
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

May 3, 2022
Date of Report
(Date of earliest event reported)



GENWORTH FINANCIAL, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-32195
(Commission
File Number)

80-0873306
(I.R.S. Employer
Identification No.)

6620 West Broad Street, Richmond, VA
(Address of principal executive offices)

23230
(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))

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

<u>Title of each class</u>	<u>Trading Symbol</u>	<u>Name of each exchange on which registered</u>
Class A Common Stock, par value \$.001 per share	GNW	New York Stock Exchange

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 May 3, 2022, Genworth Financial, Inc. (the “Company”) issued (1) a press release announcing its financial results for the quarter ended March 31, 2022, a copy of which is attached hereto as Exhibit 99.1 and is incorporated herein by reference, and (2) a financial supplement for the quarter ended March 31, 2022, a copy of which is attached hereto as Exhibit 99.2 and is incorporated herein by reference.

The information contained in this Current Report on Form 8-K (including the exhibits) is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 (the “Exchange Act”) or otherwise subject to the liabilities under that Section and shall not be deemed to be incorporated by reference into any filing of the company under the Securities Act of 1933, as amended or the Exchange Act, except as shall be expressly set forth by specific reference in such filing. The information contained in 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 Form 8-K:

<u>Exhibit Number</u>	<u>Description of Exhibit</u>
99.1	Press Release dated May 3, 2022
99.2	Financial Supplement for the quarter ended March 31, 2022
104	Cover Page Interactive Data File (the Cover Page Interactive Data File is embedded within the Inline XBRL document)

SIGNATURES

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

GENWORTH FINANCIAL, INC.

Date: May 3, 2022

By: /s/ Jerome T. Upton
Jerome T. Upton
Senior Vice President and Controller
(Principal Accounting Officer)

News Release

6603 West Broad Street
Richmond, VA 23230



Genworth Financial Announces First Quarter 2022 Results

First Quarter Net Income of \$149 Million and Adjusted Operating Income of \$131 Million

Announced \$350 Million Share Repurchase Authorization, The First Shareholder Return Program In Over 13 Years

- Enact segment adjusted operating income of \$135 million, with 10 percent annual growth in insurance-in-force and strong loss performance
- Enact's Board initiated a quarterly dividend program and declared a \$0.14 dividend per share payable in the second quarter
- U.S. Life Insurance segment adjusted operating loss of \$4 million driven by unfavorable life insurance results, partially offset by strong long-term care insurance (LTC) performance
- \$101 million in annual premium rate increases approved, increasing net present value from achieved LTC rate actions since 2012 by approximately \$800 million, bringing the total to \$20.4 billion
- Strong U.S. life insurance companies' statutory income driving estimated risk-based capital ratio to 296%
- Retired \$82 million of debt, bringing total debt to \$1.1 billion; cash and liquid assets of \$215 million
- S&P Global Ratings upgraded the credit ratings of Genworth Financial, Inc. and Genworth Holdings, Inc.

Richmond, VA (May 3, 2022) – Genworth Financial, Inc. (NYSE: GNW) today reported results for the quarter ended March 31, 2022. The company reported net income¹ of \$149 million, or \$0.29 per diluted share, in the first quarter of 2022, compared with net income of \$187 million, or \$0.37 per diluted share, in the first quarter of 2021. The company reported adjusted operating income² of \$131 million, or \$0.25 per diluted share, in the first quarter of 2022, compared with adjusted operating income of \$168 million, or \$0.33 per diluted share, in the first quarter of 2021.

“Genworth had a strong start to the year, with solid operating performance, an improved balance sheet and significant progress on our strategic plan that will drive value for shareholders,” said Tom McInerney, Genworth President and CEO. “Genworth’s financial position is stronger than it has been in over a decade, and as a result, we announced a share repurchase program of up to \$350 million.”

¹ 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.

² 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.

Financial Performance

Consolidated Net Income & Adjusted Operating Income

<i>(Amounts in millions, except per share)</i>	Three months ended March 31				
	2022		2021		Total % change
	Total	Per diluted share	Total	Per diluted share	
Net income available to Genworth's common stockholders	\$ 149	\$0.29	\$ 187	\$0.37	(20)%
Adjusted operating income	\$ 131	\$0.25	\$ 168	\$0.33	(22)%
Weighted-average diluted shares	517.4		513.8		

	As of March 31	
	2022	2021
Book value per share	\$28.23	\$29.14
Book value per share, excluding accumulated other comprehensive income (loss)	\$23.12	\$21.88

Net investment gains, net of taxes and other adjustments, increased net income by \$22 million in the current quarter, compared with \$26 million in the first quarter of 2021. The investment gains in the current quarter were primarily from mark-to-market gains on limited partnership investments held in the LTC business.

Net investment income was \$764 million in the quarter, compared to \$866 million in the prior quarter and \$801 million in the prior year. Net investment income was lower compared to both the prior quarter and the prior year as a result of lower variable investment income, primarily driven by lower income from limited partnerships in the LTC business. The reported yield and the core yield² for the current quarter were 4.67 percent and 4.61 percent, respectively, compared to 5.26 percent and 5.01 percent, respectively, in the prior quarter.

Genworth's effective tax rate on income from continuing operations for the current quarter was approximately 24.3 percent. The effective tax rate was increased by the tax effect of forward starting swap gains settled prior to the change in the corporate tax rate under the 2017 Tax Cuts and Jobs Act.

The table below shows adjusted operating income (loss) by segment and for Corporate and Other activities:

Adjusted Operating Income (Loss) <i>(Amounts in millions)</i>	Q1 22	Q4 21	Q1 21
Enact ³	\$ 135	\$ 125	\$ 126
U.S. Life Insurance	(4)	41	62
Runoff	9	16	12
Corporate and Other	(9)	(18)	(32)
Total Adjusted Operating Income	\$ 131	\$ 164	\$ 168

Adjusted operating income (loss) represents income (loss) from continuing operations excluding the after-tax effects of income (loss) from continuing operations attributable to noncontrolling interests, net investment gains (losses), gains (losses) on the sale of businesses, gains (losses) on the early extinguishment of debt, initial gains (losses) on insurance block transactions, restructuring costs and other adjustments. A reconciliation of net income to adjusted operating income is included at the end of this press release.

³ Reflects Genworth's ownership amount excluding noncontrolling interests of \$30 million and \$29 million in the first quarter of 2022 and fourth quarter of 2021, respectively.

Enact**Operating Metrics***(Dollar amounts in millions)*

	Q1 22	Q4 21	Q1 21
Adjusted operating income ³	\$ 135	\$ 125	\$ 126
Primary new insurance written	\$18,823	\$21,441	\$24,934
Loss ratio	(4)%	3%	22%

Enact reported adjusted operating income of \$135 million, compared with \$125 million in the prior quarter and \$126 million in the prior year. Enact's primary insurance in-force increased ten percent versus the prior year, driven by strong new insurance written (NIW) and higher persistency given the rise in interest rates. Primary NIW decreased 12 percent from the prior quarter. It was also down 25 percent versus the prior year primarily from a smaller private mortgage insurance market. Earned premiums in the current quarter were lower compared to both the prior quarter and the prior year as higher insurance in-force growth was offset by the continued lapse of older, higher-priced policies and lower single premium policy cancellations, as well as higher ceded premiums versus the prior year. Enact's expenses in the current quarter were \$57 million, resulting in an expense ratio of 24 percent.

