# UNITED STATES
# SECURITIES AND EXCHANGE COMMISSION
**Washington, D.C. 20549**

# FORM 8-K

**CURRENT REPORT**
**PURSUANT TO SECTION 13 OR 15(d)**
**OF THE SECURITIES EXCHANGE ACT OF 1934**

**August 1, 2017**
**Date of Report**
**(Date of earliest event reported)**

# GENWORTH FINANCIAL, INC.
**(Exact name of registrant as specified in its charter)**

| Delaware | 001-32195 | 80-0873306 |
|---|---|---|
| (State or other jurisdiction of incorporation) | (Commission File Number) | (I.R.S. Employer Identification No.) |

| 6620 West Broad Street, Richmond, VA | 23230 |
|---|---|
| (Address of principal executive offices) | (Zip Code) |

**(804) 281-6000**
**(Registrant's telephone number, including area code)**

**N/A**
**(Former name or former address, if changed since last report)**

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))

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 August 1, 2017, Genworth Financial, Inc. (the "Company") issued (1) a press release announcing its financial results for the quarter ended June 30, 2017, 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 June 30, 2017, a copy of which is attached hereto as Exhibit 99.2 and is incorporated herein by reference.

**Item 7.01 Regulation FD Disclosure**

On August 1, 2017, the Company also issued its Second Quarter 2017 earnings summary presentation, a copy of which is attached hereto as Exhibit 99.3 and is incorporated herein by reference.

The press release, the financial supplement and the earnings summary presentation are also available on the Company's website, www.genworth.com, under the "Investors" section.

The information furnished pursuant to Items 2.02 and 7.01, including Exhibits 99.1, 99.2 and 99.3, 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 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 9.01 Financial Statements and Exhibits.**

The following materials are furnished as exhibits to this Current Report on Form8-K:

| Exhibit Number | Description of Exhibit |
|---|---|
| 99.1 | Press Release dated August 1, 2017. |
| 99.2 | Financial Supplement for the quarter ended June 30, 2017. |
| 99.3 | Second Quarter 2017 Earnings Summary Presentation issued August 1, 2017. |

## 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.

GENWORTH FINANCIAL, INC.

Date: August 1, 2017

By: /s/ Matthew D. Farney
Matthew D. Farney
Vice President and Controller
(Principal Accounting Officer)

**Exhibit Index**

| Exhibit Number | Description of Exhibit |
|---|---|
| 99.1 | Press Release dated August 1, 2017. |
| 99.2 | Financial Supplement for the quarter ended June 30, 2017. |
| 99.3 | Second Quarter 2017 Earnings Summary Presentation issued August 1, 2017. |

**Exhibit 99.1**

News Release

6620 West Broad Street
Richmond, VA 23230

**Genworth Financial Announces Second Quarter 2017 Results**

Net Income Of $202 Million, Up 17 Percent Compared To Prior Year;

Adjusted Operating Income Of $151 Million, Up 23 Percent Compared To Prior Year

- Merger Agreement Deadline With China Oceanwide Holdings Group Co., Ltd. (Oceanwide) Extended to November 30, 2017
- Additional Progress Made On U.S. Life Restructuring Plan With The Remaining Internal Reinsurance Transactions Completed Effective July 1, 2017
- U.S. Mortgage Insurance (MI) Second Quarter 2017 Adjusted Operating Earnings[1] Increased 49% Compared To The Second Quarter Of 2016, Which Includes A Favorable $10 Million Reserve Adjustment In The Current Quarter
- Strong Loss Ratio And Capital Levels In The Second Quarter For U.S. MI And Canada MI
- Net Income[2] Included $51 Million Of Investment Gains, Net Of Taxes And Other Adjustments, Related To Fixed Income Tenders And Derivative Gains
- Holding Company Cash And Liquid Assets Of Approximately $860 Million

Richmond, VA (August 1, 2017) – Genworth Financial, Inc. (NYSE: GNW) today reported results for the quarter ended June 30, 2017. The company reported net income of $202 million, or $0.40 per diluted share, in the second quarter of 2017, up 17 percent as compared with net income of $172 million, or $0.34 per diluted share, in the second quarter of 2016. The adjusted operating income for the second quarter of 2017 was $151 million, or $0.30 per diluted share, up 23 percent as compared with adjusted operating income of $123 million, or $0.25 per diluted share, in the second quarter of 2016.

1 This is a financial measure that is not calculated based on U.S. Generally Accepted Accounting Principles(Non-GAAP). See the Use of Non-GAAP Measures section of this press release for additional information.

2 Unless otherwise stated, all references in this press release to net income (loss), net income (loss) per share, adjusted operating income (loss), adjusted operating income (loss) per share and book value per share should be read as net income (loss) available to Genworth’s common stockholders, net income (loss) available to Genworth’s common stockholders per diluted share, adjusted operating income (loss) available to Genworth’s common stockholders, adjusted operating income (loss) available to Genworth’s common stockholders per diluted share and book value available to Genworth’s common stockholders per share, respectively.

**Strategic Update**

Genworth and Oceanwide continue to work diligently to satisfy the closing conditions under their previously announced proposed transaction and are committed to closing the transaction as soon as possible.

Since the end of the first quarter, the two companies reported the following progress toward completing the transaction:

- On July 13, 2017, Genworth and Oceanwide withdrew and refiled their joint voluntary notice to the Committee on Foreign Investment in the United States (CFIUS) for a second time to provide CFIUS more time to review and discuss the proposed transaction. CFIUS' acceptance of the refiled joint voluntary notice commenced a new 30-day review period, which may be followed by an additional 45-day investigation period.
- Effective July 1, 2017, Genworth completed the remaining internal reinsurance and recapture transactions required under the Oceanwide merger agreement. We expect these transactions to create a 15 to 20 point decline in consolidated risk-based capital (RBC) ratio from a reduction in covariance benefit.

In addition to clearance by CFIUS, the closing of the proposed transaction remains subject to the receipt of required regulatory approvals in the U.S., China, and other international jurisdictions and other closing conditions. Genworth and Oceanwide continue to be actively engaged with the relevant regulators regarding the pending applications.

Because the timing of the regulatory reviews will delay the completion of the transaction beyond the originally targeted time frame of the middle of 2017, Genworth and Oceanwide have agreed in principle to extend the August 31, 2017, deadline set forth in the merger agreement to November 30, 2017, with the associated documentation expected to be finalized in the near term. Genworth and Oceanwide remain committed to satisfying the closing conditions under the merger agreement as soon as possible and now anticipate that the transaction will be completed during the fourth quarter of 2017, subject to receipt of the required regulatory approvals.

“Genworth strongly believes the pending transaction with Oceanwide is the best option for our shareholders, policyholders and other stakeholders,” said Tom McInerney, president and CEO of Genworth. “The transaction will strengthen Genworth's financial position in the mortgage insurance and long term care insurance markets. Because of our leadership role in the long term care insurance industry, the merger also has implications for our nation's ability to finance burgeoning long term care costs. As a result of the merger, Genworth will be in a better position to support the market and help the government and taxpayers shoulder the burden of long term care financing.”

Added LU Zhiqiang, chairman of Oceanwide: “I remain committed to satisfying the closing conditions under the merger agreement as soon as possible. I believe the merger will strengthen Genworth and its leadership role in mortgage insurance and the U.S. long term care insurance market, and allow us to bring best practices from the recognized leader in long term care insurance to China as we expand our long term care insurance capabilities and work together to address a common challenge for our aging populations.”

Meanwhile, Genworth continues to make substantial progress on its stated strategic goals, including maximizing opportunities in its mortgage insurance businesses, achieving significant long term care insurance premium rate increases consistent with its multi-year plan and restructuring its U.S. life insurance businesses.

## Financial Performance

**Consolidated Net Income & Adjusted Operating Income**

| *(Amounts in millions, except per share)* | Three months ended June 30 (Unaudited) | | | | |
|---|---|---|---|---|---|
| | 2017 | | 2016 | | |
| | Total | Per diluted share | Total | Per diluted share | Total % change |
| Net Income available to Genworth's common stockholders | $ 202 | $0.40 | $ 172 | $0.34 | 17 % |
| Adjusted operating income | $ 151 | $0.30 | $ 123 | $0.25 | 23 % |
| Weighted-average diluted shares | 501.2 | | 500.4 | | |

| | Three months ended June 30 (Unaudited) | |
|---|---|---|
| | 2017 | 2016 |
| Book value per share | $26.08 | $30.37 |
| Book value per share, excluding accumulated other comprehensive income | $19.88 | $20.16 |

Net income in the second quarter of 2017 benefited from net investment gains, net of taxes and other adjustments, of $51 million in the quarter. Net income in the second quarter of 2016 benefited from net investment gains, net of taxes and other adjustments, of $25 million.

Net investment income was $801 million in the quarter, up from $790 million in the prior quarter and $779 million in the prior year. Net investment income continues to reflect variability in prepayment speed adjustments related to residential mortgage-backed securities and other variable investment income. The reported yield and the core yield[1] for the quarter were 4.57 percent and 4.47 percent, respectively.

Adjusted operating income (loss) results by business line are summarized in the table below:

| **Adjusted Operating Income (Loss)**<br>*(Amounts in millions)* | **Q2 17** | **Q1 17** | **Q2 16** |
|---|---|---|---|
| U.S. Mortgage Insurance | $ 91 | $ 73 | $ 61 |
| Canada Mortgage Insurance | 41 | 36 | 38 |
| Australia Mortgage Insurance | 12 | 13 | 15 |
| U.S. Life Insurance | 39 | 53 | 55 |
| Runoff | 11 | 14 | 6 |
| Corporate and Other | (43) | (46) | (52) |
| **Total Adjusted Operating Income** | **$151** | **$143** | **$123** |

Adjusted operating income (loss) represents income (loss) from continuing operations excluding net investment gains (losses), gains (losses) on the sale of businesses, gains (losses) on the early extinguishment of debt, gains (losses) on insurance block transactions, restructuring costs and other adjustments, net of taxes. A reconciliation of net income (loss) to adjusted operating income (loss) of segments and Corporate and Other activities is included at the end of this press release.

Unless specifically noted in the discussion of results for the MI businesses in Canada and Australia, references to percentage changes exclude the impact of translating foreign denominated activity into U.S. dollars (foreign exchange). Percentage changes, which include the impact of foreign exchange, are found in a table at the end of this press release.

## U.S. Mortgage Insurance

| **Operating Metrics**<br>*(Dollar amounts in millions)* | **Q2 17** | **Q1 17** | **Q2 16** |
|---|---|---|---|
| Adjusted operating income | $ 91 | $ 73 | $ 61 |
| New insurance written | | | |
| Primary Flow | $9,800 | $7,600 | $11,400 |
| Loss ratio | 2% | 17% | 24% |

U.S. MI reported adjusted operating income of $91 million, compared with $73 million in the prior quarter and $61 million in the prior year. The loss ratio in the current quarter was two percent, down 15 points sequentially and down 22 points from the prior year. During the quarter, the company made a favorable reserve adjustment of $10 million after-tax primarily associated with lower expected claim rates on existing delinquencies, which benefited the loss ratio by eight points.

Flow New Insurance Written (NIW) of $9.8 billion increased 29 percent from the prior quarter from a seasonally larger purchase originations market, but decreased 14 percent versus the prior year primarily from lower originations and a decline in market share. U.S. MI's flow insurance in force increased 12 percent in the second quarter of 2017 versus the second quarter of 2016 driven primarily by strong NIW and continued elevated persistency.

## Canada Mortgage Insurance

| **Operating Metrics**<br>*(Dollar amounts in millions)* | **Q2 17** | **Q1 17** | **Q2 16** |
|---|---|---|---|
| Adjusted operating income | $ 41 | $ 36 | $ 38 |
| New insurance written | | | |
| Flow | $3,700 | $2,300 | $ 4,400 |
| Bulk | $ 800 | $8,000 | $19,700 |
| Loss ratio | 4% | 16% | 20% |

Canada MI reported adjusted operating income of $41 million versus $36 million in the prior quarter and $38 million in the prior year. The loss ratio in the quarter was four percent, down 12 points from the prior quarter and down 16 points compared to the prior year from a decrease in new delinquencies and strong cure activity reflecting the ongoing housing market strength and underlying economic conditions. New delinquencies, net of cures, were down in all regions sequentially and versus the prior year.

Flow NIW was up 65 percent[3] sequentially primarily from a seasonally larger originations market and down 14 percent[3] from the prior year primarily from a smaller market size from regulatory changes introduced in late 2016. Effective March 17, 2017, Canada MI increased its flow mortgage insurance premium rates for new insured mortgages by approximately 20 percent to reflect the updated regulatory capital framework that came into effect on January 1, 2017. Bulk NIW decreased versus the prior quarter and prior year as a result of regulatory changes introduced in 2016.

3 Percent change excludes the impact of foreign exchange.

**Australia Mortgage Insurance**

| **Operating Metrics** *(Dollar amounts in millions)* | **Q2 17** | **Q1 17** | **Q2 16** |
|---|---|---|---|
| Adjusted operating income | $ 12 | $ 13 | $ 15 |
| New insurance written | | | |
| Flow | $4,100 | $4,100 | $5,000 |
| Bulk | $ 600 | $1,000 | $ 800 |
| Loss ratio | 34% | 35% | 36% |

Australia MI reported adjusted operating income of $12 million versus $13 million in the prior quarter and $15 million in the prior year. The loss ratio in the quarter was 34%, down one point sequentially and down two points from the prior year primarily from non-reinsurance recoveries on paid claims in the current quarter which favorably impacted the loss ratio by eight points. Without the impact of these recoveries, the loss ratio would have been higher sequentially from an increase in new delinquencies, net of cures, in the commodity dependent regions of Queensland and Western Australia as well as higher than the prior year from less favorable delinquency aging.

Flow NIW was flat sequentially and down 18 percent[3] from the prior year primarily from lower market penetration attributable to a change in customer mix.

## U.S. Life Insurance

| **Operating Metrics** *(Amounts in millions)* | **Q2 17** | **Q1 17** | **Q2 16** |
|---|---|---|---|
| Adjusted operating income (loss) | | | |
| Long Term Care Insurance | $ 33 | $ 14 | $ 37 |
| Life Insurance | (1) | 16 | 31 |
| Fixed Annuities | 7 | 23 | (13) |
| Total U.S. Life Insurance | $ 39 | $ 53 | $ 55 |
| Sales | | | |
| Long Term Care Insurance | | | |
| Individual | $ 2 | $ 2 | $ 4 |
| Group | 1 | 1 | 2 |
| Life Insurance | | | |
| Term Life | — | — | 2 |
| Universal Life | — | 1 | 1 |
| Linked Benefits | — | — | 1 |
| Fixed Annuities | 1 | 2 | 9 |

***Long Term Care Insurance***

Long Term Care Insurance (LTC) reported adjusted operating income of $33 million, compared with $14 million in the prior quarter and $37 million in the prior year. Compared to the prior quarter, results reflected higher premiums and higher reserve releases from reduced benefit elections by in-force policyholders, partially offset by less favorable existing claims experience. Results in the quarter were favorably impacted by reserve corrections, net of profits followed by losses reserves, associated with recorded initial claim dates of $13 million after-tax. Prior quarter results included an unfavorable accrual for state guaranty fund assessments of $14 millionafter-tax relating to the Penn Treaty plan of liquidation. Results versus the prior year reflected continued growth of new claims, partially offset by improved existing claims experience. Prior year results also included $29 million of after-tax unfavorable items.

***Life Insurance***

Life insurance reported an adjusted operating loss of $1 million, compared with adjusted operating income of $16 million in the prior quarter and $31 million in the prior year. Compared to the prior quarter, results reflected higher lapses and accelerated amortization of deferred acquisition costs (DAC) primarily associated with large 15-year and 20-year term life insurance blocks entering their post-level premium periods and modestly improved mortality. Results versus the prior year reflect higher reserve and DAC impacts associated with the fourth quarter of 2016 assumption review, unfavorable mortality and higher DAC amortization from lapses partially offset by higher variable investment income. Results in the quarter included a negative impact of $14 million after-tax, which was the net effect of a charge from model corrections related to updating mortality tables for term conversion policies that was partially offset by a net favorable refinement related to reinsurance rates.

***Fixed Annuities***

Fixed annuities reported adjusted operating income of $7 million, compared with $23 million in the prior quarter and an adjusted operating loss of $13 million in the prior year. Results in the quarter included a $10 million after-tax charge from loss recognition testing on the single premium immediate annuity block related to lower interest rates. Results in the quarter also reflected unfavorable mortality versus the prior quarter. Prior year results included $28 million of after-tax unfavorable items.

**Runoff**

Runoff reported adjusted operating income of $11 million compared with $14 million in the prior quarter and $6 million in the prior year. Results varied from the prior quarter due to unfavorable mortality in the corporate-owned life insurance (COLI) products while benefitting from favorable equity market performance versus the prior year.

**Corporate And Other**

Corporate and Other reported an adjusted operating loss of $43 million, compared with $46 million in the prior quarter and $52 million in the prior year. Results in the current quarter include favorable tax benefits of $7 million, the majority of which is expected to reverse in the second half of 2017 due to the timing of when tax items are recorded. Prior quarter results reflected a correction to our GE Tax Matters Agreement liability.

**Capital & Liquidity**

Genworth maintains the following capital positions in its operating subsidiaries:

| **Key Capital & Liquidity Metrics** *(Dollar amounts in millions)* | **Q2 17** | **Q1 17** | **Q2 16** |
|---|---|---|---|
| U.S. MI | | | |
| Consolidated Risk-To-Capital Ratio[4] | 13.0:1 | 13.6:1 | 15.0:1 |
| Genworth Mortgage Insurance Corporation Risk-To-Capital Ratio[4] | 13.1:1 | 13.7:1 | 15.1:1 |
| Private Mortgage Insurer Eligibility Requirements (PMIERs) Sufficiency Ratio[5] | 122% | 118% | 115% |
| Canada MI | | | |
| Minimum Capital Test (MCT) Ratio[4] | 167% | 162% | 233% |
| Australia MI | | | |
| Prescribed Capital Amount (PCA) Ratio[4] | 181% | 171% | 156% |
| U.S. Life Insurance Companies | | | |
| Consolidated Risk-Based Capital (RBC) Ratio[4] | 330% | 326% | 379% |
| Holding Company Cash[6] and Liquid Assets[7] | $ 858 | $ 999 | $ 934 |

**Key Points**

- U.S. MI's PMIERs sufficiency ratio increased in the quarter to 122 percent primarily from an increase in operating cash flows;

---

4 Company estimate for the second quarter of 2017, due to timing of the filing of statutory statements; The MCT Ratio for Canada MI in the second and first quarters of 2017 reflects the new regulatory framework effective January 1, 2017. The Consolidated RBC Ratio for the U.S. Life Insurance companies in the second quarter of 2016 is restated to reflect the merger of Brookfield Life Annuity Insurance Company with and into Genworth Life Insurance Company as if the merger occurred January 1, 2015.

5 Calculated as available assets divided by required assets as defined within PMIERs. As of June 30, 2017, March 31, 2017, and June 30, 2016, the PMIERs sufficiency ratios were in excess of approximately $500 million, $400 million and $350 million, respectively, of available assets above the PMIERs requirements. Company estimate for the second quarter of 2017.

6 Holding company cash and liquid assets comprises assets held in Genworth Holdings, Inc. (the issuer of outstanding public debt) which is a wholly-owned subsidiary of Genworth Financial, Inc.

7 Comprises cash and cash equivalents of $758 million, $849 million and $834 million, respectively, and U.S. government bonds of $100 million, $150 million and $100 million, respectively, as of June 30, 2017, March 31, 2017 and June 30, 2016.

- Canada MI's MCT ratio as of June 30, 2017 is estimated to be 167 percent, above both the regulatory minimum requirement of 150 percent and a target range of 160 to 165 percent;
- Australia MI's capital levels improved sequentially to 181 percent driven primarily by continued portfolio seasoning;
- The holding company ended the quarter with $858 million of cash and liquid assets, representing a buffer of approximately $460 million in excess of restricted cash and liquid assets and one and a half times annual debt service; and
- $175 million of holding company cash is committed to facilitate the separation and isolation of the LTC business.

**About Genworth Financial**

Genworth Financial, Inc. (NYSE: GNW) is a Fortune 500 insurance holding company committed to helping families achieve the dream of homeownership and address the financial challenges of aging through its leadership positions in mortgage insurance and long term care insurance. Headquartered in Richmond, Virginia, Genworth traces its roots back to 1871 and became a public company in 2004. For more information, visit genworth.com.

From time to time, Genworth releases important information via postings on its corporate website. Accordingly, investors and other interested parties are encouraged to enroll to receive automatic email alerts and Really Simple Syndication (RSS) feeds regarding new postings. Enrollment information is found under the "Investors" section of genworth.com. From time to time, Genworth's publicly traded subsidiaries, Genworth MI Canada Inc. and Genworth Mortgage Insurance Australia Limited, separately release financial and other information about their operations. This information can be found at http://genworth.ca and http://www.genworth.com.au.

**Financial Supplement Information**

This press release, second quarter 2017 financial supplement and earnings presentation are now posted on the company's website. Investors are encouraged to review these materials. Due to the pending sale to Oceanwide, the company does not plan to host an earnings call.

**Use of Non-GAAP Measures**

This press release includes the non-GAAP financial measures entitled "adjusted operating income (loss)" and "adjusted operating income (loss) per share." Adjusted operating income (loss) per share is derived from adjusted operating income (loss). The chief operating decision maker evaluates segment performance and allocates resources on the basis of adjusted operating income (loss). The company defines adjusted operating income (loss) as income (loss) from continuing operations excluding the after-tax effects of income attributable to noncontrolling interests, net investment gains (losses), goodwill impairments, gains (losses) on the sale of businesses, gains (losses) on the early extinguishment of debt, gains (losses) on insurance block transactions, restructuring costs and infrequent or unusual non-operating items. Gains (losses) on insurance block transactions are defined as gains (losses) on the early extinguishment of non-recourse funding obligations, early termination fees for other financing restructuring and/or resulting gains (losses) on reinsurance restructuring for certain blocks of business. 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's segments and Corporate and Other activities. A component of the company's net investment gains (losses) is the result of impairments, the size and timing of which can vary significantly depending on market credit cycles. In addition, the size and timing of other investment gains (losses) can be subject to the company's discretion and are influenced by market opportunities, as well as asset-liability matching considerations. Goodwill impairments, gains (losses) on the sale of businesses, gains (losses) on the early extinguishment of debt, gains (losses) on insurance block transactions and restructuring costs are also excluded from adjusted operating income (loss) because, in the company's opinion, they are not indicative of overall operating trends. Infrequent or unusual non-operating items are also excluded from adjusted operating income (loss) if, in the company's opinion, they are not indicative of overall operating trends.

While some of these items may be significant components of net income (loss) available to Genworth's common stockholders in accordance with 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, 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. However, the items excluded from adjusted operating income (loss) have occurred in the past and could, and in some cases will, recur in the future. 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 Genworth's common stockholders or net income (loss) available to Genworth's common stockholders per share on a basic and diluted basis determined in accordance with 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) attributable to Genworth's common stockholders and adjusted operating income (loss) assume a 35 percent tax rate (unless otherwise indicated) and are net of the portion attributable to noncontrolling interests. Net investment gains (losses) are also adjusted for DAC and other intangible amortization and certain benefit reserves.

In June 2016, the company completed the sale of its term life insurance new business platform and recorded a pre-tax gain of $12 million. In May 2016, the company completed the sale of its mortgage insurance business in Europe and recorded an additional pre-tax loss of $2 million. These transactions were excluded from adjusted operating income (loss) for the periods presented as they related to a gain (loss) on the sale of businesses.

In June 2016, the company settled restricted borrowings of $70 million related to a securitization entity and recorded a $64 million pre-tax gain related to the early extinguishment of debt. This transaction was excluded from adjusted operating income (loss) for the periods presented as it related to a gain (loss) on the early extinguishment of debt.

In the first quarter of 2017, the company recorded a pre-tax expense of $1 million related to restructuring costs as part of an expense reduction plan as the company evaluates and appropriately sizes its organizational needs and expenses. In the second quarter of 2016, the company also recorded a pre-tax expense of $5 million related to restructuring costs.

There were no infrequent or unusual items excluded from adjusted operating income (loss) during the periods presented.

The tables at the end of this press release provide a reconciliation of net income available to Genworth's common stockholders to adjusted operating income for the three months ended June 30, 2017 and 2016, as well as for the three months ended March 31, 2017, and reflect adjusted operating income as determined in accordance with accounting guidance related to segment reporting.

This press release includes the non-GAAP financial measure entitled "core yield" as a measure of investment yield. The company defines core yield as the investment yield adjusted for items that do not reflect the underlying performance of the investment portfolio. Management believes that analysis of core yield enhances understanding of the investment yield of the company. However, core yield is not a substitute for investment yield determined in accordance with GAAP. In addition, the company's definition of core yield may differ from the definitions used by other companies. A reconciliation of core yield to reported GAAP yield is included in a table at the end of this press release.

**Definition of Selected Operating Performance Measures**

The company reports selected operating performance measures including "sales" and "insurance in force" or "risk in force" which are commonly used in the insurance industry as measures of operating performance.

Management regularly monitors and reports sales metrics as a measure of volume of new and renewal business generated in a period. Sales refer to: (1) new insurance written for mortgage insurance; (2) annualized first-year premiums for long term care and term life insurance products; (3) annualized first-year deposits plus five percent of excess deposits for universal and term universal life insurance products; (4) 10 percent of premium deposits for linked-benefits products; and (5) new and additional premiums/deposits for fixed annuities. Sales do not include renewal premiums on policies or contracts written during prior periods. The company considers new insurance written, annualized first-year premiums/deposits, premium equivalents and new premiums/deposits to be a measure of the company's operating performance because they represent a measure of new sales of insurance policies or contracts during a specified period, rather than a measure of the company's revenues or profitability during that period.

Management also regularly monitors and reports a loss ratio for the company's businesses. For the mortgage insurance businesses, the loss ratio is the ratio of incurred losses and loss adjustment expenses to net earned premiums. For the long term care insurance business, the loss ratio is the ratio of benefits and other changes in reserves less tabular interest on reserves less loss adjustment expenses to net earned premiums. The company considers the loss ratio to be a measure of underwriting performance in these businesses and helps to enhance the understanding of the operating performance of the businesses.

An assumed tax rate of 35 percent is utilized in certain adjustments to adjusted operating income (loss) and in the explanation of specific variances of operating performance and investment results.

These operating performance measures enable the company to compare its operating performance across periods without regard to revenues or profitability related to policies or contracts sold in prior periods or from investments or other sources.

