	2022	20%	1%	0.26%	0.25%
All Other States ⁽⁴⁾	46%	42%	1.85%	All Other MSAs	77%	67%	1.85%	Total	100%	100%	1.99%	4.26%
Total	100%	100%	1.99%	Total	100%	100%	1.99%					

December 31, 2021												
Top 10 States				Top 10 MSAs / Metro Divisions				Book Year RIF & Losses				
	% RIF	% Case Reserves ⁽¹⁾	Delq Rate		% RIF	% Case Reserves ⁽¹⁾	Delq Rate		% RIF	% Case Reserves ⁽¹⁾	Delq Rate	Cum Delq Rate ⁽²⁾
California	11%	12%	3.17%	Chicago-Naperville, IL Metro Division	3%	4%	3.88%	2008 and prior	3%	24%	10.54%	5.99%
Texas	8%	8%	2.89%	Phoenix, AZ MSA	3%	2%	2.36%	2009-2013	1%	2%	5.54%	0.74%
Florida ⁽³⁾	7%	9%	2.97%	New York, NY Metro Division	3%	8%	5.32%	2014	1%	3%	5.51%	0.95%
New York ⁽³⁾	5%	12%	3.95%	Atlanta, GA MSA	2%	3%	3.28%	2015	2%	5%	4.24%	1.04%
Illinois ⁽³⁾	5%	6%	3.09%	Washington-Arlington, DC Metro Division	2%	2%	2.96%	2016	4%	8%	3.69%	1.16%
Michigan	4%	2%	1.97%	Houston, TX MSA	2%	3%	3.61%	2017	4%	10%	4.78%	1.56%
Arizona	4%	2%	2.11%	Riverside-San Bernardino CA MSA	2%	2%	3.42%	2018	4%	13%	5.93%	1.88%
North Carolina	3%	2%	2.18%	Los Angeles-Long Beach, CA Metro Division	2%	2%	2.31%	2019	10%	18%	3.89%	1.68%
Pennsylvania ⁽³⁾	3%	3%	2.38%	Dallas, TX Metro Division	2%	4%	5.55%	2020	31%	14%	1.50%	1.14%
Washington	3%	3%	2.98%	Nassau County, NY	2%	4%	2.44%	2021	40%	2%	0.37%	0.36%
All Other States ⁽⁴⁾	47%	41%	2.46%	All Other MSAs	77%	67%	2.44%	Total	100%	100%	2.65%	4.42%
Total	100%	100%	2.65%	Total	100%	100%	2.65%					

September 30, 2021												
Top 10 States				Top 10 MSAs / Metro Divisions				Book Year RIF & Losses				
	% RIF	% Case Reserves ⁽¹⁾	Delq Rate		% RIF	% Case Reserves ⁽¹⁾	Delq Rate		% RIF	% Case Reserves ⁽¹⁾	Delq Rate	Cum Delq Rate ⁽²⁾
California	11%	11%	3.91%	Chicago-Naperville, IL Metro Division	3%	4%	4.38%	2008 and prior	4%	27%	11.52%	5.80%
Texas	8%	8%	3.47%	Phoenix, AZ MSA	3%	2%	2.64%	2009-2013	1%	3%	6.03%	0.78%
Florida ⁽³⁾	7%	9%	3.72%	New York, NY Metro Division	3%	8%	6.48%	2014	1%	3%	5.81%	1.12%
New York ⁽³⁾	5%	12%	4.41%	Atlanta, GA MSA	2%	3%	4.00%	2015	2%	5%	4.67%	1.22%
Illinois ⁽³⁾	5%	6%	3.53%	Washington-Arlington, DC Metro Division	2%	2%	3.88%	2016	5%	8%	4.31%	1.45%
Michigan	4%	2%	2.01%	Houston, TX MSA	2%	3%	4.51%	2017	5%	10%	5.31%	1.89%
Arizona	4%	2%	2.64%	Riverside-San Bernardino CA MSA	2%	2%	4.42%	2018	5%	13%	6.51%	2.29%
North Carolina	4%	2%	2.54%	Los Angeles-Long Beach, CA Metro Division	2%	3%	4.98%	2019	11%	18%	4.43%	2.14%
Pennsylvania ⁽³⁾	3%	3%	2.75%	Dallas, TX Metro Division	2%	2%	3.62%	2020	34%	12%	1.43%	1.16%
Washington	3%	3%	3.65%	Nassau County, NY	2%	4%	6.93%	2021	32%	1%	0.24%	0.23%
All Other States ⁽⁴⁾	46%	42%	2.80%	All Other MSAs	77%	67%	2.79%	Total	100%	100%	3.68%	4.95%
Total	100%	100%	3.68%	Total	100%	100%	3.68%					

⁽¹⁾ Direct primary case reserves exclude loss adjustment expenses, incurred but not reported and reinsurance reserves.