Enact's current quarter results reflect a benefit of \$10 million from incurred losses driven by a favorable \$50 million pre-tax reserve release, primarily related to 2020 COVID-19 delinquencies, which reduced the loss ratio by 21 percentage points to negative four percent. Results in the prior quarter and prior year reflected losses of \$6 million and \$55 million, and a loss ratio of three percent and 22 percent, respectively. New delinquencies in the current quarter were 8,724, an increase of five percent from 8,282 in the prior quarter, driven by recent large books entering their expected loss development pattern. Current quarter new delinquencies decreased 13 percent from 10,053 in the prior year. Losses in the prior quarter included a \$32 million pre-tax reserve release on pre-COVID-19 delinquencies, while losses in the prior year included a \$10 million pre-tax reserve strengthening on pre-COVID-19 delinquencies. The current quarter new delinquency rate of 0.9 percent remained consistent with pre-pandemic levels. Approximately 27 percent of new primary delinquencies in the current quarter were reported in forbearance plans which may cure at elevated rates.

U.S. Life Insurance

Adjusted Operating Income (Loss)

(Amounts in millions)

	<u>Q1 22</u>	<u>Q4 21</u>	<u>Q1 21</u>
Long-Term Care Insurance	\$ 59	\$ 119	\$ 95
Life Insurance	(79)	(98)	(63)
Fixed Annuities	16	20	30
Total U.S. Life Insurance	<u>\$ (4)</u>	<u>\$ 41</u>	<u>\$ 62</u>

Long-Term Care Insurance In-Force Rate Action Performance

(Amounts in millions)

	<u>Q1 22</u>	<u>Q4 21</u>	<u>Q1 21</u>
Adjusted Operating Income from In-Force Rate Actions ^{4, 5}	<u>\$ 304</u>	<u>\$ 296</u>	<u>\$ 243</u>

Long-Term Care Insurance

Long-term care insurance reported adjusted operating income of \$59 million, compared with \$119 million in the prior quarter and \$95 million in the prior year. LTC results reflected lower net investment income of \$67 million after-tax versus the prior quarter and \$14 million after-tax versus the prior year primarily due to the impact of lower income from limited partnerships, bond calls and commercial mortgage loan prepayments.

Claim terminations in the current quarter remained elevated versus pre-pandemic levels and were higher compared to the prior quarter but lower compared to the prior year. The company released \$9 million pre-tax of its COVID-19 mortality reserve in the current quarter, leaving a pre-tax balance of \$125 million as of March 31, 2022. In the prior year, the company strengthened this reserve by \$67 million pre-tax.

New claims increased versus the prior quarter and prior year driven by both higher severity and frequency as the blocks age. Development of incurred but not reported (IBNR) claims was less favorable as new claim incidence increased versus the prior year but remained lower than pre-pandemic levels. In the prior year, the company strengthened IBNR claim reserves by \$29 million pre-tax as the decrease in incidence was assumed to be driven by the COVID-19 pandemic and temporary in nature. As incidence continues to trend back to historical levels, IBNR claim reserves were reduced by \$29 million pre-tax in the current quarter, leaving a pre-tax balance of \$46 million as of March 31, 2022.

Renewal premiums decreased versus the prior year driven by policy terminations and policies entering paid-up status because of higher non-forfeiture and reduced benefit elections by policyholders. Renewal premiums also decreased compared to the prior quarter, primarily reflecting the seasonality of the timing of policyholder anniversaries.

Adjusted operating income of \$304 million⁴ from cumulative in-force rate actions was more favorable than the prior year and prior quarter, driven primarily by reserve releases from higher benefit reductions.

⁴ Excludes reserve updates resulting from profits followed by losses.

⁵ Adjusted operating income from in-force rate actions includes estimated impacts from a legal settlement, net of tax and litigation expenses, of \$58 million, \$57 million and \$15 million in the first quarter of 2022, fourth quarter of 2021 and first quarter of 2021, respectively.

Life Insurance

Life insurance reported an adjusted operating loss of \$79 million, compared with adjusted operating losses of \$98 million in the prior quarter and \$63 million in the prior year. Mortality, attributable in part to the COVID-19 pandemic, was lower than the prior year but higher compared to the prior quarter. During the current quarter, the company accrued \$20 million after-tax related to a legal settlement.

Current quarter results also included a lower charge of \$13 million after-tax related to deferred acquisition costs (DAC) recoverability testing versus the prior quarter. In the prior quarter, the company completed its annual review of life insurance assumptions and recorded an unfavorable charge of \$70 million after-tax, driven by assumption changes primarily related to unfavorable pre-COVID-19 mortality experience.

Fixed Annuities

Fixed annuities reported adjusted operating income of \$16 million, compared with \$20 million in the prior quarter and \$30 million in the prior year. Results in the current quarter reflected lower net investment spreads because of lower bond calls and commercial mortgage loan prepayments, as well as anticipated block runoff. Mortality in the single premium immediate annuity product was less favorable than the prior year.

Runoff

Runoff reported adjusted operating income of \$9 million, compared with \$16 million in the prior quarter and \$12 million in the prior year. Current quarter results in the variable annuity products were impacted by unfavorable equity market performance compared to the prior quarter and prior year.

Corporate And Other

Corporate and Other reported an adjusted operating loss of \$9 million, compared with adjusted operating losses of \$18 million in the prior quarter and \$32 million in the prior year. Current quarter results included lower interest expense from the reduction of Genworth holding company debt.

Capital & Liquidity

Genworth maintains the following capital positions in its operating subsidiaries:

Key Capital & Liquidity Metrics (Dollar amounts in millions)	Q1 22	Q4 21	Q1 21
Enact			
Consolidated Risk-To-Capital Ratio ⁶	12.1:1	12.2:1	11.7:1
Enact Mortgage Insurance Corporation Risk-To-Capital Ratio ⁶	12.2:1	12.3:1	11.9:1
Private Mortgage Insurer Eligibility Requirements Sufficiency Ratio (PMIERS) ^{6, 7}	176%	165%	159%
U.S. Life Insurance Companies			
Consolidated Risk-Based Capital Ratio ⁶	296%	289%	254%
Holding Company Cash and Liquid Assets ^{8, 9}	\$ 215	\$ 356	\$ 757

Key Points

- Enact's PMIERS sufficiency ratio is estimated to be 176 percent, \$2,261 million above published PMIERS requirements¹⁰. The PMIERS sufficiency ratio increased 11 points, or by \$258 million, sequentially, driven by execution of reinsurance transactions, lapses, business cash flows and lower delinquencies, partially offset by NIW and amortization of existing reinsurance transactions;
- PMIERS sufficiency benefited from a 0.30 multiplier applied to the risk based required asset factor for certain non-performing loans, which resulted in a reduction of the published PMIERS required assets by an estimated \$272 million at the end of the current quarter, compared to \$390 million at the end of the prior quarter and \$1,012 million at the end of the first quarter of 2021. These amounts are gross of incremental reinsurance benefits from the elimination of the 0.30 multiplier;
- Enact completed two excess of loss reinsurance transactions during the current quarter, which will provide approximately \$325 million of reinsurance coverage on a portion of the 2021 book year and will provide up to \$294 million of reinsurance coverage on expected new insurance written for the 2022 book year;
- U.S. life insurance companies' consolidated statutory risk-based capital ratio is estimated to be 296 percent at the end of the current quarter, up from 289 percent in the prior quarter primarily from strong statutory earnings in the current quarter driven by LTC premium increases and benefit reductions from in-force rate actions;

⁶ Company estimate for the first quarter of 2022 due to timing of the preparation and filing of statutory statements.

⁷ The PMIERS sufficiency ratio is calculated as available assets divided by required assets as defined within the published PMIERS. As of March 31, 2022, December 31, 2021 and March 31, 2021, the PMIERS sufficiency ratios were \$2,261 million, \$2,003 million and \$1,764 million, respectively, of available assets above the published PMIERS requirements.