***Cautionary Note Regarding Forward-Looking Statements***

This press release contains certain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by words such as "expects," "intends," "anticipates," "plans," "believes," "seeks," "estimates," "will" or words of similar meaning and include, but are not limited to, statements regarding the outlook for the company's future business and financial performance. Forward-looking statements are based on management's current expectations and assumptions, which are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. Actual outcomes and results may differ materially due to global political, economic, business, competitive, market, regulatory and other factors and risks, including, but not limited to, the following:

- *risks related to the proposed transaction with China Oceanwide Holdings Group Co., Ltd. (Oceanwide)* including: the company's inability to complete the transaction in a timely manner or at all; the parties' inability to obtain regulatory approvals, or the possibility that the parties may delay the transaction or that materially burdensome or adverse regulatory conditions may be imposed in connection with any such regulatory approvals; existing and potential legal proceedings may be instituted against the company in connection with the announcement of the transaction that may delay the transaction, make it more costly or ultimately preclude it; the risk that the proposed transaction disrupts the company's current plans and operations as a result of the announcement and consummation of the transaction; certain restrictions during the pendency of the transaction that may impact the company's ability to pursue certain business opportunities or strategic transactions; continued availability of capital and financing to the company before, or in the absence of, the consummation of the transaction; further rating agency actions and downgrades in debt or the company's financial strength ratings; changes in applicable laws or regulations; the company's ability to recognize the anticipated benefits of the transaction; the amount of the costs, fees, expenses and other charges related to the transaction; the risks related to diverting management's attention from the company's ongoing business operations; the merger agreement may be terminated in circumstances that would require the company to pay Oceanwide a fee; the company's ability to attract, recruit, retain and motivate current and prospective employees may be adversely affected; and disruptions and uncertainty relating to the transaction, whether or not it is completed, may harm the company's relationships with its employees, customers, distributors, vendors or other business partners, and may result in a negative impact on the company's business;

- *strategic risks in the event the proposed transaction with Oceanwide is not consummated* including: the company's inability to successfully execute alternative strategic plans to effectively address its current business challenges (including with respect to the restructuring of its U.S. life insurance businesses, debt obligations, cost savings, ratings and capital); the company's ability to continue to sell long term care insurance policies, the company's inability to attract buyers for any businesses or other assets it may seek to sell, or securities it may seek to issue, in each case, in a timely manner and on anticipated terms; failure to obtain any required regulatory, stockholder and/or noteholder approvals or consents for such alternative strategic plans, or the company's challenges changing or being more costly or difficult to successfully address than currently anticipated or the benefits achieved being less than anticipated; inability to achieve anticipated cost-savings in a timely manner; or adverse tax or accounting charges; and inability to increase the capital needed in the company's businesses in a timely manner and on anticipated terms, including through improved business performance, reinsurance or similar transactions, asset sales, securities offerings or otherwise, in each case as and when required;

- *risks relating to estimates, assumptions and valuations* including: inadequate reserves and the need to increase reserves (including as a result of any changes the company may make to its assumptions, methodologies or otherwise in connection with periodic or other reviews); inaccurate models; deviations from the company's estimates and actuarial assumptions or other reasons in its long term care insurance, life insurance and/or annuity businesses; accelerated amortization of deferred acquisition costs (DAC) and present value of future profits (PVFP) (including as a result of any changes it may make to its assumptions, methodologies or otherwise in connection with periodic or other reviews); adverse impact on the company's financial results as a result of projected profits followed by projected losses (as is currently the case with its long term care insurance business); and changes in valuation of fixed maturity, equity and trading securities;

- *risks relating to economic, market and political conditions* including: downturns and volatility in global economies and equity and credit markets; interest rates and changes in rates (particularly given the historically low interest rate environment) have adversely impacted, and may continue to materially adversely impact, the company's business and profitability; deterioration in economic conditions or a decline in home prices that adversely affect the company's loss experience in mortgage insurance; political and economic instability or changes in government policies; and fluctuations in foreign currency exchange rates and international securities markets;

- *regulatory and legal risks* including: extensive regulation of the company's businesses and changes in applicable laws and regulations; litigation and regulatory investigations or other actions; dependence on dividends and other distributions from the company's subsidiaries (particularly its international subsidiaries) and the inability of any subsidiaries to pay dividends or make other distributions to the company, including as a result of the performance of its subsidiaries and insurance, regulatory or corporate law restrictions; adverse change in regulatory requirements, including risk-based capital; changes in regulations adversely affecting the company's international operations; inability to maintain the private mortgage insurer eligibility requirements (PMIERs); inability of the company's U.S. mortgage insurance subsidiaries to meet minimum statutory capital requirements and hazardous financial condition standards; the influence of Federal National Mortgage Association (Fannie Mae), Federal Home Loan Mortgage Corporation (Freddie Mac) and a small number of large mortgage lenders on the U.S. mortgage insurance market and adverse changes to the role or structure of Fannie Mae and Freddie Mac; adverse changes in regulations affecting the company's mortgage insurance businesses; inability to continue to implement actions to mitigate the impact of statutory reserve requirements; impact of additional regulations pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act; and changes in accounting and reporting standards;
- *liquidity, financial strength ratings, credit and counterparty risks* including: insufficient internal sources to meet liquidity needs and limited or no access to capital (including the company's ability to obtain financing under a credit facility); 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 for the company, including with respect to key business relationships, product offerings, business results of operations, financial condition and capital needs, strategic plans, collateral obligations and availability and terms of hedging, reinsurance and borrowings; defaults by counterparties to reinsurance arrangements or derivative instruments; defaults or other events impacting the value of the company's fixed maturity securities portfolio; and defaults on the company's commercial mortgage loans or the mortgage loans underlying its investments in commercial mortgage-backed securities and volatility in performance;
- *operational risks* including: inability to retain, attract and motivate qualified employees or senior management; ineffective or inadequate risk management in identifying, controlling or mitigating risks; reliance on, and loss of, key customer or distribution relationships; availability, affordability and adequacy of reinsurance to protect the company against losses; competition; competition in the company's mortgage insurance businesses from government and government-owned and government-sponsored enterprises (GSEs) offering mortgage insurance; the design and effectiveness of our disclosure controls and procedures and internal control over financial reporting may not prevent all errors, misstatements or misrepresentations; and failure or any compromise of the security of the company's computer systems, disaster recovery systems and business continuity plans and failures to safeguard, or breaches of, its confidential information;
- *insurance and product-related risks* including: the company's inability to increase sufficiently, and in a timely manner, premiums on in force long term care insurance policies and/or reduce in force benefits, and charge higher premiums on new policies, in each case, as currently anticipated and as may be required from time to time in the future (including as a result of the company's failure to obtain any necessary regulatory approvals or unwillingness or inability of policyholders to pay increased premiums); the company's inability to reflect future premium increases and other management actions in its margin calculation as anticipated;

failure to sufficiently increase new sales for the company's long term care insurance products; inability to realize anticipated benefits of the company's rescissions, curtailments, loan modifications or other similar programs in its mortgage insurance businesses; premiums for the significant portion of the company's mortgage insurance risk in force with high loan-to-value ratios may not be sufficient to compensate the company for the greater risks associated with those policies; decreases in the volume of high loan-to-value mortgage originations or increases in mortgage insurance cancellations; increases in the use of alternatives to private mortgage insurance and reductions in the level of coverage selected; potential liabilities in connection with the company's U.S. contract underwriting services; and medical advances, such as genetic research and diagnostic imaging, and related legislation that impact policyholder behavior in ways adverse to the company;

- *other risks* including: occurrence of natural or man-made disasters or a pandemic; impairments of or valuation allowances against the company's deferred tax assets; the possibility that in certain circumstances the company will be obligated to make payments to General Electric Company (GE) under the tax matters agreement with GE even if its corresponding tax savings are never realized and payments could be accelerated in the event of certain changes in control; and provisions of the company's certificate of incorporation and bylaws and the tax matters agreement with GE may discourage takeover attempts and business combinations that stockholders might consider in their best interests; and

- *risks relating to the company's common stock* including: the continued suspension of payment of dividends; and stock price fluctuations.

The company undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future developments or otherwise.

# # #

**Contact Information**:


Investors: investorinfo@genworth.com

Media: Julie Westermann, 804 662.2423
julie.westermann@genworth.com

**Condensed Consolidated Statements of Income**
**(Amounts in millions, except per share amounts)**

| | Three months ended June 30, 2017 | Three months ended June 30, 2016 |
|---|---|---|
| Revenues: | | |
| Premiums | $ 1,111 | $ 1,127 |
| Net investment income | 801 | 779 |
| Net investment gains (losses) | 101 | 30 |
| Policy fees and other income | 210 | 300 |
| Total revenues | 2,223 | 2,236 |
| Benefits and expenses: | | |
| Benefits and other changes in policy reserves | 1,206 | 1,193 |
| Interest credited | 163 | 173 |
| Acquisition and operating expenses, net of deferrals | 240 | 327 |
| Amortization of deferred acquisition costs and intangibles | 139 | 112 |
| Interest expense | 74 | 80 |
| Total benefits and expenses | 1,822 | 1,885 |
| Income from continuing operations before income taxes | 401 | 351 |
| Provision for income taxes | 130 | 110 |
| Income from continuing operations | 271 | 241 |
| Loss from discontinued operations, net of taxes | — | (21) |
| Net income | 271 | 220 |
| Less: net income attributable to noncontrolling interests | 69 | 48 |
| Net income available to Genworth Financial, Inc.'s common stockholders | $ 202 | $ 172 |
| Income from continuing operations available to Genworth Financial, Inc.'s common stockholders per share: | | |
| Basic | $ 0.40 | $ 0.39 |
| Diluted | $ 0.40 | $ 0.39 |
| Net income available to Genworth Financial, Inc.'s common stockholders per share: | | |
| Basic | $ 0.40 | $ 0.35 |
| Diluted | $ 0.40 | $ 0.34 |
| Weighted-average shares outstanding: | | |
| Basic | 499.0 | 498.5 |
| Diluted | 501.2 | 500.4 |

**Reconciliation of Net Income to Adjusted Operating Income**
**(Amounts in millions, except per share amounts)**

| | Three months ended June 30, 2017 | Three months ended June 30, 2016 | Three months ended March 31, 2017 |
|---|---|---|---|
| Net income available to Genworth Financial, Inc.'s common stockholders | $ 202 | $ 172 | $ 155 |
| Add: net income attributable to noncontrolling interests | 69 | 48 | 61 |
| Net income | 271 | 220 | 216 |
| Loss from discontinued operations, net of taxes | — | (21) | — |
| Income from continuing operations | 271 | 241 | 216 |
| Less: income from continuing operations attributable to noncontrolling interests | 69 | 48 | 61 |
| Income from continuing operations available to Genworth Financial, Inc.'s common stockholders | 202 | 193 | 155 |
| Adjustments to income from continuing operations available to Genworth Financial, Inc.'s common stockholders: | | | |
| Net investment (gains) losses, net[8] | (79) | (39) | (20) |
| Gains on sale of businesses | — | (10) | — |
| Gains on early extinguishment of debt, net | — | (64) | — |
| Expenses related to restructuring | — | 5 | 1 |
| Taxes on adjustments | 28 | 38 | 7 |
| Adjusted operating income | $ 151 | $ 123 | $ 143 |
| Adjusted operating income (loss): | | | |
| U.S. Mortgage Insurance segment | $ 91 | $ 61 | $ 73 |
| Canada Mortgage Insurance segment | 41 | 38 | 36 |
| Australia Mortgage Insurance segment | 12 | 15 | 13 |
| U.S. Life Insurance segment: | | | |
| Long Term Care Insurance | 33 | 37 | 14 |
| Life Insurance | (1) | 31 | 16 |
| Fixed Annuities | 7 | (13) | 23 |
| Total U.S. Life Insurance segment | 39 | 55 | 53 |
| Runoff segment | 11 | 6 | 14 |
| Corporate and Other | (43) | (52) | (46) |
| Adjusted operating income | $ 151 | $ 123 | $ 143 |
| Net income available to Genworth Financial, Inc.'s common stockholders per share: | | | |
| Basic | $ 0.40 | $ 0.35 | $ 0.31 |
| Diluted | $ 0.40 | $ 0.34 | $ 0.31 |
| Adjusted operating income per share: | | | |
| Basic | $ 0.30 | $ 0.25 | $ 0.29 |
| Diluted | $ 0.30 | $ 0.25 | $ 0.29 |
| Weighted-average common shares outstanding: | | | |
| Basic | 499.0 | 498.5 | 498.6 |
| Diluted | 501.2 | 500.4 | 501.0 |

8 For the three months ended June 30, 2017 and 2016 and the three months ended March 31, 2017, net investment gains (losses) were adjusted for DAC and other intangible amortization and certain benefit reserves of zero, $(6) million and zero respectively, and adjusted for net investment gains (losses) attributable to noncontrolling interests of $22 million, $(3) million, and $14 million, respectively.

**Condensed Consolidated Balance Sheets**
**(Amounts in millions)**

| | June 30, 2017 | December 31, 2016 |
|---|---|---|
| Assets | | |
| Cash, cash equivalents and invested assets | $ 76,688 | $ 75,012 |
| Deferred acquisition costs | 2,378 | 3,571 |
| Intangible assets and goodwill | 334 | 348 |
| Reinsurance recoverable | 17,609 | 17,755 |
| Deferred tax and other assets | 738 | 673 |
| Separate account assets | 7,269 | 7,299 |
| Total assets | $105,016 | $ 104,658 |
| Liabilities and equity | | |
| Liabilities: | | |
| Future policy benefits | $ 37,772 | $ 37,063 |
| Policyholder account balances | 24,971 | 25,662 |
| Liability for policy and contract claims | 9,239 | 9,256 |
| Unearned premiums | 3,400 | 3,378 |
| Deferred tax and other liabilities | 2,791 | 2,969 |
| Borrowings related to securitization entities | 63 | 74 |
| Non-recourse funding obligations | 310 | 310 |
| Long-term borrowings | 4,205 | 4,180 |
| Separate account liabilities | 7,269 | 7,299 |
| Total liabilities | 90,020 | 90,191 |
| Equity: | | |
| Common stock | 1 | 1 |
| Additional paid-in capital | 11,969 | 11,962 |
| Accumulated other comprehensive income (loss): | | |
| Net unrealized investment gains (losses): | | |
| Net unrealized gains (losses) on securities not other-than-temporarily impaired | 1,170 | 1,253 |
| Net unrealized gains (losses) on other-than-temporarily impaired securities | 10 | 9 |
| Net unrealized investment gains (losses) | 1,180 | 1,262 |
| Derivatives qualifying as hedges | 2,064 | 2,085 |
| Foreign currency translation and other adjustments | (149) | (253) |
| Total accumulated other comprehensive income (loss) | 3,095 | 3,094 |
| Retained earnings | 653 | 287 |
| Treasury stock, at cost | (2,700) | (2,700) |
| Total Genworth Financial, Inc.'s stockholders' equity | 13,018 | 12,644 |
| Noncontrolling interests | 1,978 | 1,823 |
| Total equity | 14,996 | 14,467 |
| Total liabilities and equity | $105,016 | $ 104,658 |

**Impact of Foreign Exchange on Flow New Insurance Written[9]**
**Three months ended June 30, 2017**

| | Percentages Including Foreign Exchange | Percentages Excluding Foreign Exchange[10] |
|---|---|---|
| **Canada Mortgage Insurance (MI):** | | |
| Flow new insurance written | (16)% | (14)% |
| Flow new insurance written (2Q17 vs. 1Q17) | 61% | 65% |
| **Australia MI:** | | |
| Flow new insurance written | (18)% | (18)% |
| Flow new insurance written (2Q17 vs. 1Q17) | — % | — % |

9 All percentages are comparing the second quarter of 2017 to the second quarter of 2016 unless otherwise stated.
10 The impact of foreign exchange was calculated using the comparable prior period exchange rates.

**Reconciliation of Core Yield to Reported Yield**

| | | Three months ended June 30, 2017 |
|---|---|---|
| **(Assets - amounts in billions)** | | |
| Reported Total Invested Assets and Cash | $ | 76.1 |
| Subtract: | | |
| Securities lending | | 0.2 |
| Unrealized gains (losses) | | 5.6 |
| Adjusted end of period invested assets | $ | 70.3 |
| Average Invested Assets Used in Reported Yield Calculation | $ | 70.1 |
| Subtract: | | |
| Restricted commercial mortgage loans and other invested assets related to securitization entities[11] | | 0.1 |
| Average Invested Assets Used in Core Yield Calculation | $ | 70.0 |
| | | |
| **(Income - amounts in millions)** | | |
| Reported Net Investment Income | $ | 801 |
| Subtract: | | |
| Bond calls and commercial mortgage loan prepayments | | 8 |
| Other non-core items[12] | | 8 |
| Restricted commercial mortgage loans and other invested assets related to securitization entities[11] | | 2 |
| Core Net Investment Income | $ | 783 |
| Reported Yield | | 4.57% |
| Core Yield | | 4.47% |

11 Represents the incremental assets and investment income related to restricted commercial mortgage loans and other invested assets.

12 Includes cost basis adjustments on structured securities and various other immaterial items.

Exhibit 99.2

# Second Quarter Financial Supplement

June 30, 2017

Genworth

Table of Contents

**GENWORTH FINANCIAL, INC.**
**FINANCIAL SUPPLEMENT**
**SECOND QUARTER 2017**



**Note:**
Unless otherwise stated, all references in this financial supplement to income (loss) from continuing operations, income (loss) from continuing operations per share, net income (loss), net income (loss) per share, adjusted operating income (loss), adjusted operating income (loss) per share, book value and book value per share should be read as income (loss) from continuing operations available to Genworth Financial, Inc.'s common stockholders, income (loss) from continuing operations available to Genworth Financial, Inc.'s common stockholders per share, net income (loss) available to Genworth Financial, Inc.'s common stockholders, net income (loss) available to Genworth Financial, Inc.'s common stockholders per share, non-U.S. Generally Accepted Accounting Principles (GAAP) adjusted operating income (loss) available to Genworth Financial, Inc.'s common stockholders, non-GAAP adjusted operating income (loss) available to Genworth Financial, Inc.'s common stockholders per share, book value available to Genworth Financial, Inc.'s common stockholders and book value available to Genworth Financial, Inc.'s common stockholders per share, respectively.

Table of Contents

**GENWORTH FINANCIAL, INC.**
**FINANCIAL SUPPLEMENT**
**SECOND QUARTER 2017**

Dear Investor,

Thank you for your continued interest in Genworth Financial.

Regards,

Investor Relations
InvestorInfo@genworth.com

**GENWORTH FINANCIAL, INC.**
**FINANCIAL SUPPLEMENT**
**SECOND QUARTER 2017**

**Use of Non-GAAP Measures**

This financial supplement includes the non-GAAP financial measures entitled "adjusted operating income (loss)" and "adjusted operating income (loss) per share." Adjusted operating income (loss) per share is derived from adjusted operating income (loss). The chief operating decision maker evaluates segment performance and allocates resources on the basis of adjusted operating income (loss). The company defines adjusted operating income (loss) as income (loss) from continuing operations excluding the after-tax effects of income attributable to noncontrolling interests, net investment gains (losses), goodwill impairments, gains (losses) on the sale of businesses, gains (losses) on the early extinguishment of debt, gains (losses) on insurance block transactions, restructuring costs and infrequent or unusual non-operating items. Gains (losses) on insurance block transactions are defined as gains (losses) on the early extinguishment of non-recourse funding obligations, early termination fees for other financing restructuring and/or resulting gains (losses) on reinsurance restructuring for certain blocks of business. 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's segments and Corporate and Other activities. A component of the company's net investment gains (losses) is the result of impairments, the size and timing of which can vary significantly depending on market credit cycles. In addition, the size and timing of other investment gains (losses) can be subject to the company's discretion and are influenced by market opportunities, as well as asset-liability matching considerations. Goodwill impairments, gains (losses) on the sale of businesses, gains (losses) on the early extinguishment of debt, gains (losses) on insurance block transactions and restructuring costs are also excluded from adjusted operating income (loss) because, in the company's opinion, they are not indicative of overall operating trends. Infrequent or unusual non-operating items are also excluded from adjusted operating income (loss) if, in the company's opinion, they are not indicative of overall operating trends.

While some of these items may be significant components of net income (loss) available to Genworth Financial, Inc.'s common stockholders in accordance with 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, 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. However, the items excluded from adjusted operating income (loss) have occurred in the past and could, and in some cases will, recur in the future. 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 Genworth Financial, Inc.'s common stockholders or net income (loss) available to Genworth Financial, Inc.'s common stockholders per share on a basic and diluted basis determined in accordance with 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) attributable to Genworth Financial, Inc.'s common stockholders and adjusted operating income (loss) assume a 35% tax rate (unless otherwise indicated) and are net of the portion attributable to noncontrolling interests. Net investment gains (losses) are also adjusted for DAC and other intangible amortization and certain benefit reserves (see page 46).

In June 2016, the company completed the sale of its term life insurance new business platform and recorded a pre-tax gain of $12 million. In May 2016, the company completed the sale of its mortgage insurance business in Europe and recorded an additional pre-tax loss of $2 million. In the first quarter of 2016, the company recorded an estimated pre-tax loss of $7 million and a tax benefit of $27 million related to the planned sale of the mortgage insurance business in Europe. These transactions were excluded from adjusted operating income (loss) for the periods presented as they related to a gain (loss) on the sale of businesses.

In June 2016, the company settled restricted borrowings of $70 million related to a securitization entity and recorded a $64 million pre-tax gain related to the early extinguishment of debt. In January 2016, the company paid a pre-tax make-whole expense of $20 million related to the early redemption of Genworth Holdings, Inc.'s (Genworth Holdings) 2016 notes. The company also repurchased $28 million principal amount of Genworth Holdings' notes with various maturity dates for a pre-tax gain of $4 million in the first quarter of 2016. These transactions were excluded from adjusted operating income (loss) for the periods presented as they related to a gain (loss) on the early extinguishment of debt.

In the first quarter of 2016, the company completed a life block transaction resulting in a pre-tax loss of $9 million in connection with the early extinguishment of non-recourse funding obligations.

In the first quarter of 2017, the company recorded a pre-tax expense of $1 million related to restructuring costs as part of an expense reduction plan as the company evaluates and appropriately sizes its organizational needs and expenses. In the third, second and first quarters of 2016, the company also recorded a pre-tax expense of $2 million, $5 million and $15 million, respectively, related to restructuring costs.

There were no infrequent or unusual items excluded from adjusted operating income (loss) during the periods presented other than fees incurred during the first quarter of 2016 related to Genworth Holdings' bond consent solicitation of $18 million for broker, advisor and investment banking fees.

The table on page 9 of this financial supplement provides a reconciliation of net income (loss) available to Genworth Financial, Inc.'s common stockholders to adjusted operating income (loss) for the periods presented and reflects adjusted operating income (loss) as determined in accordance with accounting guidance related to segment reporting. The financial supplement includes other non-GAAP measures management believes enhances the understanding and comparability of performance by highlighting underlying business activity and profitability drivers. These additional non-GAAP measures are on pages 48 and 49 of this financial supplement.

**GENWORTH FINANCIAL, INC.**
**FINANCIAL SUPPLEMENT**
**SECOND QUARTER 2017**

**Results of Operations and Selected Operating Performance Measures**

The company’s chief operating decision maker evaluates segment performance and allocates resources on the basis of adjusted operating income (loss). The table on page 9 of this financial supplement provides a reconciliation of net income (loss) available to Genworth Financial, Inc.’s common stockholders to adjusted operating income (loss) for the periods presented and reflects adjusted operating income (loss) as determined in accordance with accounting guidance related to segment reporting.

This financial supplement contains selected operating performance measures including “sales” and “insurance in-force” or “risk in-force” which are commonly used in the insurance industry as measures of operating performance.

Management regularly monitors and reports sales metrics as a measure of volume of new and renewal business generated in a period. Sales refer to: (1) new insurance written for mortgage insurance; (2) annualized first-year premiums for long-term care and term life insurance products; (3) annualized first-year deposits plus 5% of excess deposits for universal and term universal life insurance products; (4) 10% of premium deposits for linked-benefits products; and (5) new and additional premiums/deposits for fixed annuities. Sales do not include renewal premiums on policies or contracts written during prior periods. The company considers new insurance written, annualized first-year premiums/deposits, premium equivalents and new premiums/deposits to be a measure of the company’s operating performance because they represent a measure of new sales of insurance policies or contracts during a specified period, rather than a measure of the company’s revenues or profitability during that period.

Management regularly monitors and reports insurance in-force and risk in-force. Insurance in-force for the mortgage insurance businesses is a measure of the aggregate original loan balance for outstanding insurance policies as of the respective reporting date. Risk in-force for the U.S. mortgage insurance business is based on the coverage percentage applied to the estimated current outstanding loan balance. For risk in-force in the mortgage insurance businesses in Canada and Australia, the company has computed an “effective” risk in-force amount, which recognizes that the loss on any particular loan will be reduced by the net proceeds received upon sale of the property. Effective risk in-force has been calculated by applying to insurance in-force a factor of 35% that represents the highest expected average per-claim payment for any one underwriting year over the life of the company’s mortgage insurance businesses in Canada and Australia. In Australia, the company has certain risk share arrangements where it provides pro-rata coverage of certain loans rather than 100% coverage. As a result, for loans with these risk share arrangements, the applicable pro-rata coverage amount provided is used when applying the factor. The company considers insurance in-force and risk in-force to be measures of the company’s operating performance because they represent measures of the size of the business at a specific date which will generate revenues and profits in a future period, rather than measures of the company’s revenues or profitability during that period.

Management also regularly monitors and reports a loss ratio for the company’s businesses. For the mortgage insurance businesses, the loss ratio is the ratio of incurred losses and loss adjustment expenses to net earned premiums. For the long-term care insurance business, the loss ratio is the ratio of benefits and other changes in reserves less tabular interest on reserves less loss adjustment expenses to net earned premiums. The company considers the loss ratio to be a measure of underwriting performance in these businesses and helps to enhance the understanding of the operating performance of the businesses.

These operating performance measures enable the company to compare its operating performance across periods without regard to revenues or profitability related to policies or contracts sold in prior periods or from investments or other sources.

**GENWORTH FINANCIAL, INC.**
**FINANCIAL SUPPLEMENT**
**SECOND QUARTER 2017**

**Financial Highlights**
**(amounts in millions, except per share data)**

| Balance Sheet Data | June 30, 2017 | March 31, 2017 | December 31, 2016 | September 30, 2016 | June 30, 2016 |
|---|---|---|---|---|---|
| Total Genworth Financial, Inc.'s stockholders' equity, excluding accumulated other comprehensive income | $ 9,923 | $ 9,716 | $ 9,550 | $ 9,669 | $10,045 |
| Total accumulated other comprehensive income | 3,095 | 3,096 | 3,094 | 5,202 | 5,088 |
| Total Genworth Financial, Inc.'s stockholders' equity | $13,018 | $ 12,812 | $ 12,644 | $ 14,871 | $15,133 |
| Book value per share | $ 26.08 | $ 25.68 | $ 25.37 | $ 29.84 | $ 30.37 |
| Book value per share, excluding accumulated other comprehensive income | $ 19.88 | $ 19.47 | $ 19.16 | $ 19.40 | $ 20.16 |
| Common shares outstanding as of the balance sheet date | 499.1 | 498.9 | 498.4 | 498.4 | 498.3 |

| | Twelve months ended | | | | |
|---|---|---|---|---|---|
| Twelve Month Rolling Average ROE | June 30, 2017 | March 31, 2017 | December 31, 2016 | September 30, 2016 | June 30, 2016 |
| GAAP Basis ROE | -1.5% | -1.8% | -2.8% | -4.5% | -3.5% |
| Operating ROE(1) | -2.5% | -2.8% | -3.2% | -2.6% | 2.1% |

| | Three months ended | | | | |
|---|---|---|---|---|---|
| Quarterly Average ROE | June 30, 2017 | March 31, 2017 | December 31, 2016 | September 30, 2016 | June 30, 2016 |
| GAAP Basis ROE | 8.2% | 6.4% | -5.1% | -15.4% | 6.9% |
| Operating ROE(1) | 6.2% | 5.9% | -5.7% | -16.4% | 4.9% |

| Basic and Diluted Shares | Three months ended June 30, 2017 | Six months ended June 30, 2017 |
|---|---|---|
| Weighted-average common shares used in basic earnings per share calculations | 499.0 | 498.8 |
| Potentially dilutive securities: | | |
| Stock options, restricted stock units and stock appreciation rights | 2.2 | 2.3 |
| Weighted-average common shares used in diluted earnings per share calculations | 501.2 | 501.1 |

(1) See page 48 herein for a reconciliation of GAAP Basis ROE to Operating ROE.

Table of Contents

# Consolidated Quarterly Results

**GENWORTH FINANCIAL, INC.**
**FINANCIAL SUPPLEMENT**
**SECOND QUARTER 2017**

**Consolidated Net Income (Loss) by Quarter**
**(amounts in millions, except per share amounts)**

| | 2017 | | | 2016 | | | | |
|---|---|---|---|---|---|---|---|---|
| | 2Q | 1Q | Total | 4Q | 3Q | 2Q | 1Q | Total |
| **REVENUES:** | | | | | | | | |
| Premiums | $ 1,111 | $1,136 | $2,247 | $1,131 | $1,108 | $1,127 | $ 794 | $4,160 |
| Net investment income | 801 | 790 | 1,591 | 786 | 805 | 779 | 789 | 3,159 |
| Net investment gains (losses) | 101 | 34 | 135 | 41 | 20 | 30 | (19) | 72 |
| Policy fees and other income | 210 | 211 | 421 | 240 | 217 | 300 | 221 | 978 |
| Total revenues | 2,223 | 2,171 | 4,394 | 2,198 | 2,150 | 2,236 | 1,785 | 8,369 |
| **BENEFITS AND EXPENSES:** | | | | | | | | |
| Benefits and other changes in policy reserves | 1,206 | 1,246 | 2,452 | 1,530 | 1,662 | 1,193 | 860 | 5,245 |
| Interest credited | 163 | 167 | 330 | 173 | 173 | 173 | 177 | 696 |
| Acquisition and operating expenses, net of deferrals | 240 | 270 | 510 | 283 | 269 | 327 | 394 | 1,273 |
| Amortization of deferred acquisition costs and intangibles | 139 | 94 | 233 | 193 | 94 | 112 | 99 | 498 |
| Interest expense | 74 | 62 | 136 | 75 | 77 | 80 | 105 | 337 |
| Total benefits and expenses | 1,822 | 1,839 | 3,661 | 2,254 | 2,275 | 1,885 | 1,635 | 8,049 |
| **INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES** | 401 | 332 | 733 | (56) | (125) | 351 | 150 | 320 |
| Provision for income taxes | 130 | 116 | 246 | 3 | 222 | 110 | 23 | 358 |
| **INCOME (LOSS) FROM CONTINUING OPERATIONS** | 271 | 216 | 487 | (59) | (347) | 241 | 127 | (38) |
| Income (loss) from discontinued operations, net of taxes(1) | — | — | — | (4) | 15 | (21) | (19) | (29) |
| **NET INCOME (LOSS)** | 271 | 216 | 487 | (63) | (332) | 220 | 108 | (67) |
| Less: net income attributable to noncontrolling interests | 69 | 61 | 130 | 59 | 48 | 48 | 55 | 210 |
| **NET INCOME (LOSS) AVAILABLE TO GENWORTH FINANCIAL, INC.'S COMMON STOCKHOLDERS** | $ 202 | $ 155 | $ 357 | $ (122) | $ (380) | $ 172 | $ 53 | $ (277) |
| **Earnings (Loss) Per Share Data:** | | | | | | | | |
| Income (loss) from continuing operations available to Genworth Financial, Inc.'s common stockholders per share | | | | | | | | |
| Basic | $ 0.40 | $ 0.31 | $ 0.72 | $ (0.24) | $ (0.79) | $ 0.39 | $ 0.14 | $ (0.50) |
| Diluted | $ 0.40 | $ 0.31 | $ 0.71 | $ (0.24) | $ (0.79) | $ 0.39 | $ 0.14 | $ (0.50) |
| Net income (loss) available to Genworth Financial, Inc.'s common stockholders per share | | | | | | | | |
| Basic | $ 0.40 | $ 0.31 | $ 0.72 | $ (0.25) | $ (0.76) | $ 0.35 | $ 0.11 | $ (0.56) |
| Diluted | $ 0.40 | $ 0.31 | $ 0.71 | $ (0.25) | $ (0.76) | $ 0.34 | $ 0.11 | $ (0.56) |
| Weighted-average common shares outstanding | | | | | | | | |
| Basic | 499.0 | 498.6 | 498.8 | 498.4 | 498.3 | 498.5 | 498.0 | 498.3 |
| Diluted(2) | 501.2 | 501.0 | 501.1 | 498.4 | 498.3 | 500.4 | 499.4 | 498.3 |

(1) Income (loss) from discontinued operations related to the lifestyle protection business that was sold on December 1, 2015. During the fourth, third, second and first quarters of 2016, the company recorded an additional after-tax gain (loss) of approximately $(4) million, $15 million, $(21) million and $(19) million, respectively, as it finalized the closing balance sheet purchase price adjustments.

