

The PMI Group, Inc.



NEWS RELEASE

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**PMI Europe's Latest RMBS First Loss Transaction
Named European "Deal of the Year" by
Asset Securitization Report**

WALNUT CREEK, CA FEBRUARY 9, 2004 - PMI Mortgage Insurance Company Limited (PMI Europe), a subsidiary of The PMI Group, Inc. (NYSE:PMI) is pleased to announce that its largest and most recent first loss credit enhancement transaction was awarded the 2003 European "Deal of the Year" by Asset Securitization Report.

The publication recognized PMI Europe for its credit enhancement transaction of approximately \$25.3 million of residential mortgage credit risk on an unrated, first-loss tranche of a German residential mortgage-backed security for Germany's DZ Bank AG.

The transaction stands out as the first RMBS first-loss transaction to securitize existing securities from previous years' - the "Bauhaus" mortgage-backed securities were issued in 2000 - and has been viewed as establishing a new balance sheet management tool for banks. PMI Europe has previously completed other structured first loss RMBS transactions and is to date the only player in the market to have closed such first-loss credit enhancements.

"PMI has positioned itself as the dominant RMBS first-loss investor in Germany, having purchased all three such deals to date" commented Asset Securitization Report.

"PMI Europe is thrilled that Asset Securitization Report recognized and awarded our company with its highly regarded European "deal of the year", said Tony Porter, Managing Director, Chief Operating Officer, PMI Europe.

"This award recognized our ability to break new ground and take securitization technology to the next level. The transaction was an extremely significant accomplishment for our company. We have now reached the point where investors are generating demand for this type of transaction, a situation we could only of hoped for when we started three or four years ago," said Porter.

About PMI Europe

PMI Mortgage Insurance Company Limited, or PMI Europe, is a mortgage insurance and credit enhancement company incorporated and located in Dublin, Ireland, with an affiliated sales company incorporated in England and located in London. PMI Europe is authorized to provide credit, suretyship and miscellaneous financial loss insurance by the Irish Financial Services Regulatory Authority. PMI Europe's claims-paying ability is rated "AA" by S&P and Fitch, and "Aa3" by Moody's.

PMI Europe seeks business from the larger, more mature mortgage markets in Europe, including the United Kingdom, Germany, Spain, France, Italy, the Netherlands, and Ireland, as well as the smaller or emerging European markets, including Sweden, Switzerland and the Eastern European countries.

About Asset Securitization Report Asset Securitization Report is a publication covering the rapidly growing field of asset securitisation. The trade publication reports on industry developments and trends, closing prices and yields on actively traded securities, and features innovative ideas and insights into the structuring of asset-backed securities.

Cautionary Statement: Statements in this press release that are not historical facts or that relate to future plans, events or performance are "forward-looking" statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements involve risks and uncertainties that could cause PMI's actual results to differ materially from those expressed in this release. Factors that could cause or contribute to such material differences are discussed in the Company's filings with the Securities and Exchange Commission, including its report on Forms: 10-K for the year ended December 31, 2002, and its report on 10-Q for the period ended September, 30, 2003.