⁸ 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.

⁹ Genworth Holdings, Inc. had \$140 million, \$331 million and \$757 million of cash, cash equivalents and restricted cash as of March 31, 2022, December 31, 2021 and March 31, 2021, respectively, which included \$60 million of restricted cash and cash equivalents as of March 31, 2021. Genworth Holdings, Inc. also held \$75 million and \$25 million in U.S. government securities as of March 31, 2022 and December 31, 2021, respectively, which included \$1 million and \$3 million, respectively, of restricted assets.

¹⁰ The government-sponsored enterprises (GSEs) have imposed certain capital restrictions which remain in effect until certain conditions are met. These restrictions required Enact Mortgage Insurance Corporation, the company's principal U.S. mortgage insurance subsidiary, to maintain 120 percent and 115 percent of PMIERS minimum required assets among other restrictions as of March 31, 2022 and December 31, 2021, respectively.

-
- Genworth's holding company ended the quarter with \$215 million of cash and liquid assets, including \$1 million that is restricted. Cash sources in the quarter included \$64 million from intercompany tax payments. During the current quarter, the company reduced its February 2024 debt obligation by \$82 million through open market repurchases, leaving \$200 million of principal remaining. Genworth's parent holding company public debt outstanding was \$1.1 billion as of March 31, 2022; and
 - The company's Board of Directors authorized a \$350 million share repurchase program to be funded from holding company capital, as well as future cash flow generation, including expected future dividends from the company's ownership in Enact. The company expects the majority of share repurchases to occur following the repayment of its remaining 2024 debt.

About Genworth Financial

Genworth Financial, Inc. (NYSE: GNW) is a Fortune 500 provider of products, services and solutions that help families address the financial challenges of aging. Headquartered in Richmond, Virginia, we apply our nearly 150 years of experience each day to helping people navigate caregiving options and fund their long-term care needs. Genworth is also the parent company of publicly traded Enact Holdings, Inc. (Nasdaq: ACT), a leading U.S. mortgage insurance provider. For more information on Genworth, visit genworth.com, for more information on Enact Holdings, Inc. visit enactmi.com.

From time to time, Genworth releases important information via postings on its 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 at <http://investor.genworth.com>.

Conference Call And Financial Supplement Information

This press release, summary presentation and financial supplement for the first quarter 2022 are now posted on the company's website, <http://investor.genworth.com>. Investors are encouraged to review these materials.

Genworth will conduct a conference call on May 4, 2022 at 9:00 a.m. (ET) to discuss the quarter's results. Genworth's conference call will be accessible via telephone and Internet. The dial-in number for Genworth's May 4th conference call is 888-208-1820 or 323-794-2110 (outside the U.S.); conference ID #8305163. To participate in the call by webcast, register at <http://investor.genworth.com> at least 15 minutes prior to the webcast to download and install any necessary software.

A replay of the call will be available at 888-203-1112 or 719-457-0820 (outside the U.S.); conference ID #8305163 through May 18, 2022. The webcast will also be archived on the company's website for one year.

Prior to Genworth's conference call, Enact will hold a conference call on May 4, 2022 at 8:00 a.m. (ET) to discuss its results from the first quarter. Enact's conference call will be accessible via telephone and Internet. The dial-in number for Enact's May 4th conference call is 833-730-3978 or 720-405-2123 (outside the U.S.); conference ID #6293684. To participate in the call by webcast, register at <http://ir.enactmi.com/news-and-events/events> at least 15 minutes prior to the webcast to download and install any necessary software.

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 (loss) from continuing operations attributable to noncontrolling interests, net investment gains (losses), gains (losses) on the sale of businesses, gains (losses) on the early extinguishment of debt, initial gains (losses) on insurance block transactions, restructuring costs and infrequent or unusual non-operating items. Initial 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 initial 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 estimated future credit losses, 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. Gains (losses) on the sale of businesses, gains (losses) on the early extinguishment of debt, initial 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 U.S. GAAP, the company believes that adjusted operating income (loss) and measures that are derived from or incorporate adjusted operating income (loss), including adjusted operating income (loss) per share on a basic and diluted basis, 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 U.S. GAAP. In addition, the company’s definition of adjusted operating income (loss) may differ from the definitions used by other companies.

Adjustments to reconcile net income (loss) available to Genworth Financial, Inc.’s common stockholders to adjusted operating income (loss) assume a 21 percent tax rate 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 the first quarter of 2022, the company repurchased \$82 million principal amount of Genworth Holdings, Inc.’s (Genworth Holdings) senior notes due in February 2024 for a pre-tax loss of \$3 million. In the fourth quarter of 2021, the company paid a pre-tax make-whole premium of \$20 million related to the early redemption of Genworth Holdings’ senior notes originally scheduled to mature in August 2023. In the fourth quarter of 2021, the company also repurchased \$209 million principal amount of Genworth Holdings’ senior notes with 2023 and 2024 maturity dates for a pre-tax loss of \$15 million. In the first quarter of 2021, the company repurchased \$146 million principal amount of Genworth Holdings’ senior notes due in September 2021 for a pre-tax loss of \$4 million. These transactions were excluded from adjusted operating income as they relate to gains (losses) on the early extinguishment of debt.

In the fourth quarter of 2021, the company recorded a pre-tax loss of \$92 million as a result of ceding certain term life insurance policies as part of a life block transaction.

The company recorded a pre-tax expense of \$5 million and \$21 million in the fourth and first quarters of 2021, respectively, related to restructuring costs as it continued to evaluate and appropriately size its organizational needs and expenses. There were no infrequent or unusual items excluded from adjusted operating income during the periods presented.

The tables at the end of this press release provide a reconciliation of net income available to Genworth Financial, Inc.'s common stockholders to adjusted operating income for the three months ended March 31, 2022 and 2021, as well as for the three months ended December 31, 2021, and reflect adjusted operating income (loss) 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 U.S. GAAP. In addition, the company's definition of core yield may differ from the definitions used by other companies. A reconciliation of reported U.S. GAAP yield to core yield is included in a table at the end of this press release.

Definition of Selected Operating Performance Measures

The company taxes its businesses at the U.S. corporate federal income tax rate of 21 percent. Each segment is then adjusted to reflect the unique tax attributes of that segment such as permanent differences between U.S. GAAP and tax law. 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.

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 business generated in a period. Sales refer to new insurance written for mortgage insurance products included in the company's Enact segment. The company considers new insurance written to be a measure of the operating performance of its Enact segment because it represents a measure of new sales of insurance policies during a specified period, rather than a measure of revenues or profitability during that period.

Management regularly monitors and reports insurance in-force and risk in-force for the company's Enact segment. Insurance in-force is a measure of the aggregate unpaid principal balance as of the respective reporting date for loans insured by the company's U.S. mortgage insurance subsidiaries. Risk in-force is based on the coverage percentage applied to the estimated current outstanding loan balance. The company considers insurance in-force and risk in-force to be measures of the operating performance of its Enact segment because they represent measures of the size of its business at a specific date which will generate revenues and profits in a future period, rather than measures of its revenues or profitability during that period.

Management also regularly monitors and reports a loss ratio for the company's businesses. For the U.S. mortgage insurance business included in the company's Enact segment, the loss ratio is the ratio of benefits and other changes in policy reserves to net earned premiums. For the long-term care insurance business included in the company's U.S. Life Insurance segment, 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.