(2) Under applicable accounting guidance, companies in a loss position are required to use basic weighted-average common shares outstanding in the calculation of diluted loss per share. Therefore, as a result of the loss from continuing operations, the company was required to use basic weighted-average common shares outstanding in the calculation of diluted loss per share as the inclusion of shares for stock options, restricted stock units and stock appreciation rights of 2.5 million and 2.2 million, respectively, for the three months ended December 31, 2016 and September 30, 2016 and 2.0 million for the twelve months ended December 31, 2016 would have been antidilutive to the calculation. If the company had not incurred a loss from continuing operations in these periods, dilutive potential weighted-average common shares outstanding would have been 500.9 million and 500.5 million, respectively, for the three months ended December 31, 2016 and September 30, 2016 and 500.3 million for the twelve months ended December 31, 2016.

**GENWORTH FINANCIAL, INC.**
**FINANCIAL SUPPLEMENT**
**SECOND QUARTER 2017**

**Reconciliation of Net Income (Loss) to Adjusted Operating Income (Loss)**
**(amounts in millions, except per share amounts)**

| | 2017 | | | 2016 | | | | |
|---|---|---|---|---|---|---|---|---|
| | 2Q | 1Q | Total | 4Q | 3Q | 2Q | 1Q | Total |
| **NET INCOME (LOSS) AVAILABLE TO GENWORTH FINANCIAL, INC.'S COMMON STOCKHOLDERS** | $ 202 | $ 155 | $ 357 | $ (122) | $ (380) | $ 172 | $ 53 | $ (277) |
| Add: net income attributable to noncontrolling interests | 69 | 61 | 130 | 59 | 48 | 48 | 55 | 210 |
| **NET INCOME (LOSS)** | 271 | 216 | 487 | (63) | (332) | 220 | 108 | (67) |
| Income (loss) from discontinued operations, net of taxes | — | — | — | (4) | 15 | (21) | (19) | (29) |
| **INCOME (LOSS) FROM CONTINUING OPERATIONS** | 271 | 216 | 487 | (59) | (347) | 241 | 127 | (38) |
| Less: income from continuing operations attributable to noncontrolling interests | 69 | 61 | 130 | 59 | 48 | 48 | 55 | 210 |
| **INCOME (LOSS) FROM CONTINUING OPERATIONS AVAILABLE TO GENWORTH FINANCIAL, INC.'S COMMON STOCKHOLDERS** | 202 | 155 | 357 | (118) | (395) | 193 | 72 | (248) |
| **ADJUSTMENTS TO INCOME (LOSS) FROM CONTINUING OPERATIONS AVAILABLE TO GENWORTH FINANCIAL, INC.'S COMMON STOCKHOLDERS:** | | | | | | | | |
| Net investment (gains) losses, net(1) | (79) | (20) | (99) | (28) | (18) | (39) | 19 | (66) |
| (Gains) losses on sale of businesses | — | — | — | — | — | (10) | 7 | (3) |
| (Gains) losses on early extinguishment of debt, net | — | — | — | — | — | (64) | 16 | (48) |
| Losses from life block transactions | — | — | — | — | — | — | 9 | 9 |
| Expenses related to restructuring | — | 1 | 1 | — | 2 | 5 | 15 | 22 |
| Fees associated with bond consent solicitation | — | — | — | — | — | — | 18 | 18 |
| Taxes on adjustments | 28 | 7 | 35 | 9 | 6 | 38 | (53) | — |
| **ADJUSTED OPERATING INCOME (LOSS)** | $ 151 | $ 143 | $ 294 | $ (137) | $ (405) | $ 123 | $ 103 | $ (316) |
| **ADJUSTED OPERATING INCOME (LOSS):** | | | | | | | | |
| U.S. Mortgage Insurance segment | $ 91 | $ 73 | $ 164 | $ 61 | $ 67 | $ 61 | $ 61 | $ 250 |
| Canada Mortgage Insurance segment | 41 | 36 | 77 | 39 | 36 | 38 | 33 | 146 |
| Australia Mortgage Insurance segment | 12 | 13 | 25 | 14 | 14 | 15 | 19 | 62 |
| U.S. Life Insurance segment: | | | | | | | | |
| Long-Term Care Insurance | 33 | 14 | 47 | (1) | (270) | 37 | 34 | (200) |
| Life Insurance | (1) | 16 | 15 | (193) | 48 | 31 | 31 | (83) |
| Fixed Annuities | 7 | 23 | 30 | 40 | 15 | (13) | 26 | 68 |
| Total U.S. Life Insurance segment | 39 | 53 | 92 | (154) | (207) | 55 | 91 | (215) |
| Runoff segment | 11 | 14 | 25 | 6 | 12 | 6 | 4 | 28 |
| Corporate and Other | (43) | (46) | (89) | (103) | (327) | (52) | (105) | (587) |
| **ADJUSTED OPERATING INCOME (LOSS)** | $ 151 | $ 143 | $ 294 | $ (137) | $ (405) | $ 123 | $ 103 | $ (316) |
| **Earnings (Loss) Per Share Data:** | | | | | | | | |
| Net income (loss) available to Genworth Financial, Inc.'s common stockholders per share | | | | | | | | |
| Basic | $ 0.40 | $ 0.31 | $ 0.72 | $ (0.25) | $ (0.76) | $ 0.35 | $ 0.11 | $ (0.56) |
| Diluted | $ 0.40 | $ 0.31 | $ 0.71 | $ (0.25) | $ (0.76) | $ 0.34 | $ 0.11 | $ (0.56) |
| Adjusted operating income (loss) per share | | | | | | | | |
| Basic | $ 0.30 | $ 0.29 | $ 0.59 | $ (0.27) | $ (0.81) | $ 0.25 | $ 0.21 | $ (0.63) |
| Diluted | $ 0.30 | $ 0.29 | $ 0.59 | $ (0.27) | $ (0.81) | $ 0.25 | $ 0.21 | $ (0.63) |
| Weighted-average common shares outstanding | | | | | | | | |
| Basic | 499.0 | 498.6 | 498.8 | 498.4 | 498.3 | 498.5 | 498.0 | 498.3 |
| Diluted(2) | 501.2 | 501.0 | 501.1 | 498.4 | 498.3 | 500.4 | 499.4 | 498.3 |

(1) Net investment (gains) losses were adjusted for the portion attributable to noncontrolling interests and DAC and other intangible amortization and certain benefit reserves (see page 46 for reconciliation).

(2) Under applicable accounting guidance, companies in a loss position are required to use basic weighted-average common shares outstanding in the calculation of diluted loss per share. Therefore, as a result of the loss from continuing operations, the company was required to use basic weighted-average common shares outstanding in the calculation of diluted loss per share as the inclusion of shares for stock options, restricted stock units and stock appreciation rights of 2.5 million and 2.2 million, respectively, for the three months ended December 31, 2016 and September 30, 2016 and 2.0 million for the twelve months ended December 31, 2016 would have been antidilutive to the calculation. If the company had not incurred a loss from continuing operations in these periods, dilutive potential weighted-average common shares outstanding would have been 500.9 million and 500.5 million, respectively, for the three months ended December 31, 2016 and September 30, 2016 and 500.3 million for the twelve months ended December 31, 2016.

Table of Contents

**GENWORTH FINANCIAL, INC.**
**FINANCIAL SUPPLEMENT**
**SECOND QUARTER 2017**

**Consolidated Balance Sheets**
**(amounts in millions)**

| | June 30, 2017 | March 31, 2017 | December 31, 2016 | September 30, 2016 | June 30, 2016 |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| Investments: | | | | | |
| Fixed maturity securities available-for-sale, at fair value | $ 61,944 | $ 60,597 | $ 60,572 | $ 63,780 | $ 62,828 |
| Equity securities available-for-sale, at fair value | 855 | 709 | 632 | 590 | 481 |
| Commercial mortgage loans | 6,237 | 6,107 | 6,111 | 6,017 | 6,121 |
| Restricted commercial mortgage loans related to securitization entities | 118 | 122 | 129 | 134 | 141 |
| Policy loans | 1,824 | 1,761 | 1,742 | 1,751 | 1,754 |
| Other invested assets | 2,177 | 2,272 | 2,071 | 2,676 | 2,510 |
| Restricted other invested assets related to securitization entities | 81 | 84 | 312 | 312 | 312 |
| Total investments | 73,236 | 71,652 | 71,569 | 75,260 | 74,147 |
| Cash and cash equivalents | 2,853 | 3,018 | 2,784 | 3,078 | 3,457 |
| Accrued investment income | 599 | 717 | 659 | 677 | 601 |
| Deferred acquisition costs | 2,378 | 3,207 | 3,571 | 3,982 | 4,046 |
| Intangible assets and goodwill | 334 | 381 | 348 | 258 | 267 |
| Reinsurance recoverable | 17,609 | 17,681 | 17,755 | 17,542 | 17,564 |
| Other assets | 715 | 703 | 673 | 570 | 640 |
| Deferred tax asset | 23 | — | — | — | — |
| Separate account assets | 7,269 | 7,327 | 7,299 | 7,485 | 7,484 |
| Total assets | $105,016 | $104,686 | $ 104,658 | $ 108,852 | $108,206 |

**GENWORTH FINANCIAL, INC.**
**FINANCIAL SUPPLEMENT**
**SECOND QUARTER 2017**

**Consolidated Balance Sheets**
**(amounts in millions)**

| | June 30, 2017 | March 31, 2017 | December 31, 2016 | September 30, 2016 | June 30, 2016 |
|---|---|---|---|---|---|
| **LIABILITIES AND EQUITY** | | | | | |
| Liabilities: | | | | | |
| Future policy benefits | $ 37,772 | $ 37,291 | $ 37,063 | $ 37,405 | $ 37,154 |
| Policyholder account balances | 24,971 | 25,383 | 25,662 | 25,867 | 26,182 |
| Liability for policy and contract claims | 9,239 | 9,295 | 9,256 | 8,869 | 8,289 |
| Unearned premiums | 3,400 | 3,370 | 3,378 | 3,464 | 3,412 |
| Other liabilities | 2,629 | 2,657 | 2,916 | 3,280 | 3,197 |
| Borrowings related to securitization entities | 63 | 68 | 74 | 78 | 85 |
| Non-recourse funding obligations | 310 | 310 | 310 | 310 | 310 |
| Long-term borrowings | 4,205 | 4,194 | 4,180 | 4,194 | 4,191 |
| Deferred tax liability | 162 | 75 | 53 | 1,151 | 893 |
| Separate account liabilities | 7,269 | 7,327 | 7,299 | 7,485 | 7,484 |
| Total liabilities | 90,020 | 89,970 | 90,191 | 92,103 | 91,197 |
| Equity: | | | | | |
| Common stock | 1 | 1 | 1 | 1 | 1 |
| Additional paid-in capital | 11,969 | 11,964 | 11,962 | 11,959 | 11,955 |
| Accumulated other comprehensive income (loss): | | | | | |
| Net unrealized investment gains (losses): | | | | | |
| Net unrealized gains (losses) on securities not other-than-temporarily impaired | 1,170 | 1,233 | 1,253 | 2,836 | 2,770 |
| Net unrealized gains (losses) on other-than-temporarily impaired securities | 10 | 10 | 9 | 24 | 19 |
| Net unrealized investment gains (losses) | 1,180 | 1,243 | 1,262 | 2,860 | 2,789 |
| Derivatives qualifying as hedges | 2,064 | 2,036 | 2,085 | 2,493 | 2,439 |
| Foreign currency translation and other adjustments | (149) | (183) | (253) | (151) | (140) |
| Total accumulated other comprehensive income | 3,095 | 3,096 | 3,094 | 5,202 | 5,088 |
| Retained earnings | 653 | 451 | 287 | 409 | 789 |
| Treasury stock, at cost | (2,700) | (2,700) | (2,700) | (2,700) | (2,700) |
| Total Genworth Financial, Inc.'s stockholders' equity | 13,018 | 12,812 | 12,644 | 14,871 | 15,133 |
| Noncontrolling interests | 1,978 | 1,904 | 1,823 | 1,878 | 1,876 |
| Total equity | 14,996 | 14,716 | 14,467 | 16,749 | 17,009 |
| Total liabilities and equity | $105,016 | $ 104,686 | $ 104,658 | $ 108,852 | $108,206 |

**GENWORTH FINANCIAL, INC.**
**FINANCIAL SUPPLEMENT**
**SECOND QUARTER 2017**

**Consolidated Balance Sheet by Segment**
**(amounts in millions)**

| | June 30, 2017 | | | | | | |
|---|---|---|---|---|---|---|---|
| | U.S. Mortgage Insurance | Canada Mortgage Insurance | Australia Mortgage Insurance | U.S. Life Insurance | Runoff | Corporate and Other[(1)] | Total |
| **ASSETS** | | | | | | | |
| Cash and investments | $ 2,788 | $ 4,952 | $ 2,702 | $ 62,663 | $ 2,761 | $ 822 | $ 76,688 |
| Deferred acquisition costs and intangible assets | 47 | 141 | 90 | 2,191 | 235 | 8 | 2,712 |
| Reinsurance recoverable | 1 | — | — | 16,783 | 825 | — | 17,609 |
| Deferred tax and other assets | 41 | 48 | 30 | 382 | (15) | 252 | 738 |
| Separate account assets | — | — | — | — | 7,269 | — | 7,269 |
| Total assets | $ 2,877 | $ 5,141 | $ 2,822 | $ 82,019 | $11,075 | $ 1,082 | $105,016 |
| **LIABILITIES AND EQUITY** | | | | | | | |
| Liabilities: | | | | | | | |
| Future policy benefits | $ — | $ — | $ — | $ 37,769 | $ 3 | $ — | $ 37,772 |
| Policyholder account balances | — | — | — | 21,697 | 3,274 | — | 24,971 |
| Liability for policy and contract claims | 490 | 94 | 231 | 8,401 | 15 | 8 | 9,239 |
| Unearned premiums | 365 | 1,623 | 856 | 551 | 5 | — | 3,400 |
| Non-recourse funding obligations | — | — | — | 310 | — | — | 310 |
| Deferred tax and other liabilities | (248) | 153 | 148 | 2,449 | (75) | 364 | 2,791 |
| Borrowings and capital securities | — | 334 | 151 | — | 12 | 3,771 | 4,268 |
| Separate account liabilities | — | — | — | — | 7,269 | — | 7,269 |
| Total liabilities | 607 | 2,204 | 1,386 | 71,177 | 10,503 | 4,143 | 90,020 |
| Equity: | | | | | | | |
| Allocated equity, excluding accumulated other comprehensive income (loss) | 2,250 | 1,826 | 586 | 7,733 | 569 | (3,041) | 9,923 |
| Allocated accumulated other comprehensive income (loss) | 20 | (150) | 133 | 3,109 | 3 | (20) | 3,095 |
| Total Genworth Financial, Inc.'s stockholders' equity | 2,270 | 1,676 | 719 | 10,842 | 572 | (3,061) | 13,018 |
| Noncontrolling interests | — | 1,261 | 717 | — | — | — | 1,978 |
| Total equity | 2,270 | 2,937 | 1,436 | 10,842 | 572 | (3,061) | 14,996 |
| Total liabilities and equity | $ 2,877 | $ 5,141 | $ 2,822 | $ 82,019 | $11,075 | $ 1,082 | $105,016 |

(1) Includes inter-segment eliminations and other businesses that are managed outside the operating segments.

Table of Contents

**GENWORTH FINANCIAL, INC.**
**FINANCIAL SUPPLEMENT**
**SECOND QUARTER 2017**

**Consolidated Balance Sheet by Segment**
**(amounts in millions)**

| | March 31, 2017 | | | | | | |
|---|---|---|---|---|---|---|---|
| | U.S. Mortgage Insurance | Canada Mortgage Insurance | Australia Mortgage Insurance | U.S. Life Insurance | Runoff | Corporate and Other[1] | Total |
| **ASSETS** | | | | | | | |
| Cash and investments | $ 2,644 | $ 4,781 | $ 2,671 | $ 61,793 | $ 2,868 | $ 630 | $ 75,387 |
| Deferred acquisition costs and intangible assets | 46 | 137 | 98 | 3,053 | 246 | 8 | 3,588 |
| Reinsurance recoverable | 2 | — | — | 16,845 | 834 | — | 17,681 |
| Other assets | 43 | 51 | 13 | 374 | (13) | 235 | 703 |
| Separate account assets | — | — | — | — | 7,327 | — | 7,327 |
| Total assets | $ 2,735 | $ 4,969 | $ 2,782 | $ 82,065 | $11,262 | $ 873 | $104,686 |
| **LIABILITIES AND EQUITY** | | | | | | | |
| Liabilities: | | | | | | | |
| Future policy benefits | $ — | $ — | $ — | $ 37,288 | $ 3 | $ — | $ 37,291 |
| Policyholder account balances | — | — | — | 22,015 | 3,368 | — | 25,383 |
| Liability for policy and contract claims | 583 | 109 | 227 | 8,353 | 15 | 8 | 9,295 |
| Unearned premiums | 349 | 1,582 | 873 | 561 | 5 | — | 3,370 |
| Non-recourse funding obligations | — | — | — | 310 | — | — | 310 |
| Deferred tax and other liabilities | (380) | 133 | 129 | 2,595 | (51) | 306 | 2,732 |
| Borrowings and capital securities | — | 326 | 150 | — | 13 | 3,773 | 4,262 |
| Separate account liabilities | — | — | — | — | 7,327 | — | 7,327 |
| Total liabilities | 552 | 2,150 | 1,379 | 71,122 | 10,680 | 4,087 | 89,970 |
| Equity: | | | | | | | |
| Allocated equity, excluding accumulated other comprehensive income (loss) | 2,173 | 1,780 | 571 | 7,763 | 581 | (3,152) | 9,716 |
| Allocated accumulated other comprehensive income (loss) | 10 | (163) | 130 | 3,180 | 1 | (62) | 3,096 |
| Total Genworth Financial, Inc.'s stockholders' equity | 2,183 | 1,617 | 701 | 10,943 | 582 | (3,214) | 12,812 |
| Noncontrolling interests | — | 1,202 | 702 | — | — | — | 1,904 |
| Total equity | 2,183 | 2,819 | 1,403 | 10,943 | 582 | (3,214) | 14,716 |
| Total liabilities and equity | $ 2,735 | $ 4,969 | $ 2,782 | $ 82,065 | $11,262 | $ 873 | $104,686 |

(1) Includes inter-segment eliminations and other businesses that are managed outside the operating segments.

**GENWORTH FINANCIAL, INC.**
**FINANCIAL SUPPLEMENT**
**SECOND QUARTER 2017**

**Deferred Acquisition Costs Rollforward**
**(amounts in millions)**

| | U.S. Mortgage Insurance | Canada Mortgage Insurance | Australia Mortgage Insurance | U.S. Life Insurance(1) | Runoff(2) | Corporate and Other | Total |
|---|---|---|---|---|---|---|---|
| Unamortized balance as of March 31, 2017 | $ 28 | $ 121 | $ 33 | $ 3,762 | $ 238 | $ — | $ 4,182 |
| Costs deferred | 3 | 10 | 2 | 7 | — | — | 22 |
| Amortization, net of interest accretion | (3) | (10) | (3) | (91) | (6) | — | (113) |
| Impact of foreign currency translation | — | 3 | — | — | — | — | 3 |
| Unamortized balance as of June 30, 2017 | 28 | 124 | 32 | 3,678 | 232 | — | 4,094 |
| Effect of accumulated net unrealized investment (gains) losses | — | — | — | (1,707) | (9) | — | (1,716) |
| Balance as of June 30, 2017 | $ 28 | $ 124 | $ 32 | $ 1,971 | $ 223 | $ — | $ 2,378 |

(1) Amortization, net of interest accretion, included $1 million of amortization related to net investment gains for the policyholder account balances.
(2) Amortization, net of interest accretion, included $1 million of amortization related to net investment losses for the policyholder account balances.

# U.S. Mortgage Insurance Segment

**GENWORTH FINANCIAL, INC.**
**FINANCIAL SUPPLEMENT**
**SECOND QUARTER 2017**

**Adjusted Operating Income and Sales—U.S. Mortgage Insurance Segment**
**(amounts in millions)**

| | 2017 | | | 2016 | | | | |
|---|---|---|---|---|---|---|---|---|
| | 2Q | 1Q | Total | 4Q | 3Q | 2Q | 1Q | Total |
| **REVENUES:** | | | | | | | | |
| Premiums | $ 170 | $ 169 | $ 339 | $ 171 | $ 169 | $ 160 | $ 160 | $ 660 |
| Net investment income | 18 | 17 | 35 | 17 | 16 | 15 | 15 | 63 |
| Net investment gains (losses) | — | — | — | — | — | — | (1) | (1) |
| Policy fees and other income | 1 | 1 | 2 | 1 | 1 | 1 | 1 | 4 |
| Total revenues | 189 | 187 | 376 | 189 | 186 | 176 | 175 | 726 |
| **BENEFITS AND EXPENSES:** | | | | | | | | |
| Benefits and other changes in policy reserves | 3 | 29 | 32 | 48 | 36 | 38 | 38 | 160 |
| Acquisition and operating expenses, net of deferrals | 41 | 40 | 81 | 42 | 45 | 41 | 39 | 167 |
| Amortization of deferred acquisition costs and intangibles | 3 | 4 | 7 | 4 | 3 | 2 | 3 | 12 |
| Total benefits and expenses | 47 | 73 | 120 | 94 | 84 | 81 | 80 | 339 |
| **INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES** | 142 | 114 | 256 | 95 | 102 | 95 | 95 | 387 |
| Provision for income taxes | 51 | 41 | 92 | 34 | 36 | 34 | 34 | 138 |
| **INCOME FROM CONTINUING OPERATIONS** | 91 | 73 | 164 | 61 | 66 | 61 | 61 | 249 |
| **ADJUSTMENTS TO INCOME FROM CONTINUING OPERATIONS:** | | | | | | | | |
| Net investment (gains) losses | — | — | — | — | — | — | 1 | 1 |
| Expenses related to restructuring | — | — | — | — | 1 | — | — | 1 |
| Taxes on adjustments | — | — | — | — | — | — | (1) | (1) |
| **ADJUSTED OPERATING INCOME** | $ 91 | $ 73 | $ 164 | $ 61 | $ 67 | $ 61 | $ 61 | $ 250 |
| | | | | | | | | |
| **SALES:** | | | | | | | | |
| **New Insurance Written (NIW)** | | | | | | | | |
| Flow | $9,800 | $7,600 | $17,400 | $11,100 | $12,800 | $11,400 | $7,400 | $42,700 |
| Bulk | — | — | — | — | — | — | — | — |
| **Total U.S. Mortgage Insurance NIW** | $9,800 | $7,600 | $17,400 | $11,100 | $12,800 | $11,400 | $7,400 | $42,700 |

**GENWORTH FINANCIAL, INC.**
**FINANCIAL SUPPLEMENT**
**SECOND QUARTER 2017**

**Flow New Insurance Written Metrics—U.S. Mortgage Insurance Segment**
**(amounts in millions)**

| | 2017 | | | | 2016 | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2Q | | 1Q | | 4Q | | 3Q | | 2Q | | 1Q | |
| | Flow NIW | % of Flow NIW | Flow NIW | % of Flow NIW | Flow NIW | % of Flow NIW | Flow NIW | % of Flow NIW | Flow NIW | % of Flow NIW | Flow NIW | % of Flow NIW |
| **Product** | | | | | | | | | | | | |
| Monthly(1) | $7,900 | 81% | $6,100 | 80% | $ 8,800 | 79% | $10,000 | 78% | $ 8,400 | 74% | $5,400 | 73% |
| Single | 1,900 | 19 | 1,500 | 20 | 2,300 | 21 | 2,800 | 22 | 3,000 | 26 | 2,000 | 27 |
| **Total Flow** | $9,800 | 100% | $7,600 | 100% | $11,100 | 100% | $12,800 | 100% | $11,400 | 100% | $7,400 | 100% |
| **FICO Scores** | | | | | | | | | | | | |
| Over 735 | $6,000 | 61% | $4,700 | 62% | $ 7,000 | 63% | $ 8,100 | 63% | $ 7,100 | 62% | $4,400 | 60% |
| 680-735 | 3,100 | 32 | 2,300 | 30 | 3,300 | 30 | 3,800 | 30 | 3,400 | 30 | 2,400 | 32 |
| 660-679(2) | 400 | 4 | 300 | 4 | 500 | 4 | 500 | 4 | 500 | 4 | 300 | 4 |
| 620-659 | 300 | 3 | 300 | 4 | 300 | 3 | 400 | 3 | 400 | 4 | 300 | 4 |
| <620 | — | — | — | — | — | — | — | — | — | — | — | — |
| **Total Flow** | $9,800 | 100% | $7,600 | 100% | $11,100 | 100% | $12,800 | 100% | $11,400 | 100% | $7,400 | 100% |
| **Loan-To-Value Ratio** | | | | | | | | | | | | |
| 95.01% and above | $1,100 | 11% | $ 800 | 11% | $ 1,000 | 9% | $ 1,000 | 8% | $ 700 | 6% | $ 400 | 5% |
| 90.01% to 95.00% | 4,700 | 48 | 3,500 | 46 | 5,000 | 45 | 6,100 | 48 | 5,900 | 52 | 3,700 | 50 |
| 85.01% to 90.00% | 2,900 | 30 | 2,300 | 30 | 3,400 | 31 | 4,000 | 31 | 3,400 | 30 | 2,400 | 33 |
| 85.00% and below | 1,100 | 11 | 1,000 | 13 | 1,700 | 15 | 1,700 | 13 | 1,400 | 12 | 900 | 12 |
| **Total Flow** | $9,800 | 100% | $7,600 | 100% | $11,100 | 100% | $12,800 | 100% | $11,400 | 100% | $7,400 | 100% |
| **Origination** | | | | | | | | | | | | |
| Purchase | $9,000 | 92% | $6,300 | 83% | $ 8,400 | 76% | $10,500 | 82% | $ 9,400 | 82% | $6,000 | 81% |
| Refinance | 800 | 8 | 1,300 | 17 | 2,700 | 24 | 2,300 | 18 | 2,000 | 18 | 1,400 | 19 |
| **Total Flow** | $9,800 | 100% | $7,600 | 100% | $11,100 | 100% | $12,800 | 100% | $11,400 | 100% | $7,400 | 100% |

(1) Includes loans with annual and split payment types.
(2) Loans with unknown FICO scores are included in the 660-679 category.

Table of Contents

**GENWORTH FINANCIAL, INC.**
**FINANCIAL SUPPLEMENT**
**SECOND QUARTER 2017**

**Other Metrics—U.S. Mortgage Insurance Segment**
**(dollar amounts in millions)**

| | 2017 | | | 2016 | | | | |
|---|---|---|---|---|---|---|---|---|
| | 2Q | 1Q | Total | 4Q | 3Q | 2Q | 1Q | Total |
| **Net Premiums Written** | $ 186 | $ 175 | $ 361 | $ 185 | $ 193 | $ 190 | $ 176 | $ 744 |
| **New Risk Written** | | | | | | | | |
| Flow | $ 2,478 | $ 1,864 | $4,342 | $ 2,673 | $ 3,188 | $ 2,865 | $ 1,845 | $10,571 |
| Bulk | — | — | — | — | — | — | — | — |
| Total Primary | 2,478 | 1,864 | 4,342 | 2,673 | 3,188 | 2,865 | 1,845 | 10,571 |
| Pool | — | — | — | — | — | — | — | — |
| **Total New Risk Written** | $ 2,478 | $ 1,864 | $4,342 | $ 2,673 | $ 3,188 | $ 2,865 | $ 1,845 | $10,571 |
| **Primary Insurance In-Force**(1) | $143,000 | $139,300 | | $137,500 | $133,700 | $128,400 | $124,100 | |
| **Risk In-Force** | | | | | | | | |
| Flow(2) | $ 34,286 | $ 33,347 | | $ 32,891 | $ 32,067 | $ 30,760 | $ 29,620 | |
| Bulk(3) | 257 | 266 | | 278 | 290 | 314 | 318 | |
| Total Primary | 34,543 | 33,613 | | 33,169 | 32,357 | 31,074 | 29,938 | |
| Pool | 92 | 96 | | 100 | 104 | 111 | 116 | |
| **Total Risk In-Force** | $ 34,635 | $ 33,709 | | $ 33,269 | $ 32,461 | $ 31,185 | $ 30,054 | |
| **Primary Risk In-Force That Is GSE Conforming** | 95% | 95% | | 95% | 96% | 96% | 96% | |
| **Expense Ratio (Net Earned Premiums)** (4) | 26% | 26% | 26% | 27% | 28% | 27% | 26% | 27% |
| **Expense Ratio (Net Premiums Written)** (5) | 24% | 25% | 24% | 25% | 24% | 23% | 24% | 24% |
| **Flow Persistency** | 82% | 83% | | 78% | 77% | 77% | 82% | |
| **Risk To Capital Ratio** (6) | 13.0:1 | 13.6:1 | | 14.4:1 | 15.0:1 | 15.0:1 | 15.3:1 | |
| **PMIERs Sufficiency Ratio** (7) | 122% | 118% | | 115% | 117% | 115% | 113% | |
| **Average Primary Loan Size (in thousands)** | $ 200 | $ 198 | | $ 196 | $ 195 | $ 192 | $ 189 | |

The expense ratios included above were calculated using whole dollars and may be different than the ratios calculated using the rounded numbers included herein.