⁽²⁾ Calculated as the sum of the number of policies where claims were ever paid to date and number of policies for loans currently in default divided by policies ever in-force.

⁽³⁾ Jurisdiction predominantly uses a judicial foreclosure process, which generally increases the amount of time it takes for a foreclosure to be completed.

⁽⁴⁾ Includes the District of Columbia.

Composition of Investments at Fair Value
(amounts in thousands)

	September 30, 2022		June 30, 2022		March 31, 2022		December 31, 2021		September 30, 2021		June 30, 2021		March 31, 2021	
	Carrying Amount	% of Total	Carrying Amount	% of Total	Carrying Amount	% of Total	Carrying Amount	% of Total	Carrying Amount	% of Total	Carrying Amount	% of Total	Carrying Amount	% of Total
Fixed Maturity Securities:														
U.S. treasuries	\$44,654	1%	\$49,668	1%	\$56,751	1%	\$58,408	1%	\$65,117	1%	\$65,625	1%	\$70,832	1%
Municipals	432,229	9%	469,509	10%	508,391	10%	538,453	10%	459,783	9%	408,317	8%	300,104	6%
Non-U.S. government	9,252	0%	21,120	0%	21,529	0%	22,416	0%	22,758	0%	22,950	1%	30,415	1%
U.S. corporate	2,639,184	54%	2,742,523	56%	2,882,497	57%	2,945,303	56%	2,948,106	55%	2,891,598	55%	2,844,775	56%
Non-U.S. corporate	647,063	14%	618,710	13%	629,795	12%	666,594	13%	712,603	13%	692,068	13%	679,302	13%
Residential MBS	11,743	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Other asset-backed	1,993,777	22%	1,007,832	20%	994,121	20%	1,035,165	20%	1,167,700	22%	1,175,909	22%	1,180,700	23%
Total available-for-sale fixed maturity securities	\$4,877,902	100%	\$4,909,362	100%	\$5,093,084	100%	\$5,266,339	100%	\$5,376,067	100%	\$5,256,467	100%	\$5,106,128	100%
Fixed Maturity Securities - Credit Quality														
NRSRO⁽¹⁾ Designation														
AAA	\$503,574	10%	\$441,105	9%	\$432,633	9%	\$482,950	9%	\$485,739	9%	\$483,513	9%	\$475,369	9%
AA	771,698	16%	798,828	16%	839,185	16%	876,294	17%	898,158	17%	841,282	16%	777,345	15%
A	1,699,803	35%	1,696,644	34%	1,736,936	34%	1,791,582	34%	1,829,844	34%	1,763,010	34%	1,766,601	35%
BBB	1,790,168	37%	1,855,984	38%	1,936,838	38%	1,958,901	37%	2,004,994	37%	2,013,940	38%	1,921,999	38%
BB & Lower	112,659	2%	126,801	3%	147,492	3%	156,612	3%	157,332	3%	154,722	3%	144,814	3%
Total fixed maturity securities	\$4,877,902	100%	\$4,909,362	100%	\$5,093,084	100%	\$5,266,339	100%	\$5,376,067	100%	\$5,256,467	100%	\$5,106,128	100%
Average duration	3.7		3.8		3.8		3.9		3.7		3.6		3.6	
Average yield	3.0%		2.8%		2.7%		2.7%		2.7%		2.8%		2.8%	

⁽¹⁾Nationally Recognized Statistical Rating Organizations.

Credit Risk Transfer Transaction Summary
(amounts in millions)