Management also regularly monitors and reports adjusted operating income from in-force rate actions in the long-term care insurance business included in the company's U.S. Life Insurance segment. Adjusted operating income from in-force rate actions includes premium rate increases and associated benefit reductions on its long-term care insurance products implemented since 2012, which are net of estimated premium tax, commissions, and other expenses on an after-tax basis. Estimates for in-force rate actions reflect certain simplifying assumptions that may vary materially from actual historical results, including but not limited to a uniform rate of coinsurance and premium taxes in addition to consistent policyholder behavior over time. Actual behavior may differ significantly from these assumptions. In addition, estimates exclude reserve updates resulting from profits followed by losses. The company considers adjusted operating income from in-force rate actions to be a measure of its operating performance because it helps bring older generation long-term care insurance blocks closer to a break-even point over time and helps bring the loss ratios on newer long-term care insurance blocks back towards their original pricing.

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.

Statutory Accounting Data

The company presents certain supplemental statutory data for Genworth Life Insurance Company (GLIC) and its consolidating life insurance subsidiaries that has been prepared on the basis of statutory accounting principles (SAP). GLIC and its consolidating life insurance subsidiaries file financial statements with state insurance regulatory authorities and the National Association of Insurance Commissioners that are prepared using SAP, an accounting basis either prescribed or permitted by such authorities. Due to differences in methodology between SAP and U.S. GAAP, the values for assets, liabilities and equity reflected in financial statements prepared in accordance with U.S. GAAP are materially different from those reflected in financial statements prepared under SAP. This supplemental statutory data should not be viewed as an alternative to U.S. GAAP or used in lieu of U.S. GAAP.

This supplemental statutory data includes risk-based capital ratios for GLIC and its consolidating life insurance subsidiaries as well as statutory earnings. Management uses and provides this supplemental statutory data because it believes it provides a useful measure of among other things the adequacy of capital. Management uses this data to measure against its policy to manage the U.S. life insurance businesses with internally generated capital.

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. Examples of forward-looking statements include statements the company makes relating to future reductions of debt, potential dividends or share repurchases, future Enact Holdings, Inc. (Enact Holdings) dividends, the cumulative amount of rate action benefits required for the company’s long-term care insurance business to achieve break-even, future financial performance of the company’s businesses, liquidity and future strategic investments, including new products and services designed to assist individuals with navigating and financing long-term care, and potential third-party relationships or business arrangements relating thereto, as well as statements the company makes regarding the potential impacts of the coronavirus pandemic (COVID-19). 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 from those in the forward-looking statements due to global political, economic, business, competitive, market, regulatory and other factors and risks, including, but not limited to, the following:

- *the company may be unable to successfully execute its strategic plans* to strengthen the company’s financial position and create long-term shareholder value, including with respect to reducing debt of Genworth Holdings; maximizing the value of Enact Holdings; achieving economic breakeven on and stabilizing the legacy long-term care insurance in-force block; advancing the company’s long-term care growth initiatives, including launching either unilaterally or with a strategic partner new product and service offerings designed to assist individuals with navigating and financing long-term care; and returning capital to Genworth Financial shareholders, due to numerous risks and constraints, including but not limited to: Enact Holdings’ ability to pay dividends as a result of the GSEs amendments to PMIERS in response to COVID-19 as well as additional PMIERS requirements or other restrictions that the GSEs may place on the ability of Enact Holdings to pay dividends; an 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, debt issuances, securities offerings or otherwise, in each case as and when required; the company’s strategic priorities change or become more costly or difficult to successfully achieve than currently anticipated or the benefits achieved being less than anticipated; an inability to identify and contract with a strategic partner regarding a new long-term care insurance business; an inability to establish a new long-term care insurance business or product offerings due to commercial and/or regulatory challenges; an inability to reduce costs proportionate with Genworth’s reduced business activity, including as forecasted and in a timely manner; and adverse tax or accounting charges, including new accounting guidance (that is effective for the company on January 1, 2023) related to long-duration insurance contracts;
- *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 in the future to its assumptions, methodologies or otherwise in connection with periodic or other reviews); risks related to the impact of the company’s annual review of assumptions and methodologies related to its long-term care insurance claim reserves and margin reviews, including risks that additional information obtained in the future or other changes to assumptions or methodologies materially affect margins; or other changes to assumptions or methodologies materially affect margins; the inability to accurately estimate the impacts of COVID-19; inaccurate models; the need to increase the company’s reserves as a result of deviations from its estimates and actuarial assumptions or other reasons; accelerated amortization of deferred acquisition costs (DAC) and present value of future profits (PVFP) (including as a result of any future 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); changes in valuation of fixed maturity and equity securities; and the benefits Enact Holdings realizes from its future loss mitigation actions or programs may be limited;

-
- *liquidity, financial strength and credit ratings, and counterparty and credit risks* including: the impact on Genworth Financial's and Genworth Holdings' liquidity caused by the inability to receive dividends or other returns of capital from Enact Holdings, including as a result of COVID-19; limited sources of capital and financing, including under certain conditions the company may seek additional capital on unfavorable terms; future adverse rating agency actions against the company or Enact Holdings, including with respect to rating downgrades or potential downgrades or being put on review for potential downgrade, all of which could have adverse implications, 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; and defaults or other events impacting the value of the company's invested assets, including but not limited to, its fixed maturity and equity securities, commercial mortgage loans, policy loans and limited partnership investments;
 - *risks relating to economic, market and political conditions* including: downturns and volatility in global economies and equity and credit markets, including as a result of inflation and supply chain disruptions, continued labor shortages and other displacements caused by COVID-19; interest rates and changes in rates could adversely affect the company's business and profitability; deterioration in economic conditions or a decline in home prices or home sales that adversely affect Enact Holdings' loss experience and/or business levels; political and economic instability or changes in government policies; and fluctuations in international securities markets;
 - *regulatory and legal risks* including: extensive regulation of the company's businesses and changes in applicable laws and regulations (including changes to tax laws and regulations); litigation and regulatory investigations or other actions, including commercial and contractual disputes with counterparties; heightened regulatory restrictions and other insurance, regulatory or corporate law restrictions; the inability to successfully seek in-force rate action increases (including increased premiums and associated benefit reductions) in the company's long-term care insurance business, including as a result of COVID-19; adverse changes in regulatory requirements, including risk-based capital; inability of Enact Holdings to continue to meet the requirements mandated by PMIERS, including as a result of increased delinquencies caused by COVID-19; inability of Enact Holdings' U.S. mortgage insurance subsidiaries to meet minimum statutory capital requirements; the influence of Federal National Mortgage Association (Fannie Mae), Federal Home Loan Mortgage Corporation (Freddie Mac) and a small number of large mortgage lenders in 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 Enact Holdings, including any additional restrictions placed on Enact Holdings by government and government-owned enterprises and the GSEs in connection with additional capital transactions; inability to continue to implement actions to mitigate the impact of statutory reserve requirements; changes in accounting and reporting standards, including new accounting guidance (that is effective for the company on January 1, 2023) related to long-duration insurance contracts;
 - *operational risks* including: the inability to retain, attract and motivate qualified employees or senior management; Enact Holdings' reliance on, and loss of, key customers or distribution relationships; competition with government-owned and government-sponsored enterprises may put Enact Holdings at a competitive disadvantage on pricing and other terms and conditions; the design and effectiveness of the company's 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, business continuity plans and failures to safeguard or breaches of confidential information;
 - *insurance and product-related risks* including: Enact Holdings' inability to maintain or increase capital in its mortgage insurance subsidiaries in a timely manner; the company's inability to increase premiums and reduce benefits sufficiently, and in a timely manner, on its in-force long-term care insurance policies, in each case, as currently anticipated and as may be required from time to time in the future (including as a result of a delay or failure to obtain any necessary regulatory approvals, including as a result of COVID-19, or unwillingness or inability of policyholders to pay increased premiums and/or accept reduced benefits),

including to offset any negative impact on the company's long-term care insurance margins; availability, affordability and adequacy of reinsurance to protect the company against losses; decreases in the volume of 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 Enact Holdings' U.S. contract underwriting services; Enact Holdings' delegated underwriting program may subject its mortgage insurance subsidiaries to unanticipated claims; and medical advances, such as genetic research and diagnostic imaging, and related legislation that impact policyholder behavior in ways adverse to the company; and

- *other general risks* including: the occurrence of natural or man-made disasters, including geopolitical tensions and war, or a public health emergency, including pandemics, could materially adversely affect the company's financial condition and results of operations.