(1) Primary insurance in-force represents aggregate loan balances for outstanding insurance policies and is used to determine premiums. Original loan balances are presented for policies with level renewal premiums. Amortized loan balances are presented for policies with annual, amortizing renewal premiums.
(2) Flow risk in-force represents current loan balances as provided by servicers, lenders and investors and conform to the presentation under the Private Mortgage Insurer Eligibility Requirements (PMIERs).
(3) As of June 30, 2017, 90% of the bulk risk in-force was related to loans financed by lenders who participated in the mortgage programs sponsored by the Federal Home Loan Banks.
(4) The ratio of an insurer's general expenses to net earned premiums. In the business, general expenses consist of acquisition and operating expenses, net of deferrals, and amortization of DAC and intangibles.
(5) The ratio of an insurer's general expenses to net premiums written. In the business, general expenses consist of acquisition and operating expenses, net of deferrals, and amortization of DAC and intangibles.
(6) Certain states limit a private mortgage insurer's risk in-force to 25 times the total of the insurer's policyholders' surplus plus the statutory contingency reserve, commonly known as the "risk to capital" requirement. The current period risk to capital ratio is an estimate due to the timing of the filing of statutory statements and is prepared consistent with the presentation of the statutory financial statements in the combined annual statement of the U.S. mortgage insurance business.
(7) 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 for the U.S. mortgage insurance business. As of June 30, 2017, March 31, 2017, December 31, 2016, September 30, 2016, June 30, 2016 and March 31, 2016, the PMIERs sufficiency ratios were in excess of $500 million, $400 million, $350 million, $400 million, $350 million and $300 million, respectively, of available assets above the PMIERs requirements.

GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
SECOND QUARTER 2017

**Loss Metrics—U.S. Mortgage Insurance Segment**
**(amounts in millions)**

| | 2017 | | | 2016 | | | | |
|---|---|---|---|---|---|---|---|---|
| | 2Q | 1Q | Total | 4Q | 3Q | 2Q | 1Q | Total |
| **Paid Claims** | | | | | | | | |
| Flow | | | | | | | | |
| Direct(1) | $ 92 | $ 76 | $ 168 | $ 65 | $ 80 | $ 94 | $ 112 | $ 351 |
| Assumed(2) | — | 2 | 2 | 1 | 1 | 1 | 2 | 5 |
| Ceded | — | (1) | (1) | — | — | (1) | (3) | (4) |
| Loss adjustment expenses | 2 | 2 | 4 | 3 | 2 | 3 | 3 | 11 |
| Total Flow | 94 | 79 | 173 | 69 | 83 | 97 | 114 | 363 |
| Bulk | 1 | 1 | 2 | 1 | 1 | 1 | 2 | 5 |
| Total Primary | 95 | 80 | 175 | 70 | 84 | 98 | 116 | 368 |
| Pool | 1 | — | 1 | 1 | — | 1 | — | 2 |
| **Total Paid Claims** | $ 96 | $ 80 | $ 176 | $ 71 | $ 84 | $ 99 | $ 116 | $ 370 |
| **Average Paid Claim (in thousands)**(1) | $46.6 | $51.2 | | $50.0 | $53.6 | $50.8 | $51.9 | |
| **Average Reserve Per Delinquency (in thousands)** | | | | | | | | |
| Flow | $24.1 | $25.8 | | $25.1 | $25.9 | $27.8 | $28.3 | |
| Bulk loans with established reserve | 19.5 | 19.1 | | 18.5 | 18.8 | 21.1 | 21.2 | |
| **Reserves:** | | | | | | | | |
| Flow direct case | $ 440 | $ 530 | | $ 579 | $ 599 | $ 640 | $ 698 | |
| Bulk direct case | 12 | 12 | | 13 | 14 | 14 | 15 | |
| Assumed(2) | 4 | 4 | | 5 | 6 | 6 | 7 | |
| All other(3) | 34 | 37 | | 38 | 39 | 47 | 48 | |
| **Total Reserves** | $ 490 | $ 583 | | $ 635 | $ 658 | $ 707 | $ 768 | |
| **Beginning Reserves** | $ 583 | $ 635 | $ 635 | $ 658 | $ 707 | $ 768 | $ 849 | $ 849 |
| Paid claims | (96) | (81) | (177) | (71) | (84) | (99) | (119) | (373) |
| Increase in reserves | 3 | 29 | 32 | 48 | 35 | 38 | 38 | 159 |
| **Ending Reserves** | $ 490 | $ 583 | $ 490 | $ 635 | $ 658 | $ 707 | $ 768 | $ 635 |
| **Beginning Reinsurance Recoverable**(4) | $ 1 | $ 2 | $ 2 | $ 2 | $ 2 | $ 2 | $ 5 | $ 5 |
| Ceded paid claims | — | (1) | (1) | — | — | — | (3) | (3) |
| **Ending Reinsurance Recoverable** | $ 1 | $ 1 | $ 1 | $ 2 | $ 2 | $ 2 | $ 2 | $ 2 |
| **Loss Ratio**(5) | 2% | 17% | 9% | 28% | 21% | 24% | 24% | 24% |

The loss ratio included above was calculated using whole dollars and may be different than the ratio calculated using the rounded numbers included herein.

(1) Direct paid claims and average paid claim in the second quarter of 2017 include payment in relation to an agreement on non-performing loans.
(2) Assumed is comprised of reinsurance arrangements with state governmental housing finance agencies.
(3) Other includes loss adjustment expenses, pool and incurred but not reported reserves.
(4) Reinsurance recoverable excludes ceded unearned premium recoveries and amounts for which cash proceeds have not yet been received.
(5) The ratio of incurred losses and loss adjustment expenses to net earned premiums.

Table of Contents

**GENWORTH FINANCIAL, INC.**
**FINANCIAL SUPPLEMENT**
**SECOND QUARTER 2017**

**Delinquency Metrics—U.S. Mortgage Insurance Segment**
**(dollar amounts in millions)**

| | 2017 2Q | 2017 1Q | 2017 Total | 2016 4Q | 2016 3Q | 2016 2Q | 2016 1Q | 2016 Total |
|---|---|---|---|---|---|---|---|---|
| **Number of Primary Delinquencies** | | | | | | | | |
| Flow | 19,733 | 22,036 | | 24,631 | 24,720 | 24,753 | 26,491 | |
| Bulk loans with an established reserve | 653 | 695 | | 756 | 778 | 732 | 776 | |
| Bulk loans with no reserve (1) | 291 | 288 | | 322 | 305 | 313 | 335 | |
| **Total Number of Primary Delinquencies** | 20,677 | 23,019 | | 25,709 | 25,803 | 25,798 | 27,602 | |
| **Beginning Number of Primary Delinquencies** | 23,019 | 25,709 | 25,709 | 25,803 | 25,798 | 27,602 | 31,663 | 31,663 |
| New delinquencies | 7,776 | 8,456 | 16,232 | 9,504 | 9,609 | 8,265 | 8,761 | 36,139 |
| Delinquency cures | (8,085) | (9,583) | (17,668) | (8,201) | (8,043) | (8,137) | (10,602) | (34,983) |
| Paid claims | (2,033) | (1,563) | (3,596) | (1,397) | (1,561) | (1,932) | (2,220) | (7,110) |
| **Ending Number of Primary Delinquencies** | 20,677 | 23,019 | 20,677 | 25,709 | 25,803 | 25,798 | 27,602 | 25,709 |
| **Composition of Cures** | | | | | | | | |
| Reported delinquent and cured-intraquarter | 1,697 | 2,350 | | 1,742 | 1,798 | 1,597 | 2,503 | |
| Number of missed payments delinquent prior to cure: | | | | | | | | |
| 3 payments or less | 4,285 | 5,375 | | 4,660 | 4,276 | 4,335 | 5,775 | |
| 4 - 11 payments | 1,678 | 1,432 | | 1,301 | 1,413 | 1,577 | 1,443 | |
| 12 payments or more | 425 | 426 | | 498 | 556 | 628 | 881 | |
| **Total** | 8,085 | 9,583 | | 8,201 | 8,043 | 8,137 | 10,602 | |
| **Primary Delinquencies by Missed Payment Status** | | | | | | | | |
| 3 payments or less | 7,877 | 8,114 | | 9,703 | 9,405 | 8,529 | 8,395 | |
| 4 - 11 payments | 5,520 | 6,341 | | 6,548 | 6,212 | 6,323 | 7,254 | |
| 12 payments or more | 7,280 | 8,564 | | 9,458 | 10,186 | 10,946 | 11,953 | |
| **Primary Delinquencies** | 20,677 | 23,019 | | 25,709 | 25,803 | 25,798 | 27,602 | |

**June 30, 2017**

| **Flow Delinquencies and Percentage Reserved by Payment Status** | **Delinquencies** | **Direct Case Reserves**(2) | **Risk In-Force** | **Reserves as % of Risk In-Force** |
|---|---|---|---|---|
| 3 payments or less in default | 7,575 | $ 36 | $ 316 | 11% |
| 4 - 11 payments in default | 5,365 | 124 | 229 | 54% |
| 12 payments or more in default | 6,793 | 280 | 333 | 84% |
| **Total** | 19,733 | $ 440 | $ 878 | 50% |

**December 31, 2016**

| **Flow Delinquencies and Percentage Reserved by Payment Status** | **Delinquencies** | **Direct Case Reserves**(2) | **Risk In-Force** | **Reserves as % of Risk In-Force** |
|---|---|---|---|---|
| 3 payments or less in default | 9,355 | $ 49 | $ 382 | 13% |
| 4 - 11 payments in default | 6,364 | 147 | 268 | 55% |
| 12 payments or more in default | 8,912 | 383 | 434 | 88% |
| **Total** | 24,631 | $ 579 | $ 1,084 | 53% |

(1) Reserves were not established on loans where the company was in a secondary loss position due to an existing deductible and the company believes currently have no risk for claim.
(2) Direct flow case reserves exclude loss adjustment expenses, incurred but not reported and reinsurance reserves.

**GENWORTH FINANCIAL, INC.**
**FINANCIAL SUPPLEMENT**
**SECOND QUARTER 2017**

**Portfolio Quality Metrics—U.S. Mortgage Insurance Segment**

| | 2017 | | 2016 | | | |
|---|---|---|---|---|---|---|
| | 2Q | 1Q | 4Q | 3Q | 2Q | 1Q |
| **Primary Loans** | | | | | | |
| Primary loans in-force | 714,254 | 703,214 | 699,841 | 686,789 | 668,951 | 655,300 |
| Primary delinquent loans | 20,677 | 23,019 | 25,709 | 25,803 | 25,798 | 27,602 |
| Primary delinquency rate | 2.89% | 3.27% | 3.67% | 3.76% | 3.86% | 4.21% |
| Flow loans in-force | 695,383 | 683,532 | 678,168 | 665,821 | 647,100 | 632,010 |
| Flow delinquent loans | 19,733 | 22,036 | 24,631 | 24,720 | 24,753 | 26,491 |
| Flow delinquency rate | 2.84% | 3.22% | 3.63% | 3.71% | 3.83% | 4.19% |
| Bulk loans in-force | 18,871 | 19,682 | 21,673 | 20,968 | 21,851 | 23,290 |
| Bulk delinquent loans | 944 | 983 | 1,078 | 1,083 | 1,045 | 1,111 |
| Bulk delinquency rate | 5.00% | 4.99% | 4.97% | 5.17% | 4.78% | 4.77% |
| A minus and sub-prime loans in-force | 20,797 | 22,056 | 23,063 | 24,281 | 25,552 | 26,995 |
| A minus and sub-prime delinquent loans | 4,148 | 4,572 | 5,252 | 5,306 | 5,220 | 5,546 |
| A minus and sub-prime delinquency rate | 19.95% | 20.73% | 22.77% | 21.85% | 20.43% | 20.54% |
| **Pool Loans** | | | | | | |
| Pool loans in-force | 5,406 | 5,586 | 5,742 | 5,896 | 6,196 | 6,406 |
| Pool delinquent loans | 276 | 276 | 325 | 343 | 356 | 369 |
| Pool delinquency rate | 5.11% | 4.94% | 5.66% | 5.82% | 5.75% | 5.76% |
| **Primary Risk In-Force by Credit Quality** | | | | | | |
| Over 735 | 56% | 55% | 55% | 55% | 54% | 53% |
| 680-735 | 31% | 31% | 31% | 31% | 32% | 32% |
| 660-679[1] | 6% | 6% | 6% | 6% | 6% | 6% |
| 620-659 | 5% | 6% | 6% | 6% | 6% | 7% |
| <620 | 2% | 2% | 2% | 2% | 2% | 2% |

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

**GENWORTH FINANCIAL, INC.**
**FINANCIAL SUPPLEMENT**
**SECOND QUARTER 2017**

**Portfolio Quality Metrics—U.S. Mortgage Insurance Segment**
**(amounts in millions)**

| | June 30, 2017 | | | | | | |
|---|---|---|---|---|---|---|---|
| Policy Year | Average Rate[(1)] | % of Total Reserves[(2)] | Primary Insurance In-Force | % of Total | Primary Risk In-Force | % of Total | Delinquency Rate |
| 2004 and prior | 6.01% | 10.6% | $ 2,555 | 1.8% | $ 501 | 1.4% | 12.06% |
| 2005 | 5.61% | 10.2 | 2,359 | 1.6 | 568 | 1.6 | 11.58% |
| 2006 | 5.75% | 16.3 | 4,233 | 3.0 | 993 | 2.9 | 11.15% |
| 2007 | 5.67% | 34.3 | 11,070 | 7.7 | 2,558 | 7.4 | 10.49% |
| 2008 | 5.21% | 16.1 | 9,156 | 6.4 | 2,135 | 6.2 | 5.90% |
| 2009 | 4.94% | 0.8 | 955 | 0.7 | 205 | 0.6 | 2.46% |
| 2010 | 4.68% | 0.7 | 1,302 | 0.9 | 298 | 0.9 | 1.72% |
| 2011 | 4.53% | 0.7 | 1,859 | 1.3 | 440 | 1.3 | 1.73% |
| 2012 | 3.84% | 0.9 | 4,936 | 3.4 | 1,214 | 3.5 | 0.85% |
| 2013 | 4.05% | 1.6 | 8,935 | 6.2 | 2,205 | 6.4 | 0.88% |
| 2014 | 4.42% | 3.1 | 13,397 | 9.4 | 3,278 | 9.5 | 1.12% |
| 2015 | 4.11% | 3.2 | 24,887 | 17.4 | 6,100 | 17.6 | 0.68% |
| 2016 | 3.86% | 1.5 | 40,131 | 28.1 | 9,773 | 28.3 | 0.26% |
| 2017 | 4.28% | — | 17,248 | 12.1 | 4,275 | 12.4 | 0.03% |
| Total | 4.48% | 100.0% | $ 143,023 | 100.0% | $ 34,543 | 100.0% | 2.89% |

| | June 30, 2017 | | March 31, 2017 | | June 30, 2016 | |
|---|---|---|---|---|---|---|
| | Primary Risk In-Force | Primary Delinquency Rate | Primary Risk In-Force | Primary Delinquency Rate | Primary Risk In-Force | Primary Delinquency Rate |
| Lender concentration (by original applicant) | $ 34,543 | 2.89% | $ 33,613 | 3.27% | $ 31,074 | 3.86% |
| Top 10 lenders | 10,348 | 3.52% | 10,356 | 4.21% | 10,533 | 4.71% |
| Top 20 lenders | 13,774 | 3.29% | 13,689 | 3.70% | 13,532 | 4.67% |
| Loan-to-value ratio | | | | | | |
| 95.01% and above | $ 5,696 | 5.59% | $ 5,653 | 6.21% | $ 5,682 | 6.80% |
| 90.01% to 95.00% | 17,776 | 1.98% | 17,122 | 2.24% | 15,247 | 2.62% |
| 80.01% to 90.00% | 10,830 | 2.52% | 10,590 | 2.89% | 9,858 | 3.60% |
| 80.00% and below | 241 | 3.21% | 248 | 3.20% | 287 | 3.19% |
| Total | $ 34,543 | 2.89% | $ 33,613 | 3.27% | $ 31,074 | 3.86% |
| Loan grade | | | | | | |
| Prime | $ 33,814 | 2.38% | $ 32,837 | 2.71% | $ 30,175 | 3.20% |
| A minus and sub-prime | 729 | 19.95% | 776 | 20.73% | 899 | 20.43% |
| Total | $ 34,543 | 2.89% | $ 33,613 | 3.27% | $ 31,074 | 3.86% |

(1) Average Annual Mortgage Interest Rate.
(2) Total reserves were $490 million as of June 30, 2017.

# Canada Mortgage Insurance Segment

**GENWORTH FINANCIAL, INC.**
**FINANCIAL SUPPLEMENT**
**SECOND QUARTER 2017**

**Adjusted Operating Income and Sales—Canada Mortgage Insurance Segment**
**(amounts in millions)**

| | 2017 | | | 2016 | | | | |
|---|---|---|---|---|---|---|---|---|
| | 2Q | 1Q | Total | 4Q | 3Q | 2Q | 1Q | Total |
| **REVENUES:** | | | | | | | | |
| Premiums | $ 126 | $ 126 | $ 252 | $ 124 | $ 124 | $ 122 | $ 111 | $ 481 |
| Net investment income | 31 | 32 | 63 | 32 | 33 | 32 | 29 | 126 |
| Net investment gains (losses) | 47 | 11 | 58 | 25 | — | (8) | 20 | 37 |
| Policy fees and other income | — | — | — | 1 | (1) | 1 | — | 1 |
| Total revenues | 204 | 169 | 373 | 182 | 156 | 147 | 160 | 645 |
| **BENEFITS AND EXPENSES:** | | | | | | | | |
| Benefits and other changes in policy reserves | 4 | 20 | 24 | 23 | 30 | 25 | 26 | 104 |
| Acquisition and operating expenses, net of deferrals | 16 | 21 | 37 | 19 | 21 | 19 | 18 | 77 |
| Amortization of deferred acquisition costs and intangibles | 11 | 10 | 21 | 10 | 10 | 10 | 9 | 39 |
| Interest expense | 5 | 4 | 9 | 5 | 5 | 4 | 4 | 18 |
| Total benefits and expenses | 36 | 55 | 91 | 57 | 66 | 58 | 57 | 238 |
| **INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES** | 168 | 114 | 282 | 125 | 90 | 89 | 103 | 407 |
| Provision for income taxes | 56 | 36 | 92 | 37 | 24 | 23 | 29 | 113 |
| **INCOME FROM CONTINUING OPERATIONS** | 112 | 78 | 190 | 88 | 66 | 66 | 74 | 294 |
| Less: income from continuing operations attributable to noncontrolling interests | 54 | 38 | 92 | 41 | 30 | 30 | 34 | 135 |
| **INCOME FROM CONTINUING OPERATIONS AVAILABLE TO GENWORTH FINANCIAL, INC.'S COMMON STOCKHOLDERS** | 58 | 40 | 98 | 47 | 36 | 36 | 40 | 159 |
| **ADJUSTMENTS TO INCOME FROM CONTINUING OPERATIONS AVAILABLE TO GENWORTH FINANCIAL, INC.'S COMMON STOCKHOLDERS:** | | | | | | | | |
| Net investment (gains) losses, net(1) | (27) | (6) | (33) | (14) | — | 4 | (11) | (21) |
| Taxes on adjustments | 10 | 2 | 12 | 6 | — | (2) | 4 | 8 |
| **ADJUSTED OPERATING INCOME**(2) | $ 41 | $ 36 | $ 77 | $ 39 | $ 36 | $ 38 | $ 33 | $ 146 |
| | | | | | | | | |
| **SALES:** | | | | | | | | |
| **New Insurance Written (NIW)** | | | | | | | | |
| Flow | $3,700 | $ 2,300 | $ 6,000 | $3,900 | $ 5,300 | $ 4,400 | $2,500 | $16,100 |
| Bulk | 800 | 8,000 | 8,800 | 3,700 | 5,100 | 19,700 | 3,200 | 31,700 |
| **Total Canada NIW**(3) | $4,500 | $10,300 | $14,800 | $7,600 | $10,400 | $24,100 | $5,700 | $47,800 |

(1) Net investment (gains) losses were adjusted for the portion of net investment gains (losses) attributable to noncontrolling interests as reconciled below:

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Net investment (gains) losses, gross | $ (47) | $ (11) | $ (58) | $ (25) | $ — | $ 8 | $ (20) | $ (37) |
| Adjustment for net investment gains (losses) attributable to noncontrolling interests | 20 | 5 | 25 | 11 | — | (4) | 9 | 16 |
| Net investment (gains) losses, net | $ (27) | $ (6) | $ (33) | $ (14) | $ — | $ 4 | $ (11) | $ (21) |

(2) Adjusted operating income for the Canadian platform adjusted for foreign exchange as compared to the prior year period was $43 million and $77 million for the three and six months ended June 30, 2017, respectively.

(3) New insurance written for the Canadian platform adjusted for foreign exchange as compared to the prior year period was $4,700 million and $14,500 million for the three and six months ended June 30, 2017, respectively.

**GENWORTH FINANCIAL, INC.**
**FINANCIAL SUPPLEMENT**
**SECOND QUARTER 2017**

**Selected Key Performance Measures—Canada Mortgage Insurance Segment**
**(amounts in millions)**

| | 2017 | | | 2016 | | | | |
|---|---|---|---|---|---|---|---|---|
| | 2Q | 1Q | Total | 4Q | 3Q | 2Q | 1Q | Total |
| **Net Premiums Written** | $ 126 | $ 96 | $ 222 | $ 129 | $ 172 | $ 191 | $ 84 | $576 |
| **Loss Ratio**(1) | 4% | 16% | 10% | 18% | 24% | 20% | 24% | 22% |
| **Expense Ratio (Net Earned Premiums)**(2) | 21% | 25% | 23% | 24% | 24% | 24% | 24% | 24% |
| **Expense Ratio (Net Premiums Written)**(3) | 21% | 32% | 26% | 23% | 18% | 15% | 32% | 20% |
| **Primary Insurance In-Force**(4) | $371,500 | $358,900 | | $345,600 | $347,300 | $341,600 | $317,400 | |
| **Primary Risk In-Force**(5) | | | | | | | | |
| Flow | $ 86,500 | $ 83,200 | | $ 81,600 | $ 82,300 | $ 81,400 | $ 79,900 | |
| Bulk | 43,500 | 42,400 | | 39,400 | 39,200 | 38,100 | 31,200 | |
| Total | $130,000 | $125,600 | | $121,000 | $121,500 | $119,500 | $111,100 | |

| Risk In-Force by Loan-To-Value Ratio(6) | June 30, 2017 | | | March 31, 2017 | | |
|---|---|---|---|---|---|---|
| | Primary | Flow | Bulk | Primary | Flow | Bulk |
| 95.01% and above | $ 42,351 | $ 42,351 | $ — | $ 40,518 | $ 40,518 | $ — |
| 90.01% to 95.00% | 25,826 | 25,826 | — | 24,859 | 24,859 | — |
| 80.01% to 90.00% | 15,294 | 15,291 | 3 | 14,806 | 14,803 | 3 |
| 80.00% and below | 46,540 | 3,083 | 43,457 | 45,426 | 2,993 | 42,433 |
| Total | $130,011 | $ 86,551 | $43,460 | $125,609 | $ 83,173 | $ 42,436 |

The loss and expense ratios included above were calculated using whole dollars and may be different than the ratios calculated using the rounded numbers included herein.

Amounts may not total due to rounding.

(1) The ratio of incurred losses and loss adjustment expenses to net earned premiums.
(2) The ratio of an insurer's general expenses to net earned premiums. In the business, general expenses consist of acquisition and operating expenses, net of deferrals, and amortization of DAC and intangibles.
(3) The ratio of an insurer's general expenses to net premiums written. In the business, general expenses consist of acquisition and operating expenses, net of deferrals, and amortization of DAC and intangibles.
(4) As part of an ongoing effort to improve the estimate of outstanding insurance exposure, the company is receiving updated outstanding balances in Canada from almost all of its customers. As a result, the company estimates that the outstanding balance of insured mortgages was approximately $174.0 billion, $170.0 billion, $166.0 billion, $170.0 billion, $170.0 billion and $152.0 billion as of June 30, 2017, March 31, 2017, December 31, 2016, September 30, 2016, June 30, 2016 and March 31, 2016, respectively. This is based on the extrapolation of the amounts reported by lenders to the entire insured population.
(5) The business currently provides 100% coverage on the majority of the loans the company insures. For the purpose of representing the risk in-force, Canada has computed an "effective risk in-force" amount which recognizes that the loss on any particular loan will be reduced by the net proceeds received upon sale of the property. Effective risk in-force has been calculated by applying to insurance in-force a factor that represents the highest expected average per-claim payment for any one underwriting year over the life of the business. This factor was 35% for all periods presented.
(6) Loan amount in loan-to-value ratio calculation includes capitalized premiums, where applicable.

**GENWORTH FINANCIAL, INC.**
**FINANCIAL SUPPLEMENT**
**SECOND QUARTER 2017**

## Selected Key Performance Measures—Canada Mortgage Insurance Segment
## (dollar amounts in millions)

| Primary Insurance | June 30, 2017 | March 31, 2017 | December 31, 2016 | September 30, 2016 | June 30, 2016 |
|---|---|---|---|---|---|
| Insured loans in-force(1),(2) | 2,082,586 | 2,074,984 | 2,029,400 | 2,006,484 | 1,968,171 |
| Insured delinquent loans | 1,809 | 2,082 | 2,070 | 2,027 | 1,961 |
| Insured delinquency rate(2),(3) | 0.09% | 0.10% | 0.10% | 0.10% | 0.10% |
| Flow loans in-force(1) | 1,418,076 | 1,402,813 | 1,394,067 | 1,379,020 | 1,358,927 |
| Flow delinquent loans | 1,476 | 1,697 | 1,693 | 1,715 | 1,669 |
| Flow delinquency rate(3) | 0.10% | 0.12% | 0.12% | 0.12% | 0.12% |
| Bulk loans in-force(1) | 664,510 | 672,171 | 635,333 | 627,464 | 609,244 |
| Bulk delinquent loans | 333 | 385 | 377 | 312 | 292 |
| Bulk delinquency rate(3) | 0.05% | 0.06% | 0.06% | 0.05% | 0.05% |

| Loss Metrics | June 30, 2017 | March 31, 2017 | December 31, 2016 | September 30, 2016 | June 30, 2016 |
|---|---|---|---|---|---|
| **Beginning Reserves** | $ 109 | $ 112 | $ 112 | $ 104 | $ 102 |
| Paid claims(4) | (21) | (24) | (20) | (20) | (21) |
| Increase in reserves | 4 | 20 | 23 | 29 | 23 |
| Impact of changes in foreign exchange rates | 2 | 1 | (3) | (1) | — |
| **Ending Reserves** | $ 94 | $ 109 | $ 112 | $ 112 | $ 104 |

| | June 30, 2017 | | March 31, 2017 | | June 30, 2016 | |
|---|---|---|---|---|---|---|
| Province and Territory | % of Primary Risk In-Force | Primary Delinquency Rate | % of Primary Risk In-Force | Primary Delinquency Rate | % of Primary Risk In-Force | Primary Delinquency Rate |
| Ontario | 47% | 0.03% | 48% | 0.04% | 47% | 0.04% |
| Alberta | 16 | 0.19% | 16 | 0.21% | 16 | 0.17% |
| British Columbia | 15 | 0.06% | 15 | 0.06% | 15 | 0.07% |
| Quebec | 13 | 0.13% | 13 | 0.15% | 13 | 0.17% |
| Saskatchewan | 3 | 0.26% | 3 | 0.27% | 3 | 0.25% |
| Nova Scotia | 2 | 0.17% | 2 | 0.21% | 2 | 0.20% |
| Manitoba | 2 | 0.08% | 2 | 0.09% | 2 | 0.09% |
| New Brunswick | 1 | 0.12% | 1 | 0.18% | 1 | 0.18% |
| All Other | 1 | 0.16% | — | 0.19% | 1 | 0.12% |
| Total | 100% | 0.09% | 100% | 0.10% | 100% | 0.10% |
| **By Policy Year** | | | | | | |
| 2008 and prior | 34% | 0.04% | 35% | 0.05% | 37% | 0.06% |
| 2009 | 3 | 0.11% | 3 | 0.14% | 4 | 0.17% |
| 2010 | 5 | 0.15% | 5 | 0.17% | 6 | 0.20% |
| 2011 | 5 | 0.19% | 5 | 0.23% | 6 | 0.26% |
| 2012 | 7 | 0.20% | 7 | 0.23% | 8 | 0.21% |
| 2013 | 7 | 0.18% | 7 | 0.20% | 8 | 0.18% |
| 2014 | 8 | 0.16% | 8 | 0.16% | 9 | 0.15% |
| 2015 | 12 | 0.09% | 12 | 0.10% | 13 | 0.03% |
| 2016 | 14 | 0.04% | 14 | 0.04% | 9 | — % |
| 2017 | 5 | 0.01% | 4 | — % | — | — % |
| Total | 100% | 0.09% | 100% | 0.10% | 100% | 0.10% |

(1) Insured loans in-force represent the original number of loans insured for which the coverage term has not expired, and for which no policy level cancellation or termination has been received.