	2021-1 ILN 1/14-12/18, 4Q'19	2020 XOL Full Year 2020	2020 ILN 1/20-8/20	2021-2 ILN 9/20-12/20	2021 XOL Full Year 2021	2021-3 ILN 1/21-6/21	2022 XOL -3 7/21-12/21	2022 XOL -4 7/21-12/21	2022 XOL -5 1/22-6/22	2022 XOL -1 Full Year 2022	2022 XOL -2 Full Year 2022
At Closing (\$MM)											
Initial CRT Risk In Force	\$14,142	\$23,047	\$14,909	\$8,384	\$22,373	\$12,141	\$10,550	\$10,550	\$8,547	\$12,178	\$12,178
Initial Reinsurance Amount	\$495	\$168	\$350	\$303	\$206	\$372	\$289	\$36	\$201	\$136	\$17
Initial First Loss Retention Layer	\$212	\$691	\$522	\$189	\$671	\$304	\$317	\$264	\$256	\$365	\$304
Initial Attachment % ⁽²⁾	1.50%	3.00%	3.50%	2.25%	3.00%	2.50%	3.00%	2.50%	3.00%	3.00%	2.50%
Initial Detachment % ⁽²⁾	5.00%	7.00%	7.00%	7.00%	7.00%	6.75%	7.00%	3.00%	7.00%	7.00%	3.00%
% Of Covered Loss Tier Reinsured	100.00%	18.25%	67.00%	76.00%	23.00%	72.00%	68.45%	68.45%	58.80%	28.50%	28.50%
Commencement Date	03/02/21	01/01/20	10/22/20	04/16/21	01/01/21	09/02/21	03/01/22	03/01/22	09/01/22	01/01/22	01/01/22
Termination Date	08/25/33	12/31/30	10/25/30	10/25/33	12/31/31	02/25/34	12/31/31	12/31/31	12/31/32	12/31/32	12/31/32
Optional Call Date	02/25/26	06/30/27	10/25/27	04/25/28	06/30/28	08/25/28	12/31/28	12/31/28	01/01/30	12/31/30	12/31/30
Clean-Up Call	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
As of September 30, 2022 (\$MM)											
Current CRT Risk In Force ⁽¹⁾	\$5,725	\$14,788	\$7,975	\$6,466	\$20,653	\$10,353	\$9,957	\$9,957	\$8,357	\$12,178	\$12,178
Current Reinsured Amount	\$169	\$68	\$86	\$269	\$192	\$360	\$282	\$36	\$193	\$136	\$17
PMIERS Required Asset Credit ⁽³⁾	\$151	\$65	\$11	\$227	\$185	\$322	\$269	\$35	\$177	\$131	\$17
Current Attachment % ⁽²⁾	3.70%	4.67%	6.54%	2.92%	3.25%	2.93%	3.18%	2.85%	3.07%	3.00%	2.50%
Current Detachment % ⁽²⁾	6.64%	7.18%	8.16%	8.38%	7.30%	7.76%	7.31%	3.18%	7.00%	6.92%	3.00%
Enact Claims Paid	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Incurred Losses Ever To Date ⁽⁴⁾	\$26	\$77	\$40	\$22	\$47	\$25	\$14	\$14	\$2	\$4	\$4
Remaining First Loss Retention Layer	\$212	\$691	\$522	\$189	\$671	\$304	\$317	\$264	\$256	\$365	\$304
Reinsurer Claims Paid	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

⁽¹⁾ The total primary risk in force is \$61.1B and the total current risk in force covered by a CRT is \$54.2B.

⁽²⁾ Attachment % and detachment % are the aggregate loss amounts as a percentage of risk in force at which the reinsurer begins and stops paying claims under the policy.

⁽³⁾ Current PMIERS required asset credit considers the counterparty credit haircut.

⁽⁴⁾ Incurred losses ever to date shown does not include IBNR or loss adjustment expenses.

Definitions: CRT = Credit Risk Transfer; RIF = Risk In Force; XOL = Excess Of Loss; ILN = Insurance Linked Note

Capital & PMIERs
(dollar amounts in millions)

	2022			2021			
	3Q	2Q	1Q	4Q	3Q	2Q	1Q
COMBINED STAT:							
Statutory policyholders' surplus	\$1,348	\$1,277	\$1,442	\$1,397	\$1,558	\$1,567	\$1,557
Contingency reserves	3,424	3,297	3,168	3,042	2,914	2,783	2,652
Combined statutory capital	\$4,772	\$4,574	\$4,610	\$4,439	\$4,472	\$4,350	\$4,209
Adjusted RIF ⁽¹⁾	\$58,542	\$57,407	\$55,512	\$54,201	\$52,752	\$51,436	\$49,347
Combined risk-to-capital ratio ("RTC")	12.3	12.6	12.0	12.2	11.8	11.8	11.7
EMICO⁽²⁾ STAT:							
Statutory policyholders' surplus	\$1,296	\$1,226	\$1,390	\$1,346	\$1,508	\$1,487	\$1,477
Contingency reserves	3,422	3,294	3,167	3,041	2,913	2,782	2,652
EMICO statutory capital	\$4,718	\$4,520	\$4,557	\$4,387	\$4,421	\$4,269	\$4,129
Adjusted RIF ⁽¹⁾	\$58,233	\$57,169	\$55,321	\$54,033	\$52,608	\$51,312	\$49,249
EMICO risk-to-capital ratio	12.3	12.6	12.1	12.3	11.9	12.0	11.9
PMIERs Available Assets⁽³⁾	\$5,292	\$5,147	\$5,222	\$5,077	\$5,126	\$4,926	\$4,769
PMIERs Gross Required Assets ⁽³⁾	(4,773)	(4,789)	(4,855)	(4,868)	(5,006)	(5,151)	(5,302)
PMIERs Reinsurance Credit	1,590	1,511	1,622	1,404	1,597	1,406	1,285
PMIERs COVID-19 Haircut	140	178	272	390	570	760	1,012
PMIERs Net Required Assets	(\$3,043)	(\$3,100)	(\$2,961)	(\$3,074)	(\$2,839)	(\$2,985)	(\$3,005)
Available Assets Above PMIERs Requirements⁽³⁾	\$2,249	\$2,047	\$2,261	\$2,003	\$2,287	\$1,941	\$1,764
PMIERs Sufficiency Ratio⁽³⁾	174 %	166 %	176 %	165%	181%	165%	159%