The company undertakes no obligation to publicly update any forward-looking statement, whether as a result of new information, future developments or otherwise. This press release does not constitute an offering of any securities.

###

Contact Information:

Investors: Sarah Crews
InvestorInfo@genworth.com

Media: Amy Rein
Amy.Rein@genworth.com

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

	Three months ended		Three months
	March 31,		ended
	2022	2021	December 31,
			2021
Revenues:			
Premiums	\$ 931	\$ 968	\$ 576
Net investment income	764	801	866
Net investment gains (losses)	28	33	132
Policy fees and other income	169	183	162
Total revenues	<u>1,892</u>	<u>1,985</u>	<u>1,736</u>
Benefits and expenses:			
Benefits and other changes in policy reserves	1,139	1,218	861
Interest credited	125	131	127
Acquisition and operating expenses, net of deferrals	271	275	354
Amortization of deferred acquisition costs and intangibles	92	77	108
Interest expense	26	51	31
Total benefits and expenses	<u>1,653</u>	<u>1,752</u>	<u>1,481</u>
Income from continuing operations before income taxes	239	233	255
Provision for income taxes	58	59	62
Income from continuing operations	181	174	193
Income (loss) from discontinued operations, net of taxes	(2)	21	(1)
Net income	179	195	192
Less: net income from continuing operations attributable to noncontrolling interests	30	—	29
Less: net income from discontinued operations attributable to noncontrolling interests	—	8	—
Net income available to Genworth Financial, Inc.'s common stockholders	<u>\$ 149</u>	<u>\$ 187</u>	<u>\$ 163</u>
Net income available to Genworth Financial, Inc.'s common stockholders:			
Income from continuing operations available to Genworth Financial, Inc.'s common stockholders	\$ 151	\$ 174	\$ 164
Income (loss) from discontinued operations available to Genworth Financial, Inc.'s common stockholders	(2)	13	(1)
Net income available to Genworth Financial, Inc.'s common stockholders	<u>\$ 149</u>	<u>\$ 187</u>	<u>\$ 163</u>
Income from continuing operations available to Genworth Financial, Inc.'s common stockholders per share:			
Basic	<u>\$ 0.30</u>	<u>\$ 0.35</u>	<u>\$ 0.32</u>
Diluted	<u>\$ 0.29</u>	<u>\$ 0.34</u>	<u>\$ 0.32</u>
Net income available to Genworth Financial, Inc.'s common stockholders per share:			
Basic	<u>\$ 0.29</u>	<u>\$ 0.37</u>	<u>\$ 0.32</u>
Diluted	<u>\$ 0.29</u>	<u>\$ 0.37</u>	<u>\$ 0.32</u>
Weighted-average common shares outstanding:			
Basic	<u>508.3</u>	<u>506.0</u>	<u>507.4</u>
Diluted	<u>517.4</u>	<u>513.8</u>	<u>515.6</u>

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

	Three months ended March 31,		Three months ended December 31,
	2022	2021	2021
Net income available to Genworth Financial, Inc.'s common stockholders	\$ 149	\$ 187	\$ 163
Add: net income from continuing operations attributable to noncontrolling interests	30	—	29
Add: net income from discontinued operations attributable to noncontrolling interests	—	8	—
Net income	179	195	192
Less: income (loss) from discontinued operations, net of taxes	(2)	21	(1)
Income from continuing operations	181	174	193
Less: net income from continuing operations attributable to noncontrolling interests	30	—	29
Income from continuing operations available to Genworth Financial, Inc.'s common stockholders	151	174	164
Adjustments to income from continuing operations available to Genworth Financial, Inc.'s common stockholders:			
Net investment (gains) losses, net ¹¹	(28)	(33)	(133)
(Gains) losses on early extinguishment of debt	3	4	35
Initial loss from life block transaction	—	—	92
Expenses related to restructuring	—	21	5
Taxes on adjustments	5	2	1
Adjusted operating income	<u>\$ 131</u>	<u>\$ 168</u>	<u>\$ 164</u>
Adjusted operating income (loss):			
Enact segment	\$ 135	\$ 126	\$ 125
U.S. Life Insurance segment:			
Long-Term Care Insurance	59	95	119
Life Insurance	(79)	(63)	(98)
Fixed Annuities	16	30	20
Total U.S. Life Insurance segment	<u>(4)</u>	<u>62</u>	<u>41</u>
Runoff segment	9	12	16
Corporate and Other	(9)	(32)	(18)
Adjusted operating income	<u>\$ 131</u>	<u>\$ 168</u>	<u>\$ 164</u>
Net income available to Genworth Financial, Inc.'s common stockholders per share:			
Basic	<u>\$ 0.29</u>	<u>\$ 0.37</u>	<u>\$ 0.32</u>
Diluted	<u>\$ 0.29</u>	<u>\$ 0.37</u>	<u>\$ 0.32</u>
Adjusted operating income per share:			
Basic	<u>\$ 0.26</u>	<u>\$ 0.33</u>	<u>\$ 0.32</u>
Diluted	<u>\$ 0.25</u>	<u>\$ 0.33</u>	<u>\$ 0.32</u>
Weighted-average common shares outstanding:			
Basic	<u>508.3</u>	<u>506.0</u>	<u>507.4</u>
Diluted	<u>517.4</u>	<u>513.8</u>	<u>515.6</u>

¹¹ For the three months ended December 31, 2021, net investment (gains) losses were adjusted for DAC and other intangible amortization and certain benefit reserves of \$(1) million.

Condensed Consolidated Balance Sheets
(Amounts in millions)

	March 31, 2022 (Unaudited)	December 31, 2021
Assets		
Cash, cash equivalents, restricted cash and invested assets	\$ 68,863	\$ 74,496
Deferred acquisition costs	1,310	1,146
Intangible assets	159	143
Reinsurance recoverable, net	16,764	16,813
Deferred tax and other assets	861	507
Separate account assets	5,530	6,066
Total assets	<u>\$ 93,487</u>	<u>\$ 99,171</u>
Liabilities and equity		
Liabilities:		
Future policy benefits	\$ 38,897	\$ 41,528
Policyholder account balances	18,197	19,354
Liability for policy and contract claims	11,833	11,841
Unearned premiums	639	672
Other liabilities	1,416	1,511
Long-term borrowings	1,819	1,899
Separate account liabilities	5,530	6,066
Liabilities related to discontinued operations	4	34
Total liabilities	<u>78,335</u>	<u>82,905</u>
Equity:		
Common stock	1	1
Additional paid-in capital	11,857	11,858
Accumulated other comprehensive income (loss)	2,610	3,861
Retained earnings	2,639	2,490
Treasury stock, at cost	<u>(2,700)</u>	<u>(2,700)</u>
Total Genworth Financial, Inc.'s stockholders' equity	14,407	15,510
Noncontrolling interests	<u>745</u>	<u>756</u>
Total equity	<u>15,152</u>	<u>16,266</u>
Total liabilities and equity	<u>\$ 93,487</u>	<u>\$ 99,171</u>