(2) As part of an ongoing effort to improve the estimate of outstanding insurance exposure, the company is receiving updated outstanding loans in-force in Canada from almost all of its customers. As a result, the company estimates that the outstanding loans in-force were 981,000 as of June 30, 2017, 978,000 as of March 31, 2017, 969,000 as of December 31, 2016, 973,000 as of September 30, 2016 and 968,000 as of June 30, 2016. This is based on the extrapolation of the amounts reported by lenders to the entire insured population. The corresponding insured delinquency rate was 0.18% as of June 30, 2017, 0.21% as of March 31, 2017, December 31, 2016 and September 30, 2016 and 0.20% as of June 30, 2016.

(3) Delinquency rates are based on insured loans in-force.

(4) Paid claims exclude adjustments for expected recoveries related to loss reserves and prior paid claims.

Table of Contents

**GENWORTH FINANCIAL, INC.**
**FINANCIAL SUPPLEMENT**
**SECOND QUARTER 2017**

**Selected Key Performance Measures—Canada Mortgage Insurance Segment**
**(Canadian dollar amounts in millions)**

| | 2017 | | | 2016 | | | | |
|---|---|---|---|---|---|---|---|---|
| | 2Q | 1Q | Total | 4Q | 3Q | 2Q | 1Q | Total |
| **Paid Claims**(1) | | | | | | | | |
| Flow | $ 30 | $ 28 | $ 58 | $ 25 | $ 26 | $ 25 | $ 24 | $100 |
| Bulk | 2 | 3 | 5 | 1 | 1 | 2 | 1 | 5 |
| **Total Paid Claims** | $ 32 | $ 31 | $ 63 | $ 26 | $ 27 | $ 27 | $ 25 | $105 |
| **Average Paid Claim (in thousands)** | $73.6 | $65.3 | | $66.3 | $62.0 | $62.5 | $67.8 | |
| **Average Reserve Per Delinquency (in thousands)** | $67.8 | $69.7 | | $72.9 | $72.8 | $69.1 | $65.0 | |
| **Loss Metrics** | | | | | | | | |
| **Beginning Reserves** | $ 145 | $ 151 | | $ 148 | $ 136 | $ 132 | $ 120 | |
| Paid claims(1) | (32) | (31) | | (26) | (27) | (27) | (25) | |
| Increase in reserves | 10 | 25 | | 29 | 39 | 31 | 37 | |
| **Ending Reserves** | $ 123 | $ 145 | | $ 151 | $ 148 | $ 136 | $ 132 | |
| **Loan Amount**(2) | | | | | | | | |
| Over $550K | 8% | 8% | | 8% | 8% | 8% | 7% | |
| $400K to $550K | 14 | 14 | | 14 | 14 | 14 | 13 | |
| $250K to $400K | 34 | 34 | | 34 | 33 | 34 | 34 | |
| $100K to $250K | 40 | 40 | | 40 | 41 | 40 | 42 | |
| $100K or Less | 4 | 4 | | 4 | 4 | 4 | 4 | |
| Total | 100% | 100% | | 100% | 100% | 100% | 100% | |
| **Average Primary Loan Size (in thousands)** | $ 231 | $ 230 | | $ 229 | $ 227 | $ 225 | $ 222 | |

All amounts presented in Canadian dollars.

(1) Paid claims exclude adjustments for expected recoveries related to loss reserves and prior paid claims.
(2) The percentages in this table are based on the amount of primary insurancein-force in each loan band as a percentage of total insurancein-force.

# Australia Mortgage Insurance Segment

Table of Contents

**GENWORTH FINANCIAL, INC.**
**FINANCIAL SUPPLEMENT**
**SECOND QUARTER 2017**

**Adjusted Operating Income and Sales—Australia Mortgage Insurance Segment**
**(amounts in millions)**

| | 2017 | | | 2016 | | | | |
|---|---|---|---|---|---|---|---|---|
| | 2Q | 1Q | Total | 4Q | 3Q | 2Q | 1Q | Total |
| **REVENUES:** | | | | | | | | |
| Premiums | $ 78 | $ 81 | $ 159 | $ 82 | $ 88 | $ 86 | $ 81 | $ 337 |
| Net investment income | 17 | 21 | 38 | 22 | 23 | 25 | 24 | 94 |
| Net investment gains (losses) | 2 | 20 | 22 | 3 | 4 | 2 | — | 9 |
| Total revenues | 97 | 122 | 219 | 107 | 115 | 113 | 105 | 440 |
| **BENEFITS AND EXPENSES:** | | | | | | | | |
| Benefits and other changes in policy reserves | 27 | 28 | 55 | 24 | 37 | 31 | 21 | 113 |
| Acquisition and operating expenses, net of deferrals | 9 | 23 | 32 | 29 | 23 | 25 | 19 | 96 |
| Amortization of deferred acquisition costs and intangibles | 17 | 4 | 21 | 3 | 4 | 4 | 3 | 14 |
| Interest expense | 2 | 2 | 4 | 2 | 2 | 3 | 3 | 10 |
| Total benefits and expenses | 55 | 57 | 112 | 58 | 66 | 63 | 46 | 233 |
| **INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES** | 42 | 65 | 107 | 49 | 49 | 50 | 59 | 207 |
| Provision for income taxes | 14 | 22 | 36 | 16 | 16 | 16 | 19 | 67 |
| **INCOME FROM CONTINUING OPERATIONS** | 28 | 43 | 71 | 33 | 33 | 34 | 40 | 140 |
| Less: income from continuing operations attributable to noncontrolling interests | 15 | 23 | 38 | 18 | 18 | 18 | 21 | 75 |
| **INCOME FROM CONTINUING OPERATIONS AVAILABLE TO GENWORTH FINANCIAL, INC.'S COMMON STOCKHOLDERS** | 13 | 20 | 33 | 15 | 15 | 16 | 19 | 65 |
| **ADJUSTMENTS TO INCOME FROM CONTINUING OPERATIONS AVAILABLE TO GENWORTH FINANCIAL, INC.'S COMMON STOCKHOLDERS:** | | | | | | | | |
| Net investment (gains) losses, net(1) | — | (11) | (11) | (2) | (2) | (1) | — | (5) |
| Taxes on adjustments | (1) | 4 | 3 | 1 | 1 | — | — | 2 |
| **ADJUSTED OPERATING INCOME**(2) | $ 12 | $ 13 | $ 25 | $ 14 | $ 14 | $ 15 | $ 19 | $ 62 |
| **SALES:** | | | | | | | | |
| **New Insurance Written (NIW)** | | | | | | | | |
| Flow | $4,100 | $4,100 | $8,200 | $5,000 | $4,600 | $5,000 | $4,400 | $19,000 |
| Bulk | 600 | 1,000 | 1,600 | — | — | 800 | — | 800 |
| **Total Australia NIW**(3) | $4,700 | $5,100 | $9,800 | $5,000 | $4,600 | $5,800 | $4,400 | $19,800 |

(1) Net investment (gains) losses were adjusted for the portion of net investment gains (losses) attributable to noncontrolling interests as reconciled below:

| | 2Q 2017 | 1Q 2017 | Total 2017 | 4Q 2016 | 3Q 2016 | 2Q 2016 | 1Q 2016 | Total 2016 |
|---|---|---|---|---|---|---|---|---|
| Net investment (gains) losses, gross | $ (2) | $ (20) | $ (22) | $ (3) | $ (4) | $ (2) | $ — | $ (9) |
| Adjustment for net investment gains (losses) attributable to noncontrolling interests | 2 | 9 | 11 | 1 | 2 | 1 | — | 4 |
| Net investment (gains) losses, net | $ — | $ (11) | $ (11) | $ (2) | $ (2) | $ (1) | $ — | $ (5) |

(2) Adjusted operating income for the Australian platform adjusted for foreign exchange as compared to the prior year period was $12 million and $25 million for the three and six months ended June 30, 2017, respectively.

(3) New insurance written for the Australian platform adjusted for foreign exchange as compared to the prior year period was $4,700 million and $9,500 million for the three and six months ended June 30, 2017, respectively.

**GENWORTH FINANCIAL, INC.**
**FINANCIAL SUPPLEMENT**
**SECOND QUARTER 2017**

**Selected Key Performance Measures—Australia Mortgage Insurance Segment**
**(amounts in millions)**

| | 2017 | | | 2016 | | | | |
|---|---|---|---|---|---|---|---|---|
| | 2Q | 1Q | Total | 4Q | 3Q | 2Q | 1Q | Total |
| **Net Premiums Written** | $ 58 | $ 54 | $ 112 | $ 62 | $ 57 | $ 65 | $ 47 | $231 |
| **Loss Ratio**(1) | 34% | 35% | 34% | 30% | 42% | 36% | 26% | 34% |
| **Expense Ratio (Net Earned Premiums)**(2) | 34% | 33% | 34% | 39% | 31% | 33% | 27% | 33% |
| **Expense Ratio (Net Premiums Written)**(3) | 46% | 49% | 48% | 51% | 48% | 44% | 47% | 47% |
| **Primary Insurance In-Force** | $247,700 | $246,400 | | $234,000 | $247,900 | $241,100 | $246,800 | |
| **Primary Risk In-Force**(4) | | | | | | | | |
| Flow | $ 80,000 | $ 79,700 | | $ 76,000 | $ 80,400 | $ 78,300 | $ 80,300 | |
| Bulk | 6,200 | 6,000 | | 5,400 | 5,900 | 5,700 | 5,700 | |
| Total | $ 86,200 | $ 85,700 | | $ 81,400 | $ 86,300 | $ 84,000 | $ 86,000 | |

| | June 30, 2017 | | | March 31, 2017 | | |
|---|---|---|---|---|---|---|
| **Risk In-Force by Loan-To-Value Ratio**(5) | Primary | Flow | Bulk | Primary | Flow | Bulk |
| 95.01% and above | $ 14,128 | $ 14,128 | $ — | $ 14,329 | $ 14,329 | $ — |
| 90.01% to 95.00% | 23,219 | 23,213 | 6 | 22,950 | 22,944 | 6 |
| 80.01% to 90.00% | 23,554 | 23,483 | 71 | 23,215 | 23,149 | 66 |
| 80.00% and below | 25,270 | 19,198 | 6,072 | 25,219 | 19,300 | 5,919 |
| Total | $ 86,171 | $ 80,022 | $6,149 | $ 85,713 | $ 79,722 | $ 5,991 |

The loss and expense ratios included above were calculated using whole dollars and may be different than the ratios calculated using the rounded numbers included herein.

Amounts may not total due to rounding.

(1) The ratio of incurred losses and loss adjustment expenses to net earned premiums.

(2) The ratio of an insurer's general expenses to net earned premiums. In the business, general expenses consist of acquisition and operating expenses, net of deferrals, and amortization of DAC and intangibles.

(3) The ratio of an insurer's general expenses to net premiums written. In the business, general expenses consist of acquisition and operating expenses, net of deferrals, and amortization of DAC and intangibles.

(4) The business currently provides 100% coverage on the majority of the loans the company insures. For the purpose of representing the risk in-force, Australia has computed an "effective risk in-force" amount which recognizes that the loss on any particular loan will be reduced by the net proceeds received upon sale of the property. Effective risk in-force has been calculated by applying to insurance in-force a factor that represents the highest expected average per-claim payment for any one underwriting year over the life of the business. This factor was 35% for all periods presented. Australia also has certain risk share arrangements where it provides pro-rata coverage of certain loans rather than 100% coverage. As a result, for loans with these risk share arrangements, the applicable pro-rata coverage amount provided is used when applying the factor.

(5) Loan amount in loan-to-value ratio calculation includes capitalized premiums, where applicable.

**GENWORTH FINANCIAL, INC.**
**FINANCIAL SUPPLEMENT**
**SECOND QUARTER 2017**

**Selected Key Performance Measures—Australia Mortgage Insurance Segment**
**(dollar amounts in millions)**

| Primary Insurance | June 30, 2017 | March 31, 2017 | December 31, 2016 | September 30, 2016 | June 30, 2016 |
|---|---|---|---|---|---|
| Insured loans in-force | 1,438,100 | 1,443,836 | 1,464,139 | 1,470,302 | 1,477,826 |
| Insured delinquent loans | 7,285 | 6,926 | 6,731 | 6,844 | 6,413 |
| Insured delinquency rate | 0.51% | 0.48% | 0.46% | 0.47% | 0.43% |
| Flow loans in-force | 1,325,477 | 1,332,468 | 1,354,616 | 1,358,286 | 1,364,756 |
| Flow delinquent loans | 7,007 | 6,650 | 6,451 | 6,574 | 6,143 |
| Flow delinquency rate | 0.53% | 0.50% | 0.48% | 0.48% | 0.45% |
| Bulk loans in-force | 112,623 | 111,368 | 109,523 | 112,016 | 113,070 |
| Bulk delinquent loans | 278 | 276 | 280 | 270 | 270 |
| Bulk delinquency rate | 0.25% | 0.25% | 0.26% | 0.24% | 0.24% |

| Loss Metrics | June 30, 2017 | March 31, 2017 | December 31, 2016 | September 30, 2016 | June 30, 2016 |
|---|---|---|---|---|---|
| **Beginning Reserves** | $ 227 | $ 211 | $ 215 | $ 190 | $ 181 |
| Paid claims(1) | (30) | (25) | (16) | (18) | (17) |
| Increase in reserves | 33 | 28 | 25 | 37 | 31 |
| Impact of changes in foreign exchange rates | 1 | 13 | (13) | 6 | (5) |
| **Ending Reserves** | $ 231 | $ 227 | $ 211 | $ 215 | $ 190 |

| | June 30, 2017 | | March 31, 2017 | | June 30, 2016 | |
|---|---|---|---|---|---|---|
| State and Territory | % of Primary Risk In-Force | Primary Delinquency Rate | % of Primary Risk In-Force | Primary Delinquency Rate | % of Primary Risk In-Force | Primary Delinquency Rate |
| New South Wales | 28% | 0.32% | 28% | 0.31% | 29% | 0.30% |
| Queensland | 23 | 0.72% | 23 | 0.68% | 23 | 0.62% |
| Victoria | 23 | 0.41% | 23 | 0.38% | 23 | 0.37% |
| Western Australia | 12 | 0.86% | 12 | 0.78% | 11 | 0.61% |
| South Australia | 6 | 0.65% | 6 | 0.66% | 6 | 0.59% |
| Australian Capital Territory | 3 | 0.20% | 3 | 0.19% | 3 | 0.19% |
| Tasmania | 2 | 0.37% | 2 | 0.36% | 2 | 0.36% |
| New Zealand | 2 | 0.08% | 2 | 0.07% | 2 | 0.10% |
| Northern Territory | 1 | 0.44% | 1 | 0.42% | 1 | 0.27% |
| Total | 100% | 0.51% | 100% | 0.48% | 100% | 0.43% |
| **By Policy Year** | | | | | | |
| 2008 and prior | 39% | 0.41% | 39% | 0.39% | 41% | 0.39% |
| 2009 | 7 | 1.00% | 7 | 0.95% | 7 | 0.84% |
| 2010 | 5 | 0.57% | 5 | 0.60% | 6 | 0.55% |
| 2011 | 5 | 0.71% | 5 | 0.69% | 6 | 0.58% |
| 2012 | 7 | 0.83% | 7 | 0.79% | 8 | 0.64% |
| 2013 | 8 | 0.74% | 8 | 0.66% | 9 | 0.54% |
| 2014 | 9 | 0.66% | 10 | 0.58% | 10 | 0.36% |
| 2015 | 9 | 0.37% | 9 | 0.28% | 9 | 0.11% |
| 2016 | 8 | 0.12% | 8 | 0.05% | 4 | — % |
| 2017 | 3 | — % | 2 | — % | — | — % |
| Total | 100% | 0.51% | 100% | 0.48% | 100% | 0.43% |

(1) Paid claims exclude adjustments for expected recoveries related to loss reserves and prior paid claims.

GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
SECOND QUARTER 2017

**Selected Key Performance Measures—Australia Mortgage Insurance Segment**
**(Australian dollar amounts in millions)**

| | 2017 | | | 2016 | | | | |
|---|---|---|---|---|---|---|---|---|
| | 2Q | 1Q | Total | 4Q | 3Q | 2Q | 1Q | Total |
| **Paid Claims**(1) | | | | | | | | |
| Flow | $ 40 | $ 33 | $ 73 | $ 21 | $ 24 | $ 23 | $ 18 | $ 86 |
| Bulk | — | — | — | — | — | — | — | — |
| **Total Paid Claims** | $ 40 | $ 33 | $ 73 | $ 21 | $ 24 | $ 23 | $ 18 | $ 86 |
| **Average Paid Claim (in thousands)** | $112.7 | $92.5 | | $67.1 | $73.3 | $79.2 | $65.8 | |
| **Average Reserve Per Delinquency (in thousands)** | $ 41.3 | $42.8 | | $43.5 | $41.0 | $39.9 | $40.1 | |
| **Loss Metrics** | | | | | | | | |
| **Beginning Reserves** | $ 297 | $ 293 | | $ 281 | $ 256 | $ 236 | $ 226 | |
| Paid claims(1) | (40) | (33) | | (21) | (24) | (23) | (18) | |
| Increase in reserves | 44 | 37 | | 33 | 49 | 43 | 28 | |
| **Ending Reserves** | $ 301 | $ 297 | | $ 293 | $ 281 | $ 256 | $ 236 | |
| **Loan Amount**(2) | | | | | | | | |
| Over $550K | 16% | 16% | | 16% | 15% | 15% | 15% | |
| $400K to $550K | 20 | 20 | | 20 | 20 | 20 | 20 | |
| $250K to $400K | 35 | 35 | | 35 | 36 | 36 | 36 | |
| $100K to $250K | 24 | 24 | | 24 | 24 | 24 | 24 | |
| $100K or Less | 5 | 5 | | 5 | 5 | 5 | 5 | |
| Total | 100% | 100% | | 100% | 100% | 100% | 100% | |
| **Average Primary Loan Size (in thousands)** | $ 224 | $ 223 | | $ 221 | $ 220 | $ 219 | $ 218 | |

All amounts presented in Australian dollars.

(1) Paid claims exclude adjustments for expected recoveries related to loss reserves and prior paid claims.
(2) The percentages in this table are based on the amount of primary insurancein-force in each loan band as a percentage of total insurancein-force.

# U.S. Life Insurance Segment

**GENWORTH FINANCIAL, INC.**
**FINANCIAL SUPPLEMENT**
**SECOND QUARTER 2017**

**Adjusted Operating Income (Loss)—U.S. Life Insurance Segment**
**(amounts in millions)**

| | 2017 | | | 2016 | | | | |
|---|---|---|---|---|---|---|---|---|
| | 2Q | 1Q | Total | 4Q | 3Q | 2Q | 1Q | Total |
| **REVENUES:** | | | | | | | | |
| Premiums | $ 736 | $ 758 | $1,494 | $ 753 | $ 725 | $ 756 | $ 436 | $2,670 |
| Net investment income | 694 | 681 | 1,375 | 677 | 695 | 670 | 684 | 2,726 |
| Net investment gains (losses) | 57 | 7 | 64 | 9 | 21 | 114 | (16) | 128 |
| Policy fees and other income | 170 | 170 | 340 | 194 | 175 | 180 | 177 | 726 |
| Total revenues | 1,657 | 1,616 | 3,273 | 1,633 | 1,616 | 1,720 | 1,281 | 6,250 |
| **BENEFITS AND EXPENSES:** | | | | | | | | |
| Benefits and other changes in policy reserves | 1,163 | 1,164 | 2,327 | 1,419 | 1,556 | 1,089 | 758 | 4,822 |
| Interest credited | 129 | 132 | 261 | 138 | 140 | 143 | 144 | 565 |
| Acquisition and operating expenses, net of deferrals | 144 | 157 | 301 | 135 | 149 | 199 | 165 | 648 |
| Amortization of deferred acquisition costs and intangibles | 101 | 70 | 171 | 172 | 69 | 84 | 78 | 403 |
| Interest expense | 3 | 3 | 6 | 3 | 2 | 5 | 28 | 38 |
| Total benefits and expenses | 1,540 | 1,526 | 3,066 | 1,867 | 1,916 | 1,520 | 1,173 | 6,476 |
| **INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES** | 117 | 90 | 207 | (234) | (300) | 200 | 108 | (226) |
| Provision (benefit) for income taxes | 41 | 32 | 73 | (83) | (106) | 70 | 39 | (80) |
| **INCOME (LOSS) FROM CONTINUING OPERATIONS** | 76 | 58 | 134 | (151) | (194) | 130 | 69 | (146) |
| **ADJUSTMENTS TO INCOME (LOSS) FROM CONTINUING OPERATIONS:** | | | | | | | | |
| Net investment (gains) losses, net(1) | (57) | (8) | (65) | (4) | (21) | (119) | 11 | (133) |
| Gains on sale of businesses | — | — | — | — | — | (1) | — | (1) |
| Losses from life block transactions | — | — | — | — | — | — | 9 | 9 |
| Expenses related to restructuring | — | — | — | — | 1 | 3 | 15 | 19 |
| Taxes on adjustments | 20 | 3 | 23 | 1 | 7 | 42 | (13) | 37 |
| **ADJUSTED OPERATING INCOME (LOSS)** | $ 39 | $ 53 | $ 92 | $ (154) | $ (207) | $ 55 | $ 91 | $ (215) |

(1) Net investment (gains) losses were adjusted for DAC and other intangible amortization and certain benefit reserves as reconciled below:

| | 2Q 2017 | 1Q 2017 | Total 2017 | 4Q 2016 | 3Q 2016 | 2Q 2016 | 1Q 2016 | Total 2016 |
|---|---|---|---|---|---|---|---|---|
| Net investment (gains) losses, gross | $ (57) | $ (7) | $ (64) | $ (9) | $ (21) | $ (114) | $ 16 | $ (128) |
| Adjustment for DAC and other intangible amortization and certain benefit reserves | — | (1) | (1) | 5 | — | (5) | (5) | (5) |
| Net investment (gains) losses, net | $ (57) | $ (8) | $ (65) | $ (4) | $ (21) | $ (119) | $ 11 | $ (133) |

GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
SECOND QUARTER 2017

**Adjusted Operating Income (Loss) and Sales—U.S. Life Insurance Segment—Long-Term Care Insurance**
**(amounts in millions)**

| | 2017 | | | 2016 | | | | |
|---|---|---|---|---|---|---|---|---|
| | 2Q | 1Q | Total | 4Q | 3Q | 2Q | 1Q | Total |
| **REVENUES:** | | | | | | | | |
| Premiums | $ 623 | $ 634 | $1,257 | $ 650 | $ 610 | $ 636 | $ 618 | $2,514 |
| Net investment income | 369 | 356 | 725 | 356 | 353 | 344 | 329 | 1,382 |
| Net investment gains (losses) | 44 | 3 | 47 | (21) | 17 | 139 | 4 | 139 |
| Policy fees and other income | — | 1 | 1 | 1 | — | — | 1 | 2 |
| Total revenues | 1,036 | 994 | 2,030 | 986 | 980 | 1,119 | 952 | 4,037 |
| **BENEFITS AND EXPENSES:** | | | | | | | | |
| Benefits and other changes in policy reserves | 821 | 835 | 1,656 | 889 | 1,262 | 806 | 776 | 3,733 |
| Interest credited | — | — | — | — | — | — | — | — |
| Acquisition and operating expenses, net of deferrals | 97 | 112 | 209 | 94 | 95 | 93 | 95 | 377 |
| Amortization of deferred acquisition costs and intangibles | 23 | 23 | 46 | 26 | 25 | 26 | 26 | 103 |
| Interest expense | — | — | — | — | — | — | — | — |
| Total benefits and expenses | 941 | 970 | 1,911 | 1,009 | 1,382 | 925 | 897 | 4,213 |
| **INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES** | 95 | 24 | 119 | (23) | (402) | 194 | 55 | (176) |
| Provision (benefit) for income taxes | 34 | 8 | 42 | (8) | (142) | 68 | 20 | (62) |
| **INCOME (LOSS) FROM CONTINUING OPERATIONS** | 61 | 16 | 77 | (15) | (260) | 126 | 35 | (114) |
| **ADJUSTMENTS TO INCOME (LOSS) FROM CONTINUING OPERATIONS:** | | | | | | | | |
| Net investment (gains) losses | (44) | (3) | (47) | 21 | (17) | (139) | (4) | (139) |
| Expenses related to restructuring | — | — | — | — | 1 | 2 | 3 | 6 |
| Taxes on adjustments | 16 | 1 | 17 | (7) | 6 | 48 | — | 47 |
| **ADJUSTED OPERATING INCOME (LOSS)** | $ 33 | $ 14 | $ 47 | $ (1) | $ (270) | $ 37 | $ 34 | $ (200) |
| **SALES:** | | | | | | | | |
| Individual Long-Term Care Insurance | $ 2 | $ 2 | $ 4 | $ 1 | $ 2 | $ 4 | $ 5 | $ 12 |
| Group Long-Term Care Insurance | 1 | 1 | 2 | 1 | 3 | 2 | 2 | 8 |
| **Total Sales** | $ 3 | $ 3 | $ 6 | $ 2 | $ 5 | $ 6 | $ 7 | $ 20 |
| **RATIOS:** | | | | | | | | |
| Loss Ratio(1) | 71.0% | 72.0% | 71.5% | 78.6% | 145.5% | 70.1% | 67.6% | 90.0% |
| Gross Benefits Ratio(2) | 131.8% | 131.6% | 131.7% | 136.9% | 207.0% | 126.7% | 125.5% | 148.5% |

(1) The loss ratio was calculated by dividing benefits and other changes in policy reserves less tabular interest on reserves less loss adjustment expenses by net earned premiums.
(2) The gross benefits ratio was calculated by dividing benefits and other changes in policy reserves by net earned premiums.

**GENWORTH FINANCIAL, INC.**
**FINANCIAL SUPPLEMENT**
**SECOND QUARTER 2017**

**Adjusted Operating Income (Loss) and Sales—U.S. Life Insurance Segment—Life Insurance**
**(amounts in millions)**

| | 2017 | | | 2016 | | | | |
|---|---|---|---|---|---|---|---|---|
| | 2Q | 1Q | Total | 4Q | 3Q | 2Q | 1Q | Total |
| **REVENUES:** | | | | | | | | |
| Premiums(1) | $ 113 | $124 | $237 | $ 103 | $115 | $120 | $(185) | $ 153 |
| Net investment income | 126 | 125 | 251 | 116 | 128 | 117 | 133 | 494 |
| Net investment gains (losses) | 5 | 3 | 8 | 19 | 4 | (1) | 2 | 24 |
| Policy fees and other income | 167 | 165 | 332 | 190 | 171 | 176 | 173 | 710 |
| Total revenues | 411 | 417 | 828 | 428 | 418 | 412 | 123 | 1,381 |
| **BENEFITS AND EXPENSES:** | | | | | | | | |
| Benefits and other changes in policy reserves(1) | 248 | 261 | 509 | 470 | 216 | 231 | (87) | 830 |
| Interest credited | 62 | 63 | 125 | 66 | 64 | 65 | 64 | 259 |
| Acquisition and operating expenses, net of deferrals | 33 | 33 | 66 | 36 | 31 | 39 | 51 | 157 |
| Amortization of deferred acquisition costs and intangibles | 62 | 29 | 91 | 133 | 27 | 27 | 33 | 220 |
| Interest expense | 3 | 3 | 6 | 3 | 2 | 5 | 28 | 38 |
| Total benefits and expenses | 408 | 389 | 797 | 708 | 340 | 367 | 89 | 1,504 |
| **INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES** | 3 | 28 | 31 | (280) | 78 | 45 | 34 | (123) |
| Provision (benefit) for income taxes | 1 | 10 | 11 | (100) | 28 | 16 | 12 | (44) |
| **INCOME (LOSS) FROM CONTINUING OPERATIONS** | 2 | 18 | 20 | (180) | 50 | 29 | 22 | (79) |
| **ADJUSTMENTS TO INCOME (LOSS) FROM CONTINUING OPERATIONS:** | | | | | | | | |
| Net investment (gains) losses | (5) | (3) | (8) | (19) | (4) | 1 | (2) | (24) |
| Gains on sale of businesses | — | — | — | — | — | (1) | — | (1) |
| Losses from life block transactions | — | — | — | — | — | — | 9 | 9 |
| Expenses related to restructuring | — | — | — | — | — | 2 | 8 | 10 |
| Taxes on adjustments | 2 | 1 | 3 | 6 | 2 | — | (6) | 2 |
| **ADJUSTED OPERATING INCOME (LOSS)** | $ (1) | $ 16 | $ 15 | $(193) | $ 48 | $ 31 | $ 31 | $ (83) |
| **SALES:** | | | | | | | | |
| Term Life | $ — | $— | $— | $ — | $— | $ 2 | $ 5 | $ 7 |
| Universal Life | — | 1 | 1 | — | 1 | 1 | 2 | 4 |
| Linked-Benefits | — | — | — | — | — | 1 | 2 | 3 |
| **Total Sales** | $— | $ 1 | $ 1 | $ — | $ 1 | $ 4 | $ 9 | $ 14 |

(1) In January 2016, as part of a life block transaction, the company entered into a new reinsurance agreement to cede certain of its term life insurance policies. This new reinsurance agreement primarily reduced premiums by $326 million and reduced benefits and other changes in policy reserves by $331 million for the amounts initially ceded.