⁽¹⁾ Adjusted RIF for purposes of calculating combined statutory RTC differs from RIF presented elsewhere in this financial supplement. In accordance with North Carolina Department of Insurance requirements, adjusted RIF excludes delinquent policies.

⁽²⁾ Enact Mortgage Insurance Corporation (EMICO), the company's principal U.S. mortgage insurance subsidiary.

⁽³⁾ The PMIERs sufficiency ratio is calculated as available assets divided by required assets as defined within PMIERs. The current period PMIERs sufficiency ratio is an estimate due to the timing of the PMIERs filing and does not take into consideration the impact of restrictions recently imposed by the government-sponsored enterprises (GSEs). The GSEs have imposed certain capital restrictions on the company which remain in effect until certain conditions are met. These restrictions required EMICO to maintain 115% of published PMIERs minimum required assets among other restrictions as of December 31, 2021. Effective January 1, 2022, these requirements increased to 120%.

FOR IMMEDIATE RELEASE
November 1, 2022

Enact Declares Special Cash Dividend of \$183 Million and Initiates \$75 Million Share Repurchase Program

RALEIGH, N.C., November 1, 2022 – Enact Holdings, Inc. (Nasdaq: ACT) (Enact) today announced that its Board of Directors declared a special cash dividend of \$183 million, or \$1.12 per common share, and has authorized a \$75 million share repurchase program. The special cash dividend is payable on December 6, 2022 to shareholders of record as of close of business on November 18, 2022. In support of our planned capital actions, EMICO, our primary mortgage insurance operating company, completed a distribution of \$242 million to our holding company in October.

“The Board’s decision to declare a special cash dividend and authorize a share repurchase program reflects our strong capital position, continued confidence in our long-term outlook, and commitment to returning capital to shareholders,” said Rohit Gupta, President and CEO of Enact. “These actions put us on a trajectory to return at least \$250 million of capital to shareholders in 2022. Going forward, we remain committed to our balanced approach to capital allocation and are well positioned with the financial strength and flexibility to continue investing in our business while also managing risk and generating value for our shareholders.”

Enact’s share repurchase program authorizes the purchase of up to \$75 million of the company’s common stock utilizing a variety of methods, including open market purchases, and privately negotiated transactions, and may be made under Rule 10b5-1 trading plans, at such times and in such amounts as management deems appropriate. In support, Enact has entered into an agreement with Genworth Holdings, Inc. to repurchase its Enact shares on a pro rata basis as part of the program. The share repurchase program is not expected to change Genworth’s ownership interest in Enact post completion.

Enact expects the timing and amount of any share repurchases will be opportunistic and will depend on a variety of factors, including Enact’s share price, capital availability, business and market conditions, regulatory requirements, and debt covenant restrictions. The program does not obligate Enact to acquire any amount of common stock, it may be suspended or terminated at any time at the Company’s discretion without prior notice, and it does not have a specified expiration date.

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About Enact Holdings, Inc.

Enact (Nasdaq: ACT), operating principally through its wholly-owned subsidiary Enact Mortgage Insurance Corporation since 1981, is a leading U.S. private mortgage insurance provider committed to helping more people achieve the dream of homeownership. Building on a deep understanding of lenders’ businesses and a legacy of financial strength, we partner with lenders to bring best-in class service, leading underwriting expertise, and extensive risk and capital management to the mortgage process, helping to put more people in homes and keep them there. By empowering customers and their borrowers, Enact seeks to positively impact the lives of those in the communities in which it serves in a sustainable way. Enact is headquartered in Raleigh, North Carolina.

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