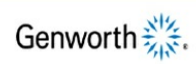
Reconciliation of Reported Yield to Core Yield

	Three months ended	
	March 31, 2022	December 31, 2021
(Assets - amounts in billions)		
Reported Total Invested Assets and Cash	\$ 68.2	\$ 73.8
Subtract:		
Unrealized gains (losses)	3.0	8.2
Adjusted End of Period Invested Assets and Cash	<u>\$ 65.2</u>	<u>\$ 65.6</u>
Average Invested Assets and Cash Used in Reported and Core Yield Calculation	<u>\$ 65.4</u>	<u>\$ 65.9</u>
(Income - amounts in millions)		
Reported Net Investment Income	\$ 764	\$ 866
Subtract:		
Bond calls and commercial mortgage loan prepayments	10	38
Other non-core items ¹²	—	2
Core Net Investment Income	<u>\$ 754</u>	<u>\$ 826</u>
Reported Yield	<u>4.67%</u>	<u>5.26%</u>
Core Yield	<u>4.61%</u>	<u>5.01%</u>

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

First Quarter Financial Supplement

March 31, 2022



GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
FIRST QUARTER 2022

Table of Contents	Page
<u>Investor Letter</u>	3
<u>Use of Non-GAAP Measures</u>	4
<u>Results of Operations and Selected Operating Performance Measures</u>	5
<u>Financial Highlights</u>	6
Consolidated Quarterly Results	
<u>Consolidated Net Income by Quarter</u>	8
<u>Reconciliation of Net Income to Adjusted Operating Income</u>	9
<u>Consolidated Balance Sheets</u>	10-11
<u>Consolidated Balance Sheets by Segment</u>	12-13
<u>Deferred Acquisition Costs (DAC) Rollforward</u>	14
Quarterly Results by Business	
<u>Adjusted Operating Income and Sales - Enact Segment</u>	16-21
<u>Adjusted Operating Income (Loss) - U.S. Life Insurance Segment</u>	23-26
<u>Adjusted Operating Income - Runoff Segment</u>	28
<u>Adjusted Operating Income (Loss) - Corporate and Other Activities</u>	30
Additional Financial Data	
<u>Investments Summary</u>	32
<u>Fixed Maturity Securities Summary</u>	33
<u>General Account U.S. GAAP Net Investment Income Yields</u>	34
<u>Net Investment Gains (Losses), Net—Detail</u>	35
Reconciliations of Non-GAAP Measures	
<u>Reconciliation of Operating Return On Equity (ROE)</u>	37
<u>Reconciliation of Consolidated Expense Ratio</u>	38
<u>Reconciliation of Reported Yield to Core Yield</u>	39
Corporate Information	
<u>Financial Strength Ratings</u>	41

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 (U.S. 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.

**GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
FIRST QUARTER 2022**

Dear Investor,

On March 11, 2022, S&P Global Ratings upgraded the credit rating of Genworth Financial, Inc. and Genworth Holdings, Inc. (Genworth Holdings) to “B+” (Speculative) from “B” (Speculative) and maintained a Positive outlook. The ratings upgrade is mostly due to the reduction in Genworth Holdings’ debt and other obligations over the past 12 months, resulting in the company’s improved financial flexibility and lower liquidity risk. For information related to the financial strength ratings of the company’s primary insurance subsidiaries, see page 41 of this financial supplement.

The company has added a new non-GAAP financial measure entitled “adjusted expense ratio” on page 38 of this financial supplement. Management believes that this expense ratio analysis enhances understanding of the operating performance of the company.

Thank you for your continued interest in Genworth Financial, Inc.

Regards,

Investor Relations

InvestorInfo@genworth.com

GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
FIRST QUARTER 2022

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 (loss) from continuing operations attributable to noncontrolling interests, net investment gains (losses), gains (losses) on the sale of businesses, gains (losses) on the early extinguishment of debt, initial gains (losses) on insurance block transactions, restructuring costs and infrequent or unusual non-operating items. Initial 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 initial 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 estimated future credit losses, 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. Gains (losses) on the sale of businesses, gains (losses) on the early extinguishment of debt, initial 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 U.S. GAAP, the company believes that adjusted operating income (loss) and measures that are derived from or incorporate adjusted operating income (loss), including adjusted operating income (loss) per share on a basic and diluted basis, 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 U.S. GAAP. In addition, the company’s definition of adjusted operating income (loss) may differ from the definitions used by other companies.

Adjustments to reconcile net income (loss) available to Genworth Financial, Inc.’s common stockholders to adjusted operating income (loss) assume a 21% tax rate 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 35).

In the first quarter of 2022, the company repurchased \$82 million principal amount of Genworth Holdings’ senior notes due in February 2024 for a pre-tax loss of \$3 million. In the fourth and third quarters of 2021, the company paid a pre-tax make-whole premium of \$20 million and \$6 million, respectively, related to the early redemption of Genworth Holdings’ senior notes originally scheduled to mature in August 2023 and September 2021, respectively. In the fourth quarter of 2021, the company also repurchased \$209 million principal amount of Genworth Holdings’ senior notes with 2023 and 2024 maturity dates for a pre-tax loss of \$15 million. In the first quarter of 2021, the company repurchased \$146 million principal amount of Genworth Holdings’ senior notes due in September 2021 for a pre-tax loss of \$4 million. These transactions were excluded from adjusted operating income as they relate to gains (losses) on the early extinguishment of debt.

In the fourth quarter of 2021, the company recorded a pre-tax loss of \$92 million as a result of ceding certain term life insurance policies as part of a life block transaction.

The company recorded a pre-tax expense of \$5 million, \$3 million, \$5 million and \$21 million in the fourth, third, second and first quarters of 2021, respectively, related to restructuring costs as it continued to evaluate and appropriately size its organizational needs and expenses. There were no infrequent or unusual items excluded from adjusted operating income (loss) during the periods presented.

The table on page 9 of this financial supplement provides a reconciliation of net income available to Genworth Financial, Inc.’s common stockholders to adjusted operating income for the periods presented and reflects adjusted operating income (loss) as determined in accordance with accounting guidance related to segment reporting. This 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 37 to 39 of this financial supplement.

GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
FIRST QUARTER 2022

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 available to Genworth Financial, Inc.'s common stockholders to adjusted operating income for the periods presented and reflects adjusted operating income as determined in accordance with accounting guidance related to segment reporting.

The company taxes its businesses at the U.S. corporate federal income tax rate of 21%. Each segment is then adjusted to reflect the unique tax attributes of that segment, such as permanent differences between U.S. GAAP and tax law. 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.

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 business generated in a period. Sales refer to new insurance written for mortgage insurance products included in the company's Enact segment. The company considers new insurance written to be a measure of the operating performance of its Enact segment because it represents a measure of new sales of insurance policies during a specified period, rather than a measure of revenues or profitability during that period.

Management regularly monitors and reports insurance in-force and risk in-force for the company's Enact segment. Insurance in-force is a measure of the aggregate unpaid principal balance as of the respective reporting date for loans insured by the company's U.S. mortgage insurance subsidiaries. Risk in-force is based on the coverage percentage applied to the estimated current outstanding loan balance. The company considers insurance in-force and risk in-force to be measures of the operating performance of its Enact segment because they represent measures of the size of its business at a specific date which will generate revenues and profits in a future period, rather than measures of its revenues or profitability during that period.