Table of Contents

**GENWORTH FINANCIAL, INC.**
**FINANCIAL SUPPLEMENT**
**SECOND QUARTER 2017**

**Adjusted Operating Income (Loss) and Sales—U.S. Life Insurance Segment—Fixed Annuities**
**(amounts in millions)**

| | 2017 | | | 2016 | | | | |
|---|---|---|---|---|---|---|---|---|
| | 2Q | 1Q | Total | 4Q | 3Q | 2Q | 1Q | Total |
| **REVENUES:** | | | | | | | | |
| Premiums | $— | $— | $— | $— | $— | $— | $ 3 | $ 3 |
| Net investment income | 199 | 200 | 399 | 205 | 214 | 209 | 222 | 850 |
| Net investment gains (losses) | 8 | 1 | 9 | 11 | — | (24) | (22) | (35) |
| Policy fees and other income | 3 | 4 | 7 | 3 | 4 | 4 | 3 | 14 |
| Total revenues | 210 | 205 | 415 | 219 | 218 | 189 | 206 | 832 |
| **BENEFITS AND EXPENSES:** | | | | | | | | |
| Benefits and other changes in policy reserves(1) | 94 | 68 | 162 | 60 | 78 | 52 | 69 | 259 |
| Interest credited | 67 | 69 | 136 | 72 | 76 | 78 | 80 | 306 |
| Acquisition and operating expenses, net of deferrals(2) | 14 | 12 | 26 | 5 | 23 | 67 | 19 | 114 |
| Amortization of deferred acquisition costs and intangibles | 16 | 18 | 34 | 13 | 17 | 31 | 19 | 80 |
| Interest expense | — | — | — | — | — | — | — | — |
| Total benefits and expenses | 191 | 167 | 358 | 150 | 194 | 228 | 187 | 759 |
| **INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES** | 19 | 38 | 57 | 69 | 24 | (39) | 19 | 73 |
| Provision (benefit) for income taxes | 6 | 14 | 20 | 25 | 8 | (14) | 7 | 26 |
| **INCOME (LOSS) FROM CONTINUING OPERATIONS** | 13 | 24 | 37 | 44 | 16 | (25) | 12 | 47 |
| **ADJUSTMENTS TO INCOME (LOSS) FROM CONTINUING OPERATIONS:** | | | | | | | | |
| Net investment (gains) losses, net(3) | (8) | (2) | (10) | (6) | — | 19 | 17 | 30 |
| Expenses related to restructuring | — | — | — | — | — | (1) | 4 | 3 |
| Taxes on adjustments | 2 | 1 | 3 | 2 | (1) | (6) | (7) | (12) |
| **ADJUSTED OPERATING INCOME (LOSS)** | $ 7 | $ 23 | $ 30 | $ 40 | $ 15 | $ (13) | $ 26 | $ 68 |
| **SALES:** | | | | | | | | |
| Single Premium Deferred Annuities | $ 1 | $ 1 | $ 2 | $— | $ 1 | $ 8 | $159 | $168 |
| Single Premium Immediate Annuities. | — | 1 | 1 | — | — | 1 | 9 | 10 |
| **Total Sales** | $ 1 | $ 2 | $ 3 | $— | $ 1 | $ 9 | $168 | $178 |

(1) In the second quarter of 2016, benefits and other changes in policy reserves included $45 million of lower assumed reinsurance in connection with the recapture by a third party.
(2) In the second quarter of 2016, acquisition and operating expenses, net of deferrals, included a $55 million payment in connection with the recapture by a third party.
(3) Net investment (gains) losses were adjusted for DAC and other intangible amortization and certain benefit reserves as reconciled below:

| | 2017 2Q | 2017 1Q | 2017 Total | 2016 4Q | 2016 3Q | 2016 2Q | 2016 1Q | 2016 Total |
|---|---|---|---|---|---|---|---|---|
| Net investment (gains) losses, gross | $ (8) | $ (1) | $ (9) | $ (11) | $— | $ 24 | $ 22 | $ 35 |
| Adjustment for DAC and other intangible amortization and certain benefit reserves | — | (1) | (1) | 5 | — | (5) | (5) | (5) |
| Net investment (gains) losses, net | $ (8) | $ (2) | $ (10) | $ (6) | $— | $ 19 | $ 17 | $ 30 |

# Runoff Segment

**GENWORTH FINANCIAL, INC.**
**FINANCIAL SUPPLEMENT**
**SECOND QUARTER 2017**

**Adjusted Operating Income—Runoff Segment**
**(amounts in millions)**

| | 2017 | | | 2016 | | | | |
|---|---|---|---|---|---|---|---|---|
| | 2Q | 1Q | Total | 4Q | 3Q | 2Q | 1Q | Total |
| **REVENUES:** | | | | | | | | |
| Net investment income | $ 41 | $ 38 | $ 79 | $ 39 | $ 37 | $ 36 | $ 35 | $ 147 |
| Net investment gains (losses) | 7 | 8 | 15 | 3 | 4 | (13) | (8) | (14) |
| Policy fees and other income | 41 | 41 | 82 | 42 | 43 | 42 | 42 | 169 |
| Total revenues | 89 | 87 | 176 | 84 | 84 | 65 | 69 | 302 |
| **BENEFITS AND EXPENSES:** | | | | | | | | |
| Benefits and other changes in policy reserves | 9 | 4 | 13 | 16 | 2 | 9 | 15 | 42 |
| Interest credited | 34 | 35 | 69 | 35 | 33 | 30 | 33 | 131 |
| Acquisition and operating expenses, net of deferrals | 16 | 15 | 31 | 14 | 20 | 18 | 16 | 68 |
| Amortization of deferred acquisition costs and intangibles | 7 | 6 | 13 | 4 | 7 | 12 | 6 | 29 |
| Interest expense | 1 | — | 1 | — | 1 | — | — | 1 |
| Total benefits and expenses | 67 | 60 | 127 | 69 | 63 | 69 | 70 | 271 |
| **INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES** | 22 | 27 | 49 | 15 | 21 | (4) | (1) | 31 |
| Provision (benefit) for income taxes | 7 | 8 | 15 | 4 | 6 | (2) | (2) | 6 |
| **INCOME (LOSS) FROM CONTINUING OPERATIONS** | 15 | 19 | 34 | 11 | 15 | (2) | 1 | 25 |
| **ADJUSTMENTS TO INCOME (LOSS) FROM CONTINUING OPERATIONS:** | | | | | | | | |
| Net investment (gains) losses, net[1] | (7) | (7) | (14) | (7) | (4) | 12 | 4 | 5 |
| Taxes on adjustments | 3 | 2 | 5 | 2 | 1 | (4) | (1) | (2) |
| **ADJUSTED OPERATING INCOME** | $ 11 | $ 14 | $ 25 | $ 6 | $ 12 | $ 6 | $ 4 | $ 28 |

(1) Net investment (gains) losses were adjusted for DAC and other intangible amortization and certain benefit reserves as reconciled below:

| | 2Q 2017 | 1Q 2017 | Total 2017 | 4Q 2016 | 3Q 2016 | 2Q 2016 | 1Q 2016 | Total 2016 |
|---|---|---|---|---|---|---|---|---|
| Net investment (gains) losses, gross | $ (7) | $ (8) | $ (15) | $ (3) | $ (4) | $ 13 | $ 8 | $ 14 |
| Adjustment for DAC and other intangible amortization and certain benefit reserves | — | 1 | 1 | (4) | — | (1) | (4) | (9) |
| Net investment (gains) losses, net | $ (7) | $ (7) | $ (14) | $ (7) | $ (4) | $ 12 | $ 4 | $ 5 |

# Corporate and Other

Table of Contents

**GENWORTH FINANCIAL, INC.**
**FINANCIAL SUPPLEMENT**
**SECOND QUARTER 2017**

**Adjusted Operating Loss—Corporate and Other**[1]
**(amounts in millions)**

| | 2017 | | | 2016 | | | | |
|---|---|---|---|---|---|---|---|---|
| | 2Q | 1Q | Total | 4Q | 3Q | 2Q | 1Q | Total |
| **REVENUES:** | | | | | | | | |
| Premiums | $ 1 | $ 2 | $ 3 | $ 1 | $ 2 | $ 3 | $ 6 | $ 12 |
| Net investment income | — | 1 | 1 | (1) | 1 | 1 | 2 | 3 |
| Net investment gains (losses)[2] | (12) | (12) | (24) | 1 | (9) | (65) | (14) | (87) |
| Policy fees and other income[3] | (2) | (1) | (3) | 2 | (1) | 76 | 1 | 78 |
| Total revenues | (13) | (10) | (23) | 3 | (7) | 15 | (5) | 6 |
| **BENEFITS AND EXPENSES:** | | | | | | | | |
| Benefits and other changes in policy reserves | — | 1 | 1 | — | 1 | 1 | 2 | 4 |
| Acquisition and operating expenses, net of deferrals[4] | 14 | 14 | 28 | 44 | 11 | 25 | 137 | 217 |
| Amortization of deferred acquisition costs and intangibles | — | — | — | — | 1 | — | — | 1 |
| Interest expense | 63 | 53 | 116 | 65 | 67 | 68 | 70 | 270 |
| Total benefits and expenses | 77 | 68 | 145 | 109 | 80 | 94 | 209 | 492 |
| **LOSS FROM CONTINUING OPERATIONS BEFORE INCOME TAXES** | (90) | (78) | (168) | (106) | (87) | (79) | (214) | (486) |
| Provision (benefit) for income taxes | (39) | (23) | (62) | (5) | 246 | (31) | (96) | 114 |
| **LOSS FROM CONTINUING OPERATIONS** | (51) | (55) | (106) | (101) | (333) | (48) | (118) | (600) |
| **ADJUSTMENTS TO LOSS FROM CONTINUING OPERATIONS:** | | | | | | | | |
| Net investment (gains) losses | 12 | 12 | 24 | (1) | 9 | 65 | 14 | 87 |
| (Gains) losses on sale of businesses | — | — | — | — | — | (9) | 7 | (2) |
| (Gains) losses on early extinguishment of debt, net | — | — | — | — | — | (64) | 16 | (48) |
| Expenses related to restructuring | — | 1 | 1 | — | — | 2 | — | 2 |
| Fees associated with bond consent solicitation | — | — | — | — | — | — | 18 | 18 |
| Taxes on adjustments | (4) | (4) | (8) | (1) | (3) | 2 | (42) | (44) |
| **ADJUSTED OPERATING LOSS** | $ (43) | $ (46) | $ (89) | $(103) | $(327) | $ (52) | $(105) | $(587) |

(1) Includes inter-segment eliminations and the results of other businesses that are managed outside the operating segments, including certain smaller international mortgage insurance businesses.
(2) In the second quarter of 2016, net investment gains (losses) included a $64 million loss from the write-off of residual interest in certain policy loan securitization entities.
(3) In the second quarter of 2016, the company settled restricted borrowings of $70 million related to a securitization entity and recorded a $64 million pre-tax gain related to the early extinguishment of debt, which was included in policy fees and other income.
(4) In the first quarter of 2016, acquisition and operating expenses, net of deferrals, included the following: $83 million of legal fees and expenses, including $69 million related to the settlement of the long-term care insurance class action lawsuit; $20 million of make-whole expense on the early redemption of Genworth Holdings' 2016 senior notes in January 2016; $18 million associated with Genworth Holdings' bond consent solicitation for broker, advisor and investment banking fees; and an additional estimated loss of $7 million related to the planned sale of the mortgage insurance business in Europe.

# Additional Financial Data

**GENWORTH FINANCIAL, INC.**
**FINANCIAL SUPPLEMENT**
**SECOND QUARTER 2017**

**Investments Summary**
**(amounts in millions)**

| | June 30, 2017 Carrying Amount | June 30, 2017 % of Total | March 31, 2017 Carrying Amount | March 31, 2017 % of Total | December 31, 2016 Carrying Amount | December 31, 2016 % of Total | September 30, 2016 Carrying Amount | September 30, 2016 % of Total | June 30, 2016 Carrying Amount | June 30, 2016 % of Total |
|---|---|---|---|---|---|---|---|---|---|---|
| **Composition of Investment Portfolio** | | | | | | | | | | |
| Fixed maturity securities: | | | | | | | | | | |
| Investment grade: | | | | | | | | | | |
| Public fixed maturity securities | $ 33,699 | 44% | $ 33,049 | 44% | $ 33,733 | 46% | $ 35,544 | 45% | $ 35,003 | 45% |
| Private fixed maturity securities | 12,058 | 16 | 11,483 | 15 | 11,261 | 15 | 11,669 | 15 | 11,370 | 15 |
| Residential mortgage-backed securities(1) | 4,257 | 6 | 4,340 | 6 | 4,314 | 6 | 4,742 | 6 | 4,981 | 6 |
| Commercial mortgage-backed securities | 3,387 | 5 | 3,283 | 5 | 3,106 | 4 | 3,148 | 4 | 2,940 | 4 |
| Other asset-backed securities | 3,181 | 4 | 3,214 | 4 | 3,140 | 4 | 3,310 | 4 | 3,279 | 4 |
| State and political subdivisions | 2,805 | 4 | 2,710 | 4 | 2,647 | 4 | 2,823 | 4 | 2,751 | 4 |
| Non-investment grade fixed maturity securities | 2,557 | 3 | 2,518 | 3 | 2,371 | 3 | 2,544 | 3 | 2,504 | 3 |
| Equity securities: | | | | | | | | | | |
| Common stocks and mutual funds | 219 | — | 202 | — | 179 | — | 175 | — | 140 | — |
| Preferred stocks | 636 | 1 | 507 | 1 | 453 | 1 | 415 | 1 | 341 | 1 |
| Commercial mortgage loans | 6,237 | 8 | 6,107 | 8 | 6,111 | 8 | 6,017 | 8 | 6,121 | 8 |
| Restricted commercial mortgage loans related to securitization entities | 118 | — | 122 | — | 129 | — | 134 | — | 141 | — |
| Policy loans | 1,824 | 2 | 1,761 | 3 | 1,742 | 2 | 1,751 | 2 | 1,754 | 2 |
| Cash, cash equivalents and short-term investments | 3,799 | 5 | 4,021 | 5 | 3,136 | 4 | 3,420 | 4 | 3,730 | 5 |
| Securities lending | 226 | 1 | 281 | 1 | 534 | 1 | 417 | 1 | 328 | — |
| Other invested assets: Limited partnerships | 240 | — | 224 | — | 199 | — | 188 | — | 181 | — |
| Derivatives: | | | | | | | | | | |
| Long-term care (LTC) forward starting swap—cash flow | 243 | — | 227 | — | 237 | — | 735 | 1 | 627 | 1 |
| Other cash flow | 2 | — | 4 | — | 4 | — | 6 | — | 7 | — |
| Equity index options—non-qualified | 81 | — | 77 | — | 72 | — | 61 | — | 57 | — |
| Other non-qualified | 418 | 1 | 367 | 1 | 395 | 1 | 529 | 1 | 578 | 1 |
| Trading portfolio | — | — | 71 | — | 259 | 1 | 384 | 1 | 441 | 1 |
| Restricted other invested assets related to securitization entities | 81 | — | 84 | — | 312 | — | 312 | — | 312 | — |
| Other | 21 | — | 18 | — | 19 | — | 14 | — | 18 | — |
| Total invested assets and cash | $ 76,089 | 100% | $ 74,670 | 100% | $ 74,353 | 100% | $ 78,338 | 100% | $ 77,604 | 100% |
| **Public Fixed Maturity Securities—Credit Quality:** | | | | | | | | | | |
| **NRSRO(2) Designation** | | | | | | | | | | |
| AAA | $ 13,541 | 30% | $ 13,270 | 30% | $ 14,264 | 32% | $ 15,608 | 33% | $ 15,714 | 33% |
| AA | 4,244 | 9 | 4,369 | 10 | 4,283 | 9 | 4,536 | 9 | 4,455 | 10 |
| A | 13,044 | 29 | 12,770 | 29 | 12,659 | 28 | 13,317 | 28 | 13,122 | 28 |
| BBB | 12,972 | 29 | 12,688 | 28 | 12,380 | 28 | 12,632 | 27 | 12,154 | 26 |
| BB | 1,476 | 3 | 1,489 | 3 | 1,334 | 3 | 1,464 | 3 | 1,440 | 3 |
| B | 114 | — | 113 | — | 151 | — | 145 | — | 149 | — |
| CCC and lower | 60 | — | 60 | — | 60 | — | 53 | — | 56 | — |
| Total public fixed maturity securities | $ 45,451 | 100% | $ 44,759 | 100% | $ 45,131 | 100% | $ 47,755 | 100% | $ 47,090 | 100% |
| **Private Fixed Maturity Securities—Credit Quality:** | | | | | | | | | | |
| **NRSRO(2) Designation** | | | | | | | | | | |
| AAA | $ 1,753 | 11% | $ 1,695 | 11% | $ 1,661 | 11% | $ 1,731 | 11% | $ 1,683 | 10% |
| AA | 2,023 | 12 | 1,970 | 12 | 1,970 | 13 | 2,071 | 13 | 2,013 | 13 |
| A | 4,957 | 30 | 4,836 | 31 | 4,719 | 30 | 4,937 | 31 | 4,864 | 31 |
| BBB | 6,853 | 42 | 6,481 | 41 | 6,265 | 41 | 6,404 | 40 | 6,319 | 40 |
| BB | 854 | 5 | 802 | 5 | 763 | 5 | 815 | 5 | 734 | 5 |
| B | 40 | — | 41 | — | 51 | — | 51 | — | 102 | 1 |
| CCC and lower | 13 | — | 13 | — | 12 | — | 16 | — | 23 | — |
| Total private fixed maturity securities | $ 16,493 | 100% | $ 15,838 | 100% | $ 15,441 | 100% | $ 16,025 | 100% | $ 15,738 | 100% |

(1) The company does not have any material exposure to residential mortgage-backed securities collateralized debt obligations (CDOs).
(2) Nationally Recognized Statistical Rating Organizations.

**GENWORTH FINANCIAL, INC.**
**FINANCIAL SUPPLEMENT**
**SECOND QUARTER 2017**

**Fixed Maturity Securities Summary**
**(amounts in millions)**

| | June 30, 2017 | | March 31, 2017 | | December 31, 2016 | | September 30, 2016 | | June 30, 2016 | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Fair Value | % of Total | Fair Value | % of Total | Fair Value | % of Total | Fair Value | % of Total | Fair Value | % of Total |
| **Fixed Maturity Securities—Security Sector:** | | | | | | | | | | |
| U.S. government, agencies and government-sponsored enterprises | $ 5,629 | 9% | $ 5,493 | 9% | $ 6,036 | 10% | $ 6,703 | 11% | $ 6,806 | 11% |
| State and political subdivisions | 2,806 | 4 | 2,710 | 4 | 2,647 | 4 | 2,824 | 4 | 2,751 | 4 |
| Foreign government | 2,091 | 3 | 1,817 | 3 | 2,107 | 3 | 2,227 | 3 | 2,113 | 3 |
| U.S. corporate | 28,071 | 47 | 27,423 | 46 | 26,828 | 45 | 27,695 | 44 | 26,984 | 43 |
| Foreign corporate | 12,430 | 20 | 12,224 | 21 | 12,295 | 21 | 13,008 | 20 | 12,833 | 21 |
| Residential mortgage-backed securities | 4,319 | 7 | 4,404 | 7 | 4,379 | 7 | 4,823 | 8 | 5,055 | 8 |
| Commercial mortgage-backed securities | 3,406 | 5 | 3,302 | 5 | 3,129 | 5 | 3,173 | 5 | 2,979 | 5 |
| Other asset-backed securities | 3,192 | 5 | 3,224 | 5 | 3,151 | 5 | 3,327 | 5 | 3,307 | 5 |
| Total fixed maturity securities | $ 61,944 | 100% | $ 60,597 | 100% | $ 60,572 | 100% | $ 63,780 | 100% | $ 62,828 | 100% |
| **Corporate Bond Holdings—Industry Sector:** | | | | | | | | | | |
| Investment Grade: | | | | | | | | | | |
| Finance and insurance | $ 8,961 | 23% | $ 8,661 | 23% | $ 8,408 | 23% | $ 8,756 | 23% | $ 8,499 | 23% |
| Utilities | 5,832 | 15 | 5,604 | 15 | 5,475 | 15 | 5,637 | 15 | 5,507 | 15 |
| Energy | 3,151 | 8 | 3,049 | 8 | 2,944 | 8 | 2,961 | 8 | 2,949 | 8 |
| Consumer—non-cyclical | 5,346 | 14 | 5,316 | 14 | 5,268 | 14 | 5,483 | 14 | 5,292 | 14 |
| Consumer—cyclical | 1,907 | 5 | 1,840 | 5 | 1,853 | 5 | 2,034 | 5 | 2,039 | 5 |
| Capital goods | 2,706 | 7 | 2,732 | 7 | 2,665 | 7 | 2,623 | 7 | 2,613 | 7 |
| Industrial | 2,093 | 6 | 2,025 | 6 | 1,908 | 5 | 2,006 | 5 | 1,971 | 5 |
| Technology and communications | 3,302 | 9 | 3,252 | 9 | 3,220 | 9 | 3,418 | 9 | 3,272 | 9 |
| Transportation | 1,853 | 5 | 1,841 | 5 | 1,839 | 5 | 1,868 | 5 | 1,860 | 5 |
| Other | 3,077 | 8 | 3,045 | 8 | 3,406 | 9 | 3,605 | 9 | 3,538 | 9 |
| Subtotal | 38,228 | 100% | 37,365 | 100% | 36,986 | 100% | 38,391 | 100% | 37,540 | 100% |
| Non-Investment Grade: | | | | | | | | | | |
| Finance and insurance | 219 | 10% | 244 | 11% | 227 | 11% | 242 | 11% | 285 | 13% |
| Utilities | 69 | 3 | 51 | 2 | 44 | 2 | 73 | 3 | 74 | 3 |
| Energy | 653 | 29 | 685 | 30 | 687 | 32 | 713 | 31 | 679 | 30 |
| Consumer—non-cyclical | 182 | 8 | 189 | 8 | 180 | 8 | 217 | 9 | 217 | 9 |
| Consumer—cyclical | 186 | 8 | 183 | 8 | 119 | 6 | 131 | 6 | 131 | 6 |
| Capital goods | 155 | 7 | 162 | 7 | 128 | 6 | 152 | 7 | 153 | 7 |
| Industrial | 266 | 12 | 251 | 11 | 273 | 13 | 303 | 13 | 263 | 11 |
| Technology and communications | 416 | 18 | 403 | 18 | 365 | 17 | 355 | 15 | 335 | 15 |
| Transportation | 30 | 1 | 29 | 1 | 28 | 1 | 30 | 1 | 30 | 1 |
| Other | 97 | 4 | 85 | 4 | 86 | 4 | 96 | 4 | 110 | 5 |
| Subtotal | 2,273 | 100% | 2,282 | 100% | 2,137 | 100% | 2,312 | 100% | 2,277 | 100% |
| Total | $ 40,501 | 100% | $ 39,647 | 100% | $ 39,123 | 100% | $ 40,703 | 100% | $ 39,817 | 100% |
| **Fixed Maturity Securities—Contractual Maturity Dates:** | | | | | | | | | | |
| Due in one year or less | $ 1,906 | 3% | $ 1,776 | 3% | $ 1,721 | 3% | $ 1,775 | 3% | $ 1,851 | 3% |
| Due after one year through five years | 10,967 | 18 | 10,764 | 18 | 10,938 | 18 | 11,309 | 18 | 11,024 | 18 |
| Due after five years through ten years | 12,722 | 21 | 12,386 | 20 | 12,647 | 21 | 13,129 | 20 | 12,708 | 20 |
| Due after ten years | 25,432 | 41 | 24,741 | 41 | 24,607 | 41 | 26,244 | 41 | 25,904 | 41 |
| Subtotal | 51,027 | 83 | 49,667 | 82 | 49,913 | 83 | 52,457 | 82 | 51,487 | 82 |
| Mortgage and asset-backed securities | 10,917 | 17 | 10,930 | 18 | 10,659 | 17 | 11,323 | 18 | 11,341 | 18 |
| Total fixed maturity securities | $ 61,944 | 100% | $ 60,597 | 100% | $ 60,572 | 100% | $ 63,780 | 100% | $ 62,828 | 100% |

Table of Contents

**GENWORTH FINANCIAL, INC.**
**FINANCIAL SUPPLEMENT**
**SECOND QUARTER 2017**

**General Account GAAP Net Investment Income Yields**
**(amounts in millions)**

| | 2017 | | | 2016 | | | | |
|---|---|---|---|---|---|---|---|---|
| | 2Q | 1Q | Total | 4Q | 3Q | 2Q | 1Q | Total |
| **GAAP Net Investment Income** | | | | | | | | |
| Fixed maturity securities—taxable | $ 649 | $ 641 | $1,290 | $ 635 | $ 655 | $ 634 | $ 641 | $2,565 |
| Fixed maturity securities—non-taxable | 3 | 3 | 6 | 3 | 3 | 3 | 3 | 12 |
| Commercial mortgage loans | 76 | 77 | 153 | 81 | 79 | 77 | 81 | 318 |
| Restricted commercial mortgage loans related to securitization entities | 2 | 2 | 4 | 2 | 3 | 3 | 2 | 10 |
| Equity securities | 9 | 8 | 17 | 8 | 8 | 7 | 5 | 28 |
| Other invested assets | 30 | 31 | 61 | 34 | 29 | 33 | 32 | 128 |
| Limited partnerships | 5 | 1 | 6 | 2 | 5 | — | 6 | 13 |
| Restricted other invested assets related to securitization entities | 1 | — | 1 | — | — | 1 | 2 | 3 |
| Policy loans | 39 | 42 | 81 | 39 | 38 | 34 | 35 | 146 |
| Cash, cash equivalents and short-term investments | 10 | 6 | 16 | 4 | 5 | 6 | 5 | 20 |
| Gross investment income before expenses and fees | 824 | 811 | 1,635 | 808 | 825 | 798 | 812 | 3,243 |
| Expenses and fees | (23) | (21) | (44) | (22) | (20) | (19) | (23) | (84) |
| Net investment income | $ 801 | $ 790 | $1,591 | $ 786 | $ 805 | $ 779 | $ 789 | $3,159 |
| **Annualized Yields** | | | | | | | | |
| Fixed maturity securities—taxable | 4.6% | 4.5% | 4.6% | 4.5% | 4.6% | 4.6% | 4.7% | 4.6% |
| Fixed maturity securities—non-taxable | 3.7% | 3.7% | 3.7% | 3.7% | 3.7% | 3.6% | 3.6% | 3.6% |
| Commercial mortgage loans | 4.9% | 5.0% | 5.0% | 5.3% | 5.2% | 5.0% | 5.2% | 5.2% |
| Restricted commercial mortgage loans related to securitization entities | 6.7% | 6.4% | 6.5% | 6.1% | 7.4% | 8.0% | 5.1% | 7.1% |
| Equity securities | 5.3% | 4.9% | 5.1% | 5.2% | 5.8% | 5.8% | 5.1% | 5.6% |
| Other invested assets | 601.0% | 81.1% | 126.5% | 46.2% | 31.6% | 31.9% | 29.4% | 34.5% |
| Limited partnerships(1) | 8.6% | 1.9% | 5.4% | 4.1% | 10.9% | — % | 13.2% | 7.0% |
| Restricted other invested assets related to securitization entities | 4.8% | — % | 1.3% | — % | — % | 1.1% | 2.0% | 0.9% |
| Policy loans | 8.7% | 9.6% | 9.1% | 8.9% | 8.7% | 8.2% | 8.9% | 8.7% |
| Cash, cash equivalents and short-term investments | 1.0% | 0.7% | 0.9% | 0.5% | 0.6% | 0.6% | 0.4% | 0.5% |
| Gross investment income before expenses and fees | 4.7% | 4.7% | 4.7% | 4.6% | 4.7% | 4.6% | 4.6% | 4.6% |
| Expenses and fees | -0.1% | -0.2% | -0.1% | -0.1% | -0.1% | -0.1% | -0.1% | -0.1% |
| Net investment income | 4.6% | 4.5% | 4.6% | 4.5% | 4.6% | 4.5% | 4.5% | 4.5% |

Yields are based on net investment income as reported under GAAP and are consistent with how the company measures its investment performance for management purposes. Yields are annualized, for interim periods, and are calculated as net investment income as a percentage of average quarterly asset carrying values except for fixed maturity and equity securities, derivatives and derivative counterparty collateral, which exclude unrealized fair value adjustments and securities lending activity, which is included in other invested assets and is calculated net of the corresponding securities lending liability. See page 49 herein for average invested assets and cash used in the yield calculation.

(1) Limited partnership investments are equity-based and do not have fixed returns by period.

**GENWORTH FINANCIAL, INC.**
**FINANCIAL SUPPLEMENT**
**SECOND QUARTER 2017**

**Net Investment Gains (Losses), Net—Detail**
**(amounts in millions)**

| | 2017 | | | 2016 | | | | |
|---|---|---|---|---|---|---|---|---|
| | 2Q | 1Q | Total | 4Q | 3Q | 2Q | 1Q | Total |
| Net realized gains (losses) on available-for-sale securities: | | | | | | | | |
| Fixed maturity securities: | | | | | | | | |
| U.S. corporate | $ 56 | $ 15 | $ 71 | $ (1) | $ 2 | $— | $ (7) | $ (6) |
| U.S. government, agencies and government-sponsored enterprises | 1 | (10) | (9) | (19) | 15 | 137 | 7 | 140 |
| Foreign corporate | 3 | 20 | 23 | 1 | (1) | (6) | (8) | (14) |
| Foreign government | 1 | 2 | 3 | 1 | 4 | — | — | 5 |
| Mortgage-backed securities | — | — | — | 13 | (1) | — | — | 12 |
| Asset-backed securities | (8) | (5) | (13) | (1) | (5) | (10) | — | (16) |
| Equity securities | — | 2 | 2 | 2 | 1 | — | 1 | 4 |
| Foreign exchange | 10 | 5 | 15 | 2 | — | 1 | — | 3 |
| Total net realized gains (losses) on available-for-sale securities | 63 | 29 | 92 | (2) | 15 | 122 | (7) | 128 |
| Impairments: | | | | | | | | |
| Corporate fixed maturity securities | — | (1) | (1) | — | — | (16) | (8) | (24) |
| Foreign government | — | — | — | — | — | (1) | — | (1) |
| Limited partnerships | (1) | — | (1) | — | — | — | (3) | (3) |
| Commercial mortgage loans | — | — | — | — | — | (4) | — | (4) |
| Commercial mortgage-backed securities | — | — | — | — | — | (1) | — | (1) |
| Equity securities | (1) | — | (1) | (5) | (2) | — | — | (7) |
| Total impairments | (2) | (1) | (3) | (5) | (2) | (22) | (11) | (40) |
| Net unrealized gains (losses) on trading securities | 1 | — | 1 | (30) | (4) | 16 | 28 | 10 |
| Limited partnerships | — | — | — | 6 | — | — | — | 6 |
| Commercial mortgage loans held-for-sale market valuation allowance | 1 | 1 | 2 | — | (1) | 1 | 1 | 1 |
| Net gains (losses) related to securitization entities | 2 | 2 | 4 | 1 | 2 | (61) | 8 | (50) |
| Derivative instruments | 36 | 3 | 39 | 72 | 10 | (24) | (38) | 20 |
| Contingent purchase price valuation change | — | — | — | — | — | (2) | — | (2) |
| Other | — | — | — | (1) | — | — | — | (1) |
| Net investment gains (losses), gross | 101 | 34 | 135 | 41 | 20 | 30 | (19) | 72 |
| Adjustment for DAC and other intangible amortization and certain benefit reserves | — | — | — | (1) | — | 6 | 9 | 14 |
| Adjustment for net investment (gains) losses attributable to noncontrolling interests | (22) | (14) | (36) | (12) | (2) | 3 | (9) | (20) |
| Net investment gains (losses), net | $ 79 | $ 20 | $ 99 | $ 28 | $ 18 | $ 39 | $ (19) | $ 66 |

# Reconciliations of Non-GAAP Measures

Table of Contents

**GENWORTH FINANCIAL, INC.**
**FINANCIAL SUPPLEMENT**
**SECOND QUARTER 2017**

**Reconciliation of Operating ROE**
**(amounts in millions)**

| Twelve Month Rolling Average ROE | Twelve months ended | | | | |
|---|---|---|---|---|---|
| | June 30, 2017 | March 31, 2017 | December 31, 2016 | September 30, 2016 | June 30, 2016 |
| **GAAP Basis ROE** | | | | | |
| Net income (loss) available to Genworth Financial, Inc.'s common stockholders for the twelve months ended(1) | $ (145) | $ (175) | $ (277) | $ (447) | $ (351) |
| Quarterly average Genworth Financial, Inc.'s stockholders' equity, excluding accumulated other comprehensive income (loss)(2) | $ 9,781 | $ 9,770 | $ 9,790 | $ 9,900 | $10,042 |
| GAAP Basis ROE (1)/(2) | -1.5% | -1.8% | -2.8% | -4.5% | -3.5% |
| **Operating ROE** | | | | | |
| Adjusted operating income (loss) for the twelve months ended(1) | $ (248) | $ (276) | $ (316) | $ (261) | $ 208 |
| Quarterly average Genworth Financial, Inc.'s stockholders' equity, excluding accumulated other comprehensive income (loss)(2) | $ 9,781 | $ 9,770 | $ 9,790 | $ 9,900 | $10,042 |
| Operating ROE (1)/(2) | -2.5% | -2.8% | -3.2% | -2.6% | 2.1% |

| Quarterly Average ROE | Three months ended | | | | |
|---|---|---|---|---|---|
| | June 30, 2017 | March 31, 2017 | December 31, 2016 | September 30, 2016 | June 30, 2016 |
| **GAAP Basis ROE** | | | | | |
| Net income (loss) available to Genworth Financial, Inc.'s common stockholders for the period ended(3) | $ 202 | $ 155 | $ (122) | $ (380) | $ 172 |
| Quarterly average Genworth Financial, Inc.'s stockholders' equity for the period, excluding accumulated other comprehensive income (loss)(4) | $ 9,820 | $ 9,633 | $ 9,610 | $ 9,857 | $ 9,958 |
| Annualized GAAP Quarterly Basis ROE (3)/(4) | 8.2% | 6.4% | -5.1% | -15.4% | 6.9% |
| **Operating ROE** | | | | | |
| Adjusted operating income (loss) for the period ended(3) | $ 151 | $ 143 | $ (137) | $ (405) | $ 123 |
| Quarterly average Genworth Financial, Inc.'s stockholders' equity for the period, excluding accumulated other comprehensive income (loss)(4) | $ 9,820 | $ 9,633 | $ 9,610 | $ 9,857 | $ 9,958 |
| Annualized Operating Quarterly Basis ROE (3)/(4) | 6.2% | 5.9% | -5.7% | -16.4% | 4.9% |

## Non-GAAP Definition for Operating ROE

The company references the non-GAAP financial measure entitled "operating return on equity" or "operating ROE." The company defines operating ROE as adjusted operating income (loss) divided by average ending Genworth Financial, Inc.'s stockholders' equity, excluding accumulated other comprehensive income (loss) in average ending Genworth Financial, Inc.'s stockholders' equity. Management believes that analysis of operating ROE enhances understanding of the efficiency with which the company deploys its capital. However, operating ROE is not a substitute for net income (loss) available to Genworth Financial, Inc.'s common stockholders divided by average ending Genworth Financial, Inc.'s stockholders' equity determined in accordance with GAAP.

(1) The twelve months ended information is derived by adding the four quarters of net income (loss) available to Genworth Financial, Inc.'s common stockholders and adjusted operating income (loss) from page 9 herein.
(2) Quarterly average Genworth Financial, Inc.'s stockholders' equity, excluding accumulated other comprehensive income (loss), is derived by averaging ending Genworth Financial, Inc.'s stockholders' equity, excluding accumulated other comprehensive income (loss), for the most recent five quarters.
(3) Net income (loss) available to Genworth Financial, Inc.'s common stockholders and adjusted operating income (loss) from page 9 herein.
(4) Quarterly average Genworth Financial, Inc.'s stockholders' equity, excluding accumulated other comprehensive income (loss), is derived by averaging ending Genworth Financial, Inc.'s stockholders' equity, excluding accumulated other comprehensive income (loss).

**GENWORTH FINANCIAL, INC.**
**FINANCIAL SUPPLEMENT**
**SECOND QUARTER 2017**

**Reconciliation of Core Yield**

| | | 2017 | | | 2016 | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | **(Assets— amounts in billions)** | **2Q** | **1Q** | **Total** | **4Q** | **3Q** | **2Q** | **1Q** | **Total** |
| | **Reported—Total Invested Assets and Cash** | $76.1 | $74.7 | $ 76.1 | $74.4 | $78.3 | $77.6 | $76.0 | $ 74.4 |
| | Subtract: | | | | | | | | |
| | Securities lending | 0.2 | 0.3 | 0.2 | 0.5 | 0.4 | 0.3 | 0.4 | 0.5 |
| | Unrealized gains (losses) | 5.6 | 4.6 | 5.6 | 4.3 | 7.7 | 7.6 | 6.3 | 4.3 |
| | **Adjusted end of period invested assets and cash** | $70.3 | $69.8 | $ 70.3 | $69.6 | $70.2 | $69.7 | $69.3 | $ 69.6 |
| **(A)** | **Average Invested Assets and Cash Used in Reported Yield Calculation** | $70.1 | $69.7 | $ 69.9 | $69.8 | $69.7 | $69.5 | $70.0 | $ 69.8 |
| | Subtract: | | | | | | | | |
| | Restricted commercial mortgage loans and other invested assets related to securitization entities (1) | 0.1 | 0.1 | 0.1 | 0.1 | 0.3 | 0.1 | 0.2 | 0.2 |
| **(B)** | **Average Invested Assets and Cash Used in Core Yield Calculation** | $70.0 | $69.6 | $ 69.8 | $69.7 | $69.4 | $69.4 | $69.8 | $ 69.6 |
| | **(Income—amounts in millions)** | | | | | | | | |
| **(C)** | **Reported—Net Investment Income** | $ 801 | $ 790 | $1,591 | $ 786 | $ 805 | $ 779 | $ 789 | $3,159 |
| | Subtract: | | | | | | | | |
| | Bond calls and commercial mortgage loan prepayments | 8 | 6 | 14 | 22 | 14 | 5 | 11 | 52 |
| | Other non-core items(2) | 8 | 3 | 11 | (17) | 8 | (6) | 15 | — |
| | Restricted commercial mortgage loans and other invested assets related to securitization entities (1) | 2 | 1 | 3 | 2 | 1 | 2 | 3 | 8 |
| **(D)** | **Core Net Investment Income** | $ 783 | $ 780 | $1,563 | $ 779 | $ 782 | $ 778 | $ 760 | $3,099 |
| **(C) / (A)** | **Reported Yield** | 4.57% | 4.53% | 4.55% | 4.50% | 4.62% | 4.48% | 4.51% | 4.53% |
| **(D) / (B)** | **Core Yield** | 4.47% | 4.48% | 4.48% | 4.47% | 4.51% | 4.48% | 4.36% | 4.45% |

Notes: Columns may not add due to rounding.
Yields have been annualized.

**Non-GAAP Definition for Core Yield**

The company references the non-GAAP financial measure entitled “core yield” as a measure of investment yield. The company defines core yield as the investment yield adjusted for items that do not reflect the underlying performance of the investment portfolio. Management believes that analysis of core yield enhances understanding of the investment yield of the company. However, core yield is not a substitute for investment yield determined in accordance with GAAP.

(1) Represents the incremental assets and investment income related to restricted commercial mortgage loans and other invested assets.
(2) Includes cost basis adjustments on structured securities and various other immaterial items.

# Corporate Information

Table of Contents

**GENWORTH FINANCIAL, INC.**
**FINANCIAL SUPPLEMENT**
**SECOND QUARTER 2017**

**Financial Strength Ratings As Of July 31, 2017**

| Company | Standard & Poor's Financial Services LLC (S&P) | Moody's Investors Service, Inc. (Moody's) | A.M. Best Company, Inc. (A.M. Best) |
|---|---|---|---|
| Genworth Mortgage Insurance Corporation | BB+ (Marginal) | Ba1 (Questionable) | Not rated |
| Genworth Financial Mortgage Insurance Company Canada (1) | A+ (Strong) | Not rated | Not rated |
| Genworth Financial Mortgage Insurance Pty Limited (Australia) (2) | A+ (Strong) | A3 (Good) | Not rated |
| Genworth Life Insurance Company | BB- (Marginal) | Ba3 (Questionable) | B(Fair) |
| Genworth Life and Annuity Insurance Company | BB- (Marginal) | Baa2 (Adequate) | B++ (Good) |
| Genworth Life Insurance Company of New York | BB- (Marginal) | Ba3 (Questionable) | B(Fair) |

The S&P, Moody's, A.M. Best, Dominion Bond Rating Service (DBRS) and Fitch Rating Service (Fitch) ratings included are not designed to be, and do not serve as, measures of protection or valuation offered to investors. These financial strength ratings should not be relied on with respect to making an investment in the company's securities.

S&P states that insurers rated "A" (Strong) or "BB" (Marginal) have strong or marginal financial security characteristics, respectively. The "A" and "BB" ranges are the third- and fifth-highest of nine financial strength rating ranges assigned by S&P, which range from "AAA" to "R." A plus (+) or minus (-) shows relative standing within a major rating category. These suffixes are not added to ratings in the "AAA" category or to ratings below the "CCC" category. Accordingly, the "A+," "BB+" and "BB-" ratings are the fifth-, eleventh- and thirteenth-highest of S&P's 21 ratings categories.

Moody's states that insurance companies rated "A" (Good) offer good financial security, that insurance companies rated "Baa" (Adequate) offer adequate financial security and that insurance companies rated "Ba" (Questionable) offer questionable financial security. The "A" (Good), "Baa" (Adequate) and "Ba" (Questionable) ranges are the third-, fourth- and fifth-highest, respectively, of nine financial strength rating ranges assigned by Moody's, which range from "Aaa" to "C." Numeric modifiers are used to refer to the ranking within the group, with 1 being the highest and 3 being the lowest. These modifiers are not added to ratings in the "Aaa" category or to ratings below the "Caa" category. Accordingly, the "A3," "Baa2," "Ba1" and "Ba3" ratings are the seventh-, ninth-, eleventh- and thirteenth-highest, respectively, of Moody's 21 ratings categories.

A.M. Best states that the "B++" (Good) rating is assigned to those companies that have, in its opinion, a good ability to meet their ongoing insurance obligations while "B" (Fair) is assigned to those companies that have, in its opinion, a fair ability to meet their ongoing insurance obligations. The "B++" (Good) and "B" (Fair) ratings are the fifth- and seventh-highest of 15 ratings assigned by A.M. Best, which range from "A++" to "F."

DBRS states that long-term obligations rated "AA" are of superior credit quality. The capacity for the payment of financial obligations is considered high and unlikely to be significantly vulnerable to future events. Credit quality differs from "AAA" only to a small degree.

The Australian mortgage insurance subsidiary also solicits a rating from Fitch. Fitch states that "A" (Strong) rated insurance companies are viewed as possessing strong capacity to meet policyholder and contract obligations. The "A" rating category is the third-highest of nine financial strength rating categories, which range from "AAA" to "C." The symbol (+) or (-) may be appended to a rating to indicate the relative position of a credit within a rating category. These suffixes are not added to ratings in the "AAA" category or to ratings below the "B" category. Accordingly, the "A+" rating is the fifth-highest of Fitch's 21 ratings categories.

The company also solicits a rating from HR Ratings on a local scale for Genworth Seguros de Credito a la Vivienda S.A. de C.V., its Mexican mortgage insurance subsidiary, with a short-term rating of "HR1" and long-term rating of "HR AA-." For short-term ratings, HR Ratings states that "HR1" rated companies are viewed as exhibiting high capacity for timely payment of debt obligations in the short-term and maintain low credit risk. The "HR1" short-term rating category is the highest of six short-term rating categories, which range from "HR1" to "HR D." For long-term ratings, HR Ratings states that "HR AA-" rated companies are viewed as having high credit quality and offer high safety for timely payment of debt obligations and maintain low credit risk under adverse economic scenarios. The "HR AA-" long-term rating is the second-highest of HR Rating's eight long-term rating categories, which range from "HR AAA" to "HR D."

S&P, Moody's, A.M. Best, DBRS, Fitch and HR Ratings review their ratings periodically and the company cannot assure you that it will maintain the current ratings in the future. Other agencies may also rate the company or its insurance subsidiaries on a solicited or an unsolicited basis.

(1) Genworth Financial Mortgage Insurance Company Canada is also rated "AA" by DBRS.
(2) Genworth Financial Mortgage Insurance Pty Limited (Australia) is also rated "A+" by Fitch.

Exhibit 99.3

# Second Quarter 2017

## Earnings Summary

August 1, 2017

Genworth®

# Cautionary Note Regarding Forward-Looking Statements

This presentation contains certain "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," "estimates," "will" or words of similar meaning & include, but are not limited to, statements regarding the outlook for future business and financial performance of Genworth Financial, Inc. (Genworth) and its consolidated subsidiaries. Forward-looking statements are based on management's current expectations and assumptions, which are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. Actual outcomes and results may differ materially due to global political, economic, business, competitive, market, regulatory and other factors and risks, including those discussed at the end of this presentation, as well as in the risk factors section of Genworth's Annual Report on Form 10-K, filed with the United States Securities and Exchange Commission (SEC) on February 27, 2017. Genworth undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future developments or otherwise.

## Non-GAAP[1] And Other Items

All financial data is as of June 30, 2017 unless otherwise noted. For additional information, please see Genworth's second quarter of 2017 earnings release and financial supplement posted at genworth.com.

For important information regarding the use of non-GAAP and selected operating performance measures, see the Appendix.

Unless otherwise noted, all references in this presentation to net income (loss) and adjusted operating income (loss) should be read as net income (loss) available to Genworth's common stockholders and adjusted operating income (loss) available to Genworth's common stockholders, respectively.

[1]U.S. Generally Accepted Accounting Principles

# Key Financial Themes For The 2nd Quarter

## Financial Performance

**U.S. Mortgage Insurance (MI) Second Quarter 2017 Adjusted Operating Earnings Increased 49% Compared To the Second Quarter Of 2016, Which Includes A Favorable $10MM Reserve Adjustment In The Current Quarter**

**U.S. MI PMIERs[1] Capital Level At 122%, In Excess Of $500MM Above Requirements & Up From 118% In The Prior Quarter & 115% In The Second Quarter 2016**

**Strong Loss Ratio Performance & Capital Levels For Canada MI**

**Long Term Care Insurance (LTC) Continues To See Favorable Seasonal Existing Claim Experience & Strong In-Force Rate Action Results**

**Holding Company Cash & Liquid Assets Of ~$860 Million**

[1]Private Mortgage Insurer Eligibility Requirements

# 2Q17 Results Summary – Genworth Consolidated

## Adjusted Operating Income (Loss)[1] ($MM)

**U.S. MI: $91MM**
- Continued Benefit In Net Cures & Aging Driving Favorable Reserve Adjustment
- Strong Loss Ratio Performance

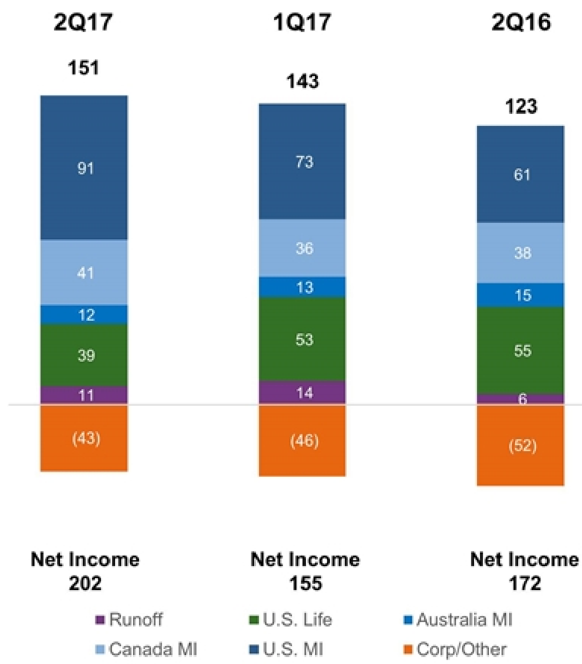
**Canada MI: $41MM**
- Decrease In New Delinquencies & Strong Cure Activity
- Strong Loss Ratio Performance

**Australia MI: $12MM**
- Favorable Non-Reinsurance Recoveries On Paid Claims
- Seasonally Higher Net Cures & Aging Benefits; Continued Pressure From Mining Regions

**U.S. Life Insurance: $39MM**
- Favorable Impact From LTC In Force Rate Actions
- LTC Favorable Seasonal Existing Claim Experience
- Higher Lapses In Life Insurance

**Runoff: $11MM**
- Unfavorable Mortality Offsetting Market Performance

**Corporate & Other: $(43)MM**
- Favorable Tax Adjustments




[1]Non-GAAP Measure, See Appendix For Additional Information

# U.S. Mortgage Insurance

## Premiums

($MM)

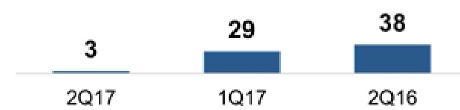

| | 2Q17 | 1Q17 | 2Q16 |
|---|---|---|---|
| Flow NIW | 9,800 | 7,600 | 11,400 |

Premiums Up Versus Prior Year On Solid Growth In Insurance In Force

Single Premium Mix Relatively Flat Sequentially & Down Versus Prior Year On Selective Participation

## Benefits/Changes In Policy Reserves

($MM)




| | 2Q17 | 1Q17 | 2Q16 |
|---|---|---|---|
| Loss Ratio | 2% | 17% | 24% |
| Primary Delqs (#) | 20,677 | 23,019 | 25,798 |
| Primary New Delqs (#) | 7,776 | 8,456 | 8,265 |
| Primary Paid Claims[1] (#) | 2,033 | 1,563 | 1,932 |
| Primary Cures (#) | 8,085 | 9,583 | 8,137 |
| % Of RIF[2] 2009+ | 80% | 79% | 73% |

Loss Ratio Down Sequentially & Versus The Prior Year From Favorable Reserve Adjustment & Improved Delinquency Performance

Loss Ratio Of 2% In 2Q17 Included A Favorable Reserve Adjustment Of 8 Points

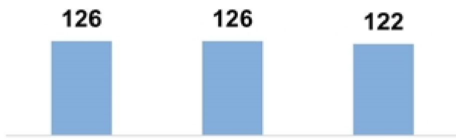
RIF[2] From 2009+ Continues To Grow As A Percent Of Total

[1]Direct Paid Claims In The Second Quarter Of 2017 Include Payment In Relation To An Agreement On Non-performing Loans. [2]Risk In Force

# Canada Mortgage Insurance

## Premiums

($MM)




| | 2Q17 | 1Q17 | 2Q16 |
|---|---|---|---|
| Flow NIW | 3,700 | 2,300 | 4,400 |
| Bulk NIW | 800 | 8,000 | 19,700 |

Unfavorable $4MM Premium Impact From Foreign Exchange (FX) Versus Prior Year & Unfavorable $2MM Versus The Prior Quarter

Flow NIW Increased Versus The Prior Quarter From Seasonally Larger Originations Market & Decreased Versus The Prior Year From A Smaller Market Size

Bulk NIW Decreased Versus The Prior Quarter & Prior Year As A Result Of Regulatory Changes Introduced In 2016

## Benefits/Changes In Policy Reserves

($MM)


| | 2Q17 | 1Q17 | 2Q16 |
|---|---|---|---|
| Loss Ratio | 4% | 16% | 20% |
| Total Delqs (#) | 1,809 | 2,082 | 1,961 |
| New Delqs (#) | 965 | 1,248 | 1,164 |
| Paid Claims (#) | 428 | 479 | 425 |
| Cures (#) | 810 | 757 | 812 |

Loss Ratio Down Sequentially & Versus The Prior Year From A Decrease In New Delinquencies, Net Of Cures & Lower Average Reserve Per Delinquency

2017 Full Year Loss Ratio Outlook Changed To A Range Of 15-25% From 20-30%

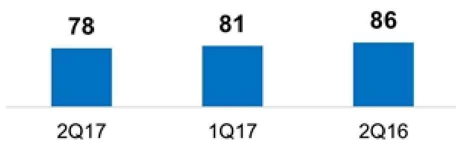


Genworth

# Australia Mortgage Insurance

## Premiums

($MM)



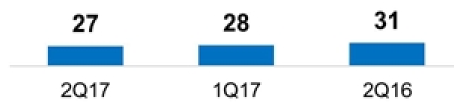

| | 2Q17 | 1Q17 | 2Q16 |
|---|---|---|---|
| Flow NIW | 4,100 | 4,100 | 5,000 |
| Bulk NIW | 600 | 1,000 | 800 |

Minimal Foreign Exchange (FX) Impact On Premiums Versus Prior Quarter & Prior Year

Flow NIW Flat Sequentially & Down Versus Prior Year Primarily From Lower Market Penetration Attributable To A Change In Customer Mix

## Benefits/Changes In Policy Reserves

($MM)




| | 2Q17 | 1Q17 | 2Q16 |
|---|---|---|---|
| Loss Ratio | 34% | 35% | 36% |
| Total Delqs (#) | 7,285 | 6,926 | 6,413 |
| New Delqs (#) | 3,145 | 2,852 | 3,215 |
| Paid Claims (#) | 355 | 356 | 286 |
| Cures (#) | 2,431 | 2,301 | 2,405 |

Loss Ratio Down Slightly Versus The Prior Quarter & Prior Year With An 8 Point Positive Impact From Non-Reinsurance Recoveries On Paid Claims

Sequential Seasonal Increase In New Delinquencies, Net Of Cures

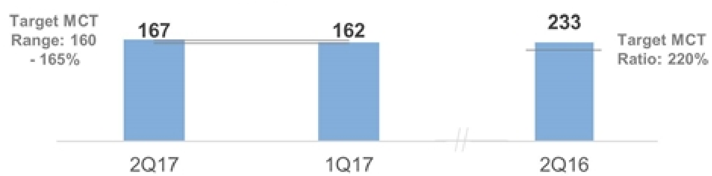
2017 Full Year Loss Ratio Outlook Maintained At A Range Of 40-50%

# MI Businesses – Capital Adequacy[1]

## U.S. MI – Consolidated RTC[2]

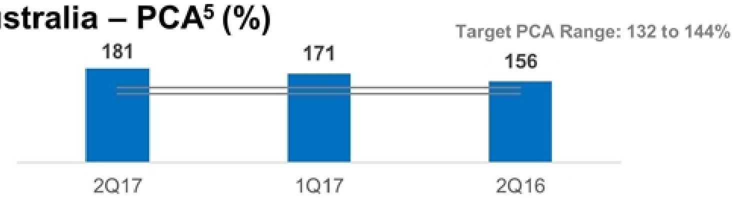

Strong PMIERS Sufficiency Ratio In Excess Of $500MM Above Requirements

## Canada – MCT[4] (%)




New Regulatory Capital Framework Effective January 1, 2017 With Recalibrated Minimum Requirement Of 150% & Targeted Range Of 160 - 165%

## Australia – PCA[5] (%)




Portfolio Seasoning Continues To Lower Required Capital & Improve The PCA Ratio

[1]Company Estimate For 2Q17, Due To Timing Of The Filing Of Statutory Statements; [2]Risk-To-Capital; [3]Calculated As Available Assets Divided By Required Assets As Defined Within PMIERs. As of June 30, 2017, March 31, 2017 & June 30, 2016, The PMIERs Sufficiency Ratios Were In Excess Of $500 Million, $400 Million & $350 Million, Respectively, Of Available Assets Above The PMIERs Requirements; [4]Minimum Capital Test; [5]Prescribed Capital Amount

# 2Q17 Summary – U.S. Life Insurance

## Highlights

### LTC: $33MM

- Sequentially Higher Premiums & Reserve Releases From Rate Increases & Associated Reduced Benefit Elections By Policyholders
- Favorable Seasonal Existing Claim Experience
- First Half Results Reflect Continued Growth Of New Claims
- 2Q17 Favorable Reserve Correction Of $13MM After-Tax & Net Of Profits Followed By Losses Reserves
- Prior Period Unfavorable Items Include $14MM In 1Q17 & $29MM In 2Q16

### Life Insurance: $(1)MM

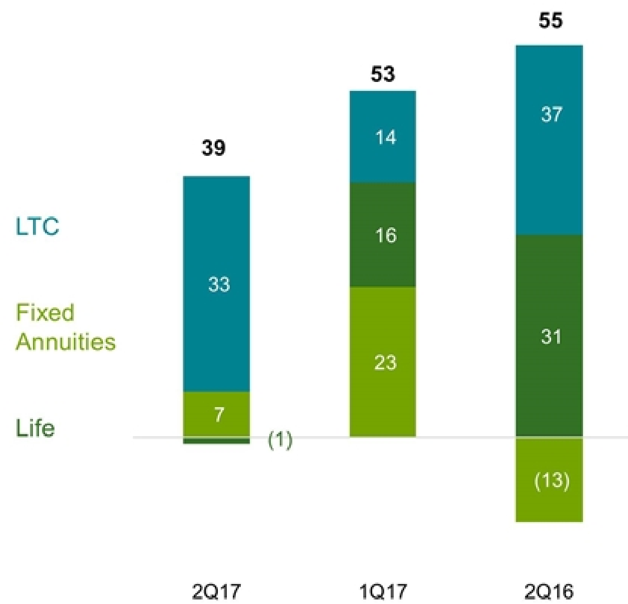
- Higher Lapses From Large Books Entering The Post-Level Premium Periods Driving Higher Deferred Acquisition Cost (DAC) Amortization
- Unfavorable Reserve Growth & Higher DAC Amortization In The First Half Of 2017 Reflecting Universal Life Assumptions Updates From 4Q16
- 2Q17 Unfavorable Impact Of $14MM After-Tax From Model Corrections & Refinements

### Fixed Annuities: $7MM

- 2Q17 $10MM After-Tax Loss Recognition Testing (LRT) Charge From Interest Rates & Unfavorable Mortality As Compared To Prior Quarter
- 2Q16 Results Include Unfavorable $28MM After-Tax Impacts From LRT & Third Party Reinsurance Recapture

## Adjusted Operating Income (Loss)

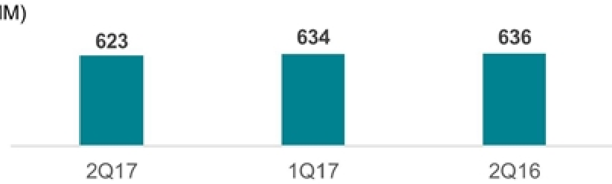
($MM)



# Long Term Care Insurance

## Premiums

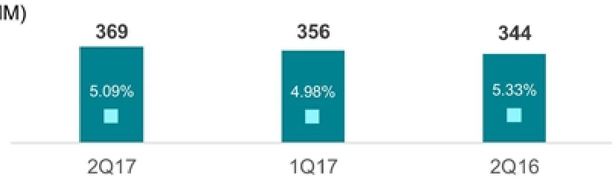
($MM)




$112MM Estimated Pre-Tax Benefit In 2Q17 From Implemented In Force Premium Rate Actions[1]

## Net Investment Income & Yield

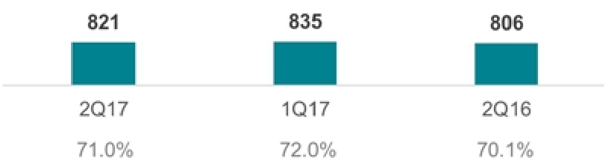
($MM)




Results Reflect Current Low Interest Rate Environment & Variability In Prepayment Speeds, Limited Partnership Performance & Bond Call Income

## Benefits & Other Changes In Policy Reserves & Loss Ratio (%)

($MM)




$62MM Estimated Pre-Tax Benefit In 2Q17 From Implemented In Force Premium Rate Actions[1]

[1]$163MM Pre-Tax (Or $106MM After-Tax) Impact From Rate Actions In 2Q17 Includes $(11)MM Pre-Tax Impact From Commissions, Premium Tax & Other Adjustments

# LTC In Force Premium Rate Increase

## Rate Action Progress

| Approved Filings | FY15 Actual | FY16 Actual | 1Q17 Actual | 2Q17 Actual | Comments |
|---|---|---|---|---|---|
| State Filings Approved | 69 | 96 | 11 | 25 | |
| Impacted In Force Premium ($MM) | 739 | 719 | 98 | 87 | Majority Of 2017 Approvals Planned For 2H17 |
| Weighted Average % Rate Increase Approved on Impacted In Force | 29% | 28% | 22% | 35% | |

| Filings Submitted | FY15 Actual | FY16 Actual | 1Q17 Actual | 2Q17 Actual | Comments |
|---|---|---|---|---|---|
| State Filings Submitted | 79 | 79 | 18 | 28 | Filing Activity Expected To Increase In 2H17 |
| In Force Premium Submitted ($MM) | 546 | 834 | 24 | 216 | |

## Estimated Impact To Adjusted Operating Income (Loss) From Rate Actions & Key Drivers[1]

| | 2014 | 2015 | 2016 | 1Q17 | 2Q17 |
|---|---|---|---|---|---|
| **Estimated Adjusted Operating Income From Rate Actions[2] ($MM)** | **186** | **255** | **385** | **99** | **106** |


[1]Includes All Implemented Rate Actions Since 2012. Earned Premium & Reserve Change Estimates Reflect Certain Simplifying Assumptions That May Vary Materially From Actual Historical Results, Including But Not Limited To, A Uniform Rate Of Co-Insurance & Premium Taxes In Addition To Consistent Policyholder Behavior Over Time. Actual Behavior May Differ Significantly From These Assumptions; Excludes Reserve Updates Resulting From Profits Followed By Losses; [2]Estimated Adjusted Operating Income From Rate Actions Includes Estimates For Commissions & Premium Taxes, Net Of Tax Of $(8)MM, $(14)MM, $(19)MM, $(4)MM & $(7)MM, Respectively; [3]2016 Included ($4MM) After-Tax Unfavorable Correction Related To The Calculation For Reduced Benefit Options

# Life Insurance

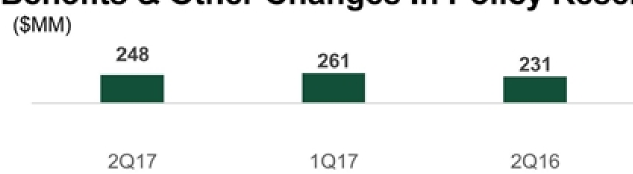
## Premiums & Policy Fees & Other Income


Reflects Run-Off Block & Elevated Lapses Primarily From Large 15-Year & 20-Year Term Life Insurance Blocks Entering The Post-Level Premium Periods

## Net Investment Income & Yield


Variability In Prepayment Speed Adjustments Impacting Reported Net Investment Income & Yield

## Benefits & Other Changes In Policy Reserves

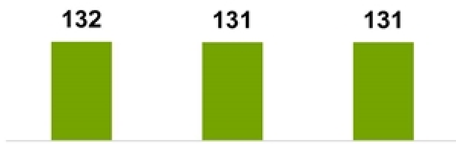



Unfavorable Mortality Versus Prior Year

# Fixed Annuities

## Net Investment Spread[1]

($MM)

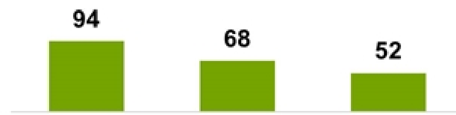



| | 2Q17 | 1Q17 | 2Q16 |
|---|---|---|---|
| SPDA[2] Spread | 1.55% | 1.55% | 1.48% |
| SPIA[3] Spread | 1.19% | 0.88% | 0.69% |

Variability In Prepayment Speeds, Limited Partnership Performance & Bond Call Income Impacting Reported Investment Spreads

## Benefits/Changes In Policy Reserves & SPIA Mortality

($MM)




| | 2Q17 | 1Q17 | 2Q16 |
|---|---|---|---|
| SPIA Mortality G/(L)[4] | (11) | 3 | (11) |

2Q17 Negatively Impacted From A $16MM Pre-Tax Reserve Increase From LRT

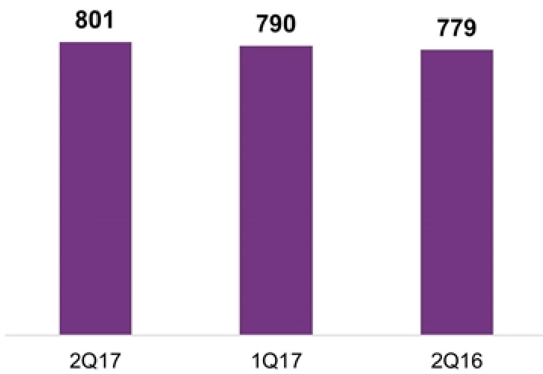
2Q16 Reflects A Decrease Of $45MM Pre-Tax From Third Party SPIA Reinsurance Recapture Partially Offset By An Increase Of $18MM Pre-Tax Reserve Increase From LRT

[1]Net Investment Income Less Interest Credited; [2]Single Premium Deferred Annuities; Excludes Fixed Indexed Annuities; [3]Single Premium Immediate Annuities; Includes Both Paid & Unpaid Interest Credited; [4]Excludes Incurred But Not Reported; Mortality Gain (Loss) Represents The Pre-Tax Income Impact Of The Product's Actual Mortality Experience Compared To The Mortality Assumptions Embedded In The Reserves Of The Product

# Net Investment Income

## Net Investment Income

($MM)




| | 2Q17 | 1Q17 | 2Q16 |
|---|---|---|---|
| GNW Reported Yield | 4.57% | 4.53% | 4.48% |
| GNW Core Yield[1] | 4.47% | 4.48% | 4.48% |
| U.S. Life Ins. Segment Reported Yield | 4.88% | 4.80% | 4.91% |
| Impairments | (2) | (1) | (22) |

## Highlights

**Continued Variability In Net Investment Income From Prepayment Speeds, Limited Partnership Performance & Bond Call Income**

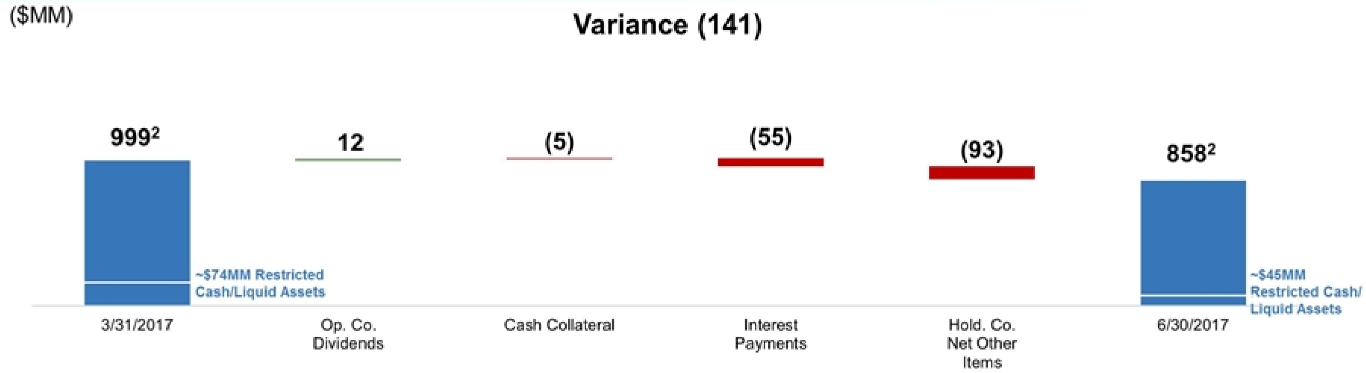
**$2.7B Of Asset Purchases In 2Q17**

- ~$2.2B Primarily In Investment Grade Public Corporates, Investment Grade Structured Securities, & Commercial Mortgage Loans With An Average Yield Of 3.73%
- ~$0.5B In Short-Term Holdings & Temporary U.S. Treasuries With An Average Yield Of 1.50%

[1]Non-GAAP Measure, See Appendix

# Holding Company Cash & Liquid Assets[1]

## Cash & Liquid Assets Roll Forward




$12MM Of Dividends Received From Canada MI During 2Q17

$(93)MM Holding Company Net Other Items, Includes Taxes Of ~$(73)MM, Primarily Related To Intercompany Tax Settlements and Payments To GE Under The Tax Matters Agreement

Balance Includes $175MM Committed To Facilitate The Separation & Isolation Of The LTC Business

[1] Holding Company Cash & Liquid Assets Comprise Assets Held In Genworth Holdings, Inc. (The Issuer Of Outstanding Public Debt) Which Is A Wholly-Owned Subsidiary Of Genworth Financial, Inc.; [2] Comprises Cash & Cash Equivalents Of $758 Million & U.S. Government Bonds Of $100 Million As Of 6/30/17 And Cash & Cash Equivalents Of $849 Million & U.S Government Bonds Of $150 Million, As Of 3/31/17

# Appendix

# Total Genworth Financial, Inc.'s Stockholders' Equity (GAAP)

| ($MM) | 2Q17 | 1Q17 | 4Q16 | 3Q16 | 2Q16 |
|---|---|---|---|---|---|
| **U.S. MI** | **2,270** | **2,183** | **2,070** | **2,089** | **2,015** |
| **Canada MI** | **1,676** | **1,617** | **1,565** | **1,601** | **1,592** |
| **Australia MI** | **719** | **701** | **651** | **687** | **706** |
| **U.S. Life Insurance** | **10,842** | **10,943** | **10,980** | **12,897** | **11,868** |
| LTC[1] | 7,328 | 7,420 | 7,621 | 8,957 | 8,155 |
| Life Insurance[1] | 2,685 | 2,615 | 2,452 | 2,892 | 2,640 |
| Fixed Annuities[1] | 829 | 908 | 907 | 1,048 | 1,073 |
| **Runoff[1]** | **572** | **582** | **671** | **616** | **557** |
| **Corporate & Other[1,2]** | **(3,061)** | **(3,214)** | **(3,293)** | **(3,019)** | **(1,605)** |
| **Total** | **13,018** | **12,812** | **12,644** | **14,871** | **15,133** |

[1]Includes Estimate Of Allocated Deferred Tax Balances By Product Line; [2]Includes Value Of Long-Term Borrowings Of Genworth Holdings, Inc.

# Use Of Non-GAAP Measures

This presentation includes the non-GAAP financial measures entitled "adjusted operating income (loss)". The chief operating decision maker evaluates segment performance and allocates resources on the basis of adjusted operating income (loss). The company defines adjusted operating income (loss) as income (loss) from continuing operations excluding the after-tax effects of income attributable to noncontrolling interests, net investment gains (losses), goodwill impairments, gains (losses) on the sale of businesses, gains (losses) on the early extinguishment of debt, gains (losses) on insurance block transactions, restructuring costs and infrequent or unusual non-operating items. Gains (losses) on insurance block transactions are defined as gains (losses) on the early extinguishment of non-recourse funding obligations, early termination fees for other financing restructuring and/or resulting gains (losses) on reinsurance restructuring for certain blocks of business. 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's segments and Corporate and Other activities. A component of the company's net investment gains (losses) is the result of impairments, the size and timing of which can vary significantly depending on market credit cycles. In addition, the size and timing of other investment gains (losses) can be subject to the company's discretion and are influenced by market opportunities, as well as asset-liability matching considerations. Goodwill impairments, gains (losses) on the sale of businesses, gains (losses) on the early extinguishment of debt, gains (losses) on insurance block transactions and restructuring costs are also excluded from adjusted operating income (loss) because, in the company's opinion, they are not indicative of overall operating trends. Infrequent or unusual non-operating items are also excluded from adjusted operating income (loss) if, in the company's opinion, they are not indicative of overall operating trends.

While some of these items may be significant components of net income (loss) available to Genworth's common stockholders in accordance with GAAP, the company believes that adjusted operating income (loss) and measures that are derived from or incorporate adjusted operating income (loss) 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. However, the items excluded from adjusted operating income (loss) have occurred in the past and could, and in some cases will, recur in the future. Adjusted operating income (loss) is not substitute for net income (loss) available to Genworth's common stockholders determined in accordance with 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) attributable to Genworth's common stockholders and adjusted operating income (loss) assume a 35 percent tax rate (unless otherwise indicated) and are net of the portion attributable to noncontrolling interests. Net investment gains (losses) are also adjusted for deferred acquisition costs (DAC) and other intangible amortization and certain benefit reserves.

In June 2016, the company completed the sale of its term life insurance new business platform and recorded a pre-tax gain of $12 million. In May 2016, the company completed the sale of its mortgage insurance business in Europe and recorded an additional pre-tax loss of $2 million. These transactions were excluded from adjusted operating income (loss) for the periods presented as they related to a gain (loss) on the sale of businesses.

In June 2016, the company settled restricted borrowings of $70 million related to a securitization entity and recorded a $64 million pre-tax gain related to the early extinguishment of debt. This transaction was excluded from adjusted operating income (loss) for the periods presented as they related to a gain (loss) on the early extinguishment of debt.

In the first quarter of 2017, the company recorded a pre-tax expense of $1 million related to restructuring costs as part of an expense reduction plan as the company evaluates and appropriately sizes its organizational needs and expenses. In the second quarter of 2016, the company also recorded a pre-tax expense of $5 million related to restructuring costs.

There were no infrequent or unusual items excluded from adjusted operating income (loss) during the periods presented.

This presentation includes the non-GAAP financial measure entitled "core yield" as a measure of investment yield. The company defines core yield as the investment yield adjusted for items that do not reflect the underlying performance of the investment portfolio. Management believes that analysis of core yield enhances understanding of the investment yield of the company. However, core yield is not a substitute for investment yield determined in accordance with GAAP. In addition, the company's definition of core yield may differ from the definitions used by other companies. A reconciliation of core yield to reported GAAP yield is included in this appendix.

# Reconciliation Of Net Income To Adjusted Operating Income

| | 2017 | | 2016 |
|---|---|---|---|
| | 2Q | 1Q | 2Q |
| NET INCOME AVAILABLE TO GENWORTH FINANCIAL, INC.'S COMMON STOCKHOLDERS | $ 202 | $ 155 | $ 172 |
| Add: net income attributable to noncontrolling interests | 69 | 61 | 48 |
| NET INCOME | 271 | 216 | 220 |
| Loss from discontinued operations, net of taxes | - | - | (21) |
| INCOME FROM CONTINUING OPERATIONS | 271 | 216 | 241 |
| Less: income from continuing operations attributable to noncontrolling interests | 69 | 61 | 48 |
| INCOME FROM CONTINUING OPERATIONS AVAILABLE TO GENWORTH FINANCIAL, INC.'S COMMON STOCKHOLDERS | 202 | 155 | 193 |
| ADJUSTMENTS TO INCOME FROM CONTINUING OPERATIONS AVAILABLE TO GENWORTH FINANCIAL, INC.'S COMMON STOCKHOLDERS: | | | |
| Net investment (gains) losses, net (see below for reconciliation) | (79) | (20) | (39) |
| Gains on sale of businesses | - | - | (10) |
| Gains on early extinguishment of debt, net | - | - | (64) |
| Expenses related to restructuring | - | 1 | 5 |
| Taxes on adjustments | 28 | 7 | 38 |
| ADJUSTED OPERATING INCOME | $ 151 | $ 143 | $ 123 |
| ADJUSTED OPERATING INCOME (LOSS): | | | |
| U.S. Mortgage Insurance segment | $ 91 | $ 73 | $ 61 |
| Canada Mortgage Insurance segment | 41 | 36 | 38 |
| Australia Mortgage Insurance segment | 12 | 13 | 15 |
| U.S. Life Insurance segment: | | | |
| Long-Term Care Insurance | 33 | 14 | 37 |
| Life Insurance | (1) | 16 | 31 |
| Fixed Annuities | 7 | 23 | (13) |
| Total U.S. Life Insurance segment | 39 | 53 | 55 |
| Runoff segment | 11 | 14 | 6 |
| Corporate and Other | (43) | (46) | (52) |
| ADJUSTED OPERATING INCOME | $ 151 | $ 143 | $ 123 |
| Reconciliation of net investment gains (losses): | | | |
| Net investment gains (losses), gross | $ 101 | $ 34 | $ 30 |
| Adjustments for: | | | |
| Deferred acquisition costs and other intangible amortization and certain benefit reserves | - | - | 6 |
| Net investment (gains) losses attributable to noncontrolling interests | (22) | (14) | 3 |
| Net investment gains (losses), net | $ 79 | $ 20 | $ 39 |



Genworth

# Reconciliation Of Core Yield To Reported Yield

| | (Assets - amounts in billions) | 2017 2Q | 2017 1Q | 2016 2Q |
|---|---|---|---|---|
| | Reported - Total Invested Assets and Cash | $ 76.1 | $ 74.7 | $ 77.6 |
| | Subtract: | | | |
| | Securities lending | 0.2 | 0.3 | 0.3 |
| | Unrealized gains (losses) | 5.6 | 4.6 | 7.6 |
| | Adjusted end of period invested assets and cash | $ 70.3 | $ 69.8 | $ 69.7 |
| (A) | Average Invested Assets and Cash Used in Reported Yield Calculation | $ 70.1 | $ 69.7 | $ 69.5 |
| | Subtract: | | | |
| | Restricted commercial mortgage loans and other invested assets related to securitization entities[1] | 0.1 | 0.1 | 0.1 |
| (B) | Average Invested Assets and Cash Used in Core Yield Calculation | $ 70.0 | $ 69.6 | $ 69.4 |
| | (Income - amounts in millions) | | | |
| (C) | Reported - Net Investment Income | $ 801 | $ 790 | $ 779 |
| | Subtract: | | | |
| | Bond calls and commercial mortgage loan prepayments | 8 | 6 | 5 |
| | Other non-core items[2] | 8 | 3 | (6) |
| | Restricted commercial mortgage loans and other invested assets related to securitization entities[1] | 2 | 1 | 2 |
| (D) | Core Net Investment Income | $ 783 | $ 780 | $ 778 |
| (C) / (A) | Reported Yield | 4.57% | 4.53% | 4.48% |
| (D) / (B) | Core Yield | 4.47% | 4.48% | 4.48% |

Notes: Columns may not add due to rounding.
Yields have been annualized.

[1]Represents the incremental assets and investment income related to restricted commercial mortgage loans and other invested assets.
[2]Includes cost basis adjustments on structured securities and various other immaterial items.



Genworth

# Results Of Operations By Segment

The company allocates the consolidated provision for income taxes to its operating segments. The allocation methodology applies a specific tax rate to the pre-tax income (loss) of each segment, which is then adjusted in each segment to reflect the tax attributes of items unique to that segment such as foreign income. The difference between the consolidated provision for income taxes and the sum of the provision for income taxes in each segment is reflected in Corporate and Other activities. The annually-determined tax rates and adjustments to each segment's provision for income taxes are estimates which are subject to review and could change from year to year.

# Definition Of Selected Operating Performance Measures

Management uses selected operating performance measures including "sales" and "insurance in force" or "risk in force" which are commonly used in the insurance industry as measures of operating performance.

Management regularly monitors and reports sales metrics as a measure of volume of new and renewal business generated in a period. Sales refer to new insurance written for mortgage insurance. Sales do not include renewal premiums on policies or contracts written during prior periods. The company considers new insurance written to be a measure of the company's operating performance because they represent a measure of new sales of insurance policies or contracts during a specified period, rather than a measure of the company's revenues or profitability during that period.

Management regularly monitors and reports insurance in force and risk in force. Insurance in force for the mortgage insurance businesses is a measure of the aggregate original loan balance for outstanding insurance policies as of the respective reporting date. Risk in force for the U.S. mortgage insurance business is based on the coverage percentage applied to the estimated current outstanding loan balance. For risk in force in the mortgage insurance businesses in Canada and Australia, the company has computed an "effective" risk in force amount, which recognizes that the loss on any particular loan will be reduced by the net proceeds received upon sale of the property. Effective risk in force has been calculated by applying to insurance in force a factor of 35% that represents the highest expected average per-claim payment for any one underwriting year over the life of the company's mortgage insurance businesses in Canada and Australia. In Australia, the company has certain risk share arrangements where it provides pro-rata coverage of certain loans rather than 100% coverage. As a result, for loans with these risk share arrangements, the applicable pro-rata coverage amount provided is used when applying the factor. The company considers insurance in force and risk in force to be measures of the company's operating performance because they represent measures of the size of the business at a specific date which will generate revenues and profits in a future period, rather than measures of the company's revenues or profitability during that period.

Management also regularly monitors and reports a loss ratio for the company's businesses. For the mortgage insurance businesses, the loss ratio is the ratio of incurred losses and loss adjustment expenses to net earned premiums. For the long term care insurance business, the loss ratio is the ratio of benefits and other changes in reserves less tabular interest on reserves less loss adjustment expenses to net earned premiums. The company considers the loss ratio to be a measure of underwriting performance in these businesses and helps to enhance the understanding of the operating performance of the businesses.

An assumed tax rate of 35% is utilized in certain adjustments to adjusted operating income (loss) and in the explanation of specific variances of operating performance and investment results.

These operating performance measures enable the company to compare its operating performance across periods without regard to revenues or profitability related to policies or contracts sold in prior periods or from investments or other sources.

# Cautionary Note Regarding Forward-Looking Statements

This presentation contains certain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by words such as "expects," "intends," "anticipates," "plans," "believes," "seeks," "estimates," "will" or words of similar meaning and include, but are not limited to, statements regarding the outlook for the company's future business and financial performance. Forward-looking statements are based on management's current expectations and assumptions, which are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. Actual outcomes and results may differ materially due to global political, economic, business, competitive, market, regulatory and other factors and risks, including, but not limited to, the following:

- risks related to the proposed transaction with China Oceanwide Holdings Group Co., Ltd. (Oceanwide) including: the company's inability to complete the transaction in a timely manner or at all; the parties' inability to obtain regulatory approvals, or the possibility that the parties may delay the transaction or that materially burdensome or adverse regulatory conditions may be imposed in connection with any such regulatory approvals; existing and potential legal proceedings may be instituted against the company in connection with the announcement of the transaction that may delay the transaction, make it more costly or ultimately preclude it; the risk that the proposed transaction disrupts the company's current plans and operations as a result of the announcement and consummation of the transaction; certain restrictions during the pendency of the transaction that may impact the company's ability to pursue certain business opportunities or strategic transactions; continued availability of capital and financing to the company before, or in the absence of, the consummation of the transaction; further rating agency actions and downgrades in debt or the company's financial strength ratings; changes in applicable laws or regulations; the company's ability to recognize the anticipated benefits of the transaction; the amount of the costs, fees, expenses and other charges related to the transaction; the risks related to diverting management's attention from the company's ongoing business operations; the merger agreement may be terminated in circumstances that would require the company to pay Oceanwide a fee; the company's ability to attract, recruit, retain and motivate current and prospective employees may be adversely affected; and disruptions and uncertainty relating to the transaction, whether or not it is completed, may harm the company's relationships with its employees, customers, distributors, vendors or other business partners, and may result in a negative impact on the company's business;
- strategic risks in the event the proposed transaction with Oceanwide is not consummated including: the company's inability to successfully execute alternative strategic plans to effectively address its current business challenges (including with respect to the restructuring of its U.S. life insurance businesses, debt obligations, cost savings, ratings and capital); the company's ability to continue to sell long term care insurance policies, the company's inability to attract buyers for any businesses or other assets it may seek to sell, or securities it may seek to issue, in each case, in a timely manner and on anticipated terms; failure to obtain any required regulatory, stockholder and/or noteholder approvals or consents for such alternative strategic plans, or the company's challenges changing or being more costly or difficult to successfully address than currently anticipated or the benefits achieved being less than anticipated; inability to achieve anticipated cost-savings in a timely manner; or adverse tax or accounting charges; and inability to increase the capital needed in the company's businesses in a timely manner and on anticipated terms, including through improved business performance, reinsurance or similar transactions, asset sales, securities offerings or otherwise, in each case as and when required;
- risks relating to estimates, assumptions and valuations including: inadequate reserves and the need to increase reserves (including as a result of any changes the company may make to its assumptions, methodologies or otherwise in connection with periodic or other reviews); inaccurate models; deviations from the company's estimates and actuarial assumptions or other reasons in its long term care insurance, life insurance and/or annuity businesses; accelerated amortization of deferred acquisition costs (DAC) and present value of future profits (PVFP) (including as a result of any changes it may make to its assumptions, methodologies or otherwise in connection with periodic or other reviews); adverse impact on the company's financial results as a result of projected profits followed by projected losses (as is currently the case with its long term care insurance business); and changes in valuation of fixed maturity, equity and trading securities;
- risks relating to economic, market and political conditions including: downturns and volatility in global economies and equity and credit markets; interest rates and changes in rates (particularly given the historically low interest rate environment) have adversely impacted, and may continue to materially adversely impact, the company's business and profitability; deterioration in economic conditions or a decline in home prices that adversely affect the company's loss experience in mortgage insurance; political and economic instability or changes in government policies; and fluctuations in foreign currency exchange rates and international securities markets;

# Cautionary Note Regarding Forward-Looking Statements

- regulatory and legal risks including: extensive regulation of the company's businesses and changes in applicable laws and regulations; litigation and regulatory investigations or other actions; dependence on dividends and other distributions from the company's subsidiaries (particularly its international subsidiaries) and the inability of any subsidiaries to pay dividends or make other distributions to the company, including as a result of the performance of its subsidiaries and insurance, regulatory or corporate law restrictions; adverse change in regulatory requirements, including risk-based capital; changes in regulations adversely affecting the company's international operations; inability to maintain the private mortgage insurer eligibility requirements (PMIERs); inability of the company's U.S. mortgage insurance subsidiaries to meet minimum statutory capital requirements and hazardous financial condition standards; the influence of Federal National Mortgage Association (Fannie Mae), Federal Home Loan Mortgage Corporation (Freddie Mac) and a small number of large mortgage lenders on the U.S. mortgage insurance market and adverse changes to the role or structure of Fannie Mae and Freddie Mac; adverse changes in regulations affecting the company's mortgage insurance businesses; inability to continue to implement actions to mitigate the impact of statutory reserve requirements; impact of additional regulations pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act; and changes in accounting and reporting standards;
- liquidity, financial strength ratings, credit and counterparty risks including: insufficient internal sources to meet liquidity needs and limited or no access to capital (including the company's ability to obtain financing under a credit facility); 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 for the company, including with respect to key business relationships, product offerings, business results of operations, financial condition and capital needs, strategic plans, collateral obligations and availability and terms of hedging, reinsurance and borrowings; defaults by counterparties to reinsurance arrangements or derivative instruments; defaults or other events impacting the value of the company's fixed maturity securities portfolio; and defaults on the company's commercial mortgage loans or the mortgage loans underlying its investments in commercial mortgage-backed securities and volatility in performance;
- operational risks including: inability to retain, attract and motivate qualified employees or senior management; ineffective or inadequate risk management in identifying, controlling or mitigating risks; reliance on, and loss of, key customer or distribution relationships; availability, affordability and adequacy of reinsurance to protect the company against losses; competition; competition in the company's mortgage insurance businesses from government and government-owned and government-sponsored enterprises (GSEs) offering mortgage insurance; the design and effectiveness of our disclosure controls and procedures and internal control over financial reporting may not prevent all errors, misstatements or misrepresentations; and failure or any compromise of the security of the company's computer systems, disaster recovery systems and business continuity plans and failures to safeguard, or breaches of, its confidential information;
- insurance and product-related risks including: the company's inability to increase sufficiently, and in a timely manner, premiums on in force long term care insurance policies and/or reduce in force benefits, and charge higher premiums on new policies, in each case, as currently anticipated and as may be required from time to time in the future (including as a result of the company's failure to obtain any necessary regulatory approvals or unwillingness or inability of policyholders to pay increased premiums); the company's inability to reflect future premium increases and other management actions in its margin calculation as anticipated; failure to sufficiently increase new sales for the company's long term care insurance products; inability to realize anticipated benefits of the company's rescissions, curtailments, loan modifications or other similar programs in its mortgage insurance businesses; premiums for the significant portion of the company's mortgage insurance risk in force with high loan-to-value ratios may not be sufficient to compensate the company for the greater risks associated with those policies; decreases in the volume of high loan-to-value mortgage originations or increases in mortgage insurance cancellations; increases in the use of alternatives to private mortgage insurance and reductions in the level of coverage selected; potential liabilities in connection with the company's U.S. contract underwriting services; and medical advances, such as genetic research and diagnostic imaging, and related legislation that impact policyholder behavior in ways adverse to the company;
- other risks including: occurrence of natural or man-made disasters or a pandemic; impairments of or valuation allowances against the company's deferred tax assets; the possibility that in certain circumstances the company will be obligated to make payments to General Electric Company (GE) under the tax matters agreement with GE even if its corresponding tax savings are never realized and payments could be accelerated in the event of certain changes in control; and provisions of the company's certificate of incorporation and bylaws and the tax matters agreement with GE may discourage takeover attempts and business combinations that stockholders might consider in their best interests; and
- risks relating to the company's common stock including: the continued suspension of payment of dividends; and stock price fluctuations.

The company undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future developments or otherwise.