Management also regularly monitors and reports a loss ratio for the company's businesses. For the U.S. mortgage insurance business included in the company's Enact segment, the loss ratio is the ratio of benefits and other changes in policy reserves to net earned premiums. For the long-term care insurance business included in the company's U.S. Life Insurance segment, 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
FIRST QUARTER 2022

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

Balance Sheet Data	March 31, 2022	December 31, 2021	September 30, 2021	June 30, 2021	March 31, 2021
Total Genworth Financial, Inc.'s stockholders' equity, excluding accumulated other comprehensive income	\$ 11,797	\$ 11,649	\$ 11,476	\$ 11,330	\$ 11,083
Total accumulated other comprehensive income	2,610	3,861	3,800	3,834	3,675
Total Genworth Financial, Inc.'s stockholders' equity	<u>\$ 14,407</u>	<u>\$ 15,510</u>	<u>\$ 15,276</u>	<u>\$ 15,164</u>	<u>\$ 14,758</u>
Book value per share	\$ 28.23	\$ 30.57	\$ 30.11	\$ 29.89	\$ 29.14
Book value per share, excluding accumulated other comprehensive income	\$ 23.12	\$ 22.96	\$ 22.62	\$ 22.33	\$ 21.88
Common shares outstanding as of the balance sheet date	510.3	507.4	507.4	507.4	506.5

Twelve Month Rolling Average ROE	Twelve months ended				
	March 31, 2022	December 31, 2021	September 30, 2021	June 30, 2021	March 31, 2021
U.S. GAAP Basis ROE	7.6%	8.0%	9.1%	10.3%	4.0%
Operating ROE ⁽¹⁾	6.3%	6.8%	7.1%	6.2%	4.3%

Quarterly Average ROE	Three months ended				
	March 31, 2022	December 31, 2021	September 30, 2021	June 30, 2021	March 31, 2021
U.S. GAAP Basis ROE	5.1%	5.6%	11.0%	8.6%	6.8%
Operating ROE ⁽¹⁾	4.5%	5.7%	8.4%	6.9%	6.1%

Basic and Diluted Shares	Three months ended March 31, 2022
Weighted-average common shares used in basic earnings per share calculations	508.3
Potentially dilutive securities:	
Stock options, restricted stock units and other equity-based compensation	9.1
Weighted-average common shares used in diluted earnings per share calculations	<u>517.4</u>

(1) See page 37 herein for a reconciliation of U.S. GAAP Basis ROE to Operating ROE.

Consolidated Quarterly Results

GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
FIRST QUARTER 2022

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

	2022		2021			Total
	1Q	4Q	3Q	2Q	1Q	
REVENUES:						
Premiums	\$ 931	\$ 576	\$ 944	\$ 947	\$ 968	\$3,435
Net investment income	764	866	859	844	801	3,370
Net investment gains (losses)	28	132	88	70	33	323
Policy fees and other income	169	162	179	180	183	704
Total revenues	<u>1,892</u>	<u>1,736</u>	<u>2,070</u>	<u>2,041</u>	<u>1,985</u>	<u>7,832</u>
BENEFITS AND EXPENSES:						
Benefits and other changes in policy reserves	1,139	861	1,143	1,161	1,218	4,383
Interest credited	125	127	123	127	131	508
Acquisition and operating expenses, net of deferrals	271	354	290	304	275	1,223
Amortization of deferred acquisition costs and intangibles	92	108	106	86	77	377
Interest expense	26	31	35	43	51	160
Total benefits and expenses	<u>1,653</u>	<u>1,481</u>	<u>1,697</u>	<u>1,721</u>	<u>1,752</u>	<u>6,651</u>
INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES						
	239	255	373	320	233	1,181
Provision for income taxes	58	62	67	75	59	263
INCOME FROM CONTINUING OPERATIONS						
	181	193	306	245	174	918
Income (loss) from discontinued operations, net of taxes (1)	(2)	(1)	12	(5)	21	27
NET INCOME						
	179	192	318	240	195	945
Less: net income from continuing operations attributable to noncontrolling interests	30	29	4	—	—	33
Less: net income from discontinued operations attributable to noncontrolling interests	—	—	—	—	8	8
NET INCOME AVAILABLE TO GENWORTH FINANCIAL, INC.'S COMMON STOCKHOLDERS						
	<u>\$ 149</u>	<u>\$ 163</u>	<u>\$ 314</u>	<u>\$ 240</u>	<u>\$ 187</u>	<u>\$ 904</u>
NET INCOME AVAILABLE TO GENWORTH FINANCIAL, INC.'S COMMON STOCKHOLDERS:						
Income from continuing operations available to Genworth Financial, Inc.'s common stockholders	\$ 151	\$ 164	\$ 302	\$ 245	\$ 174	\$ 885
Income (loss) from discontinued operations available to Genworth Financial, Inc.'s common stockholders	(2)	(1)	12	(5)	13	19
NET INCOME AVAILABLE TO GENWORTH FINANCIAL, INC.'S COMMON STOCKHOLDERS						
	<u>\$ 149</u>	<u>\$ 163</u>	<u>\$ 314</u>	<u>\$ 240</u>	<u>\$ 187</u>	<u>\$ 904</u>
Earnings Per Share Data:						
Income from continuing operations available to Genworth Financial, Inc.'s common stockholders per share						
Basic	\$ 0.30	\$ 0.32	\$ 0.59	\$ 0.48	\$ 0.35	\$ 1.75
Diluted	\$ 0.29	\$ 0.32	\$ 0.59	\$ 0.47	\$ 0.34	\$ 1.72
Net income available to Genworth Financial, Inc.'s common stockholders per share						
Basic	\$ 0.29	\$ 0.32	\$ 0.62	\$ 0.47	\$ 0.37	\$ 1.78
Diluted	\$ 0.29	\$ 0.32	\$ 0.61	\$ 0.47	\$ 0.37	\$ 1.76
Weighted-average common shares outstanding						
Basic	508.3	507.4	507.4	507.0	506.0	506.9
Diluted	517.4	515.6	514.2	515.0	513.8	514.7

(1) Income (loss) from discontinued operations relates the company's former lifestyle protection insurance business that was sold on December 1, 2015 and its former Australia mortgage insurance business that was sold on March 3, 2021. The company recorded after-tax income (loss) of \$(1) million in the first quarter of 2022 and \$(1) million and \$11 million in the fourth and first quarters of 2021, respectively, associated with refinements to its tax matters agreement liability. During the first quarter of 2022 and the third, second and first quarters of 2021, the company recorded after-tax income (loss) of \$(1) million, \$9 million, \$(4) million and \$(1) million, respectively, related to a secured promissory note with AXA S.A. (AXA) resulting from a settlement agreement regarding a dispute over payment protection insurance claims sold by the company's former lifestyle protection insurance business. During the first quarter of 2021, based on an updated estimate, the company adjusted a liability associated with underwriting losses on a product sold by a distributor in the company's former lifestyle protection insurance business which resulted in an after-tax loss of \$4 million.

GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
FIRST QUARTER 2022

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

	2022	2021				Total
	1Q	4Q	3Q	2Q	1Q	
NET INCOME AVAILABLE TO GENWORTH FINANCIAL, INC.'S COMMON STOCKHOLDERS	\$ 149	\$ 163	\$ 314	\$ 240	\$ 187	\$ 904
Add: net income from continuing operations attributable to noncontrolling interests	30	29	4	—	—	33
Add: net income from discontinued operations attributable to noncontrolling interests	—	—	—	—	8	8
NET INCOME	179	192	318	240	195	945
Less: income (loss) from discontinued operations, net of taxes	(2)	(1)	12	(5)	21	27
INCOME FROM CONTINUING OPERATIONS	181	193	306	245	174	918
Less: net income from continuing operations attributable to noncontrolling interests	30	29	4	—	—	33
INCOME FROM CONTINUING OPERATIONS AVAILABLE TO GENWORTH FINANCIAL, INC.'S COMMON STOCKHOLDERS	151	164	302	245	174	885
ADJUSTMENTS TO INCOME FROM CONTINUING OPERATIONS AVAILABLE TO GENWORTH FINANCIAL, INC.'S COMMON STOCKHOLDERS:						
Net investment (gains) losses, net ⁽¹⁾	(28)	(133)	(88)	(70)	(33)	(324)
(Gains) losses on early extinguishment of debt	3	35	6	—	4	45
Initial loss from life block transaction	—	92	—	—	—	92
Expenses related to restructuring	—	5	3	5	21	34
Taxes on adjustments	5	1	16	14	2	33
ADJUSTED OPERATING INCOME	<u>\$ 131</u>	<u>\$ 164</u>	<u>\$ 239</u>	<u>\$ 194</u>	<u>\$ 168</u>	<u>\$ 765</u>
ADJUSTED OPERATING INCOME (LOSS):						
Enact segment	\$ 135	\$ 125	\$ 134	\$ 135	\$ 126	\$ 520
U.S. Life Insurance segment:						
Long-Term Care Insurance	59	119	133	98	95	445
Life Insurance	(79)	(98)	(68)	(40)	(63)	(269)
Fixed Annuities	16	20	28	13	30	91
Total U.S. Life Insurance segment	(4)	41	93	71	62	267
Runoff segment	9	16	11	15	12	54
Corporate and Other	(9)	(18)	1	(27)	(32)	(76)
ADJUSTED OPERATING INCOME	<u>\$ 131</u>	<u>\$ 164</u>	<u>\$ 239</u>	<u>\$ 194</u>	<u>\$ 168</u>	<u>\$ 765</u>
Earnings Per Share Data:						
Net income available to Genworth Financial, Inc.'s common stockholders per share						
Basic	\$ 0.29	\$ 0.32	\$ 0.62	\$ 0.47	\$ 0.37	\$ 1.78
Diluted	\$ 0.29	\$ 0.32	\$ 0.61	\$ 0.47	\$ 0.37	\$ 1.76
Adjusted operating income per share						
Basic	\$ 0.26	\$ 0.32	\$ 0.47	\$ 0.38	\$ 0.33	\$ 1.51
Diluted	\$ 0.25	\$ 0.32	\$ 0.46	\$ 0.38	\$ 0.33	\$ 1.48
Weighted-average common shares outstanding						
Basic	508.3	507.4	507.4	507.0	506.0	506.9
Diluted	517.4	515.6	514.2	515.0	513.8	514.7

(1) Net investment (gains) losses were adjusted for DAC and other intangible amortization and certain benefit reserves (see page 35 for reconciliation).

GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
FIRST QUARTER 2022

Consolidated Balance Sheets
(amounts in millions)

	March 31, 2022	December 31, 2021	September 30, 2021	June 30, 2021	March 31, 2021
ASSETS					
Investments:					
Fixed maturity securities available-for-sale, at fair value ⁽¹⁾	\$ 55,027	\$ 60,480	\$ 61,274	\$ 61,649	\$ 60,231
Equity securities, at fair value	230	198	156	147	238
Commercial mortgage loans ⁽²⁾	6,938	6,856	6,916	6,912	6,787
Less: Allowance for credit losses	(25)	(26)	(30)	(33)	(32)
Commercial mortgage loans, net	6,913	6,830	6,886	6,879	6,755
Policy loans	2,028	2,050	2,067	2,083	1,976
Limited partnerships	2,007	1,900	1,617	1,354	1,160
Other invested assets	671	820	718	906	599
Total investments	66,876	72,278	72,718	73,018	70,959
Cash, cash equivalents and restricted cash	1,291	1,571	1,937	2,214	1,964
Accrued investment income	696	647	626	573	704
Deferred acquisition costs	1,310	1,146	1,193	1,212	1,247
Intangible assets	159	143	147	151	155
Reinsurance recoverable	16,821	16,868	16,722	16,716	16,788
Less: Allowance for credit losses	(57)	(55)	(51)	(50)	(44)
Reinsurance recoverable, net	16,764	16,813	16,671	16,666	16,744
Other assets	440	388	396	403	439
Deferred tax asset	421	119	209	211	314
Separate account assets	5,530	6,066	5,978	6,202	6,032
Total assets	<u>\$ 93,487</u>	<u>\$ 99,171</u>	<u>\$ 99,875</u>	<u>\$ 100,650</u>	<u>\$ 98,558</u>

(1) Amortized cost of \$52,280 million, \$52,611 million, \$53,181 million, \$53,111 million and \$53,470 million as of March 31, 2022, December 31, 2021, September 30, 2021, June 30, 2021 and March 31, 2021, respectively, and allowance for credit losses of \$___ as of March 31, 2022, December 31, 2021, September 30, 2021 and June 30, 2021 and \$3 million as of March 31, 2021.

(2) Net of unamortized balance of loan origination fees and costs of \$4 million as of March 31, 2022, December 31, 2021, September 30, 2021, June 30, 2021 and March 31, 2021.

**GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
FIRST QUARTER 2022**

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

	March 31, 2022	December 31, 2021	September 30, 2021	June 30, 2021	March 31, 2021
LIABILITIES AND EQUITY					
Liabilities:					
Future policy benefits	\$ 38,897	\$ 41,528	\$ 41,794	\$ 42,165	\$ 40,634
Policyholder account balances	18,197	19,354	19,607	19,944	19,999
Liability for policy and contract claims	11,833	11,841	11,743	11,546	11,415
Unearned premiums	639	672	685	695	728
Other liabilities	1,416	1,511	1,568	1,664	1,710
Long-term borrowings	1,819	1,899	2,412	2,924	2,922
Separate account liabilities	5,530	6,066	5,978	6,202	6,032
Liabilities related to discontinued operations (1)	4	34	36	346	360
Total liabilities	78,335	82,905	83,823	85,486	83,800
Equity:					
Common stock	1	1	1	1	1
Additional paid-in capital	11,857	11,858	11,850	12,018	12,011
Accumulated other comprehensive income (loss)	2,610	3,861	3,800	3,834	3,675
Retained earnings	2,639	2,490	2,325	2,011	1,771
Treasury stock, at cost	(2,700)	(2,700)	(2,700)	(2,700)	(2,700)
Total Genworth Financial, Inc.'s stockholders' equity	14,407	15,510	15,276	15,164	14,758
Noncontrolling interests	745	756	776	—	—
Total equity	15,152	16,266	16,052	15,164	14,758
Total liabilities and equity	\$ 93,487	\$ 99,171	\$ 99,875	\$ 100,650	\$ 98,558

(1) Liabilities related to discontinued operations relates to a liability recorded in connection with a settlement agreement reached with AXA involving the sale of the company's former lifestyle protection insurance business and includes an unrelated liability associated with underwriting losses on a product sold by a distributor in the company's former lifestyle protection insurance business.

GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
FIRST QUARTER 2022

Consolidated Balance Sheet by Segment
(amounts in millions)

	March 31, 2022				
	Enact	U.S. Life Insurance	Runoff	Corporate and Other(1)	Total
ASSETS					
Cash and investments	\$5,579	\$ 59,149	\$2,595	\$ 1,540	\$68,863
Deferred acquisition costs and intangible assets	36	1,298	127	8	1,469
Reinsurance recoverable, net	—	16,118	646	—	16,764
Deferred tax and other assets	175	(83)	62	707	861
Separate account assets	—	—	5,530	—	5,530
Total assets	<u>\$5,790</u>	<u>\$ 76,482</u>	<u>\$8,960</u>	<u>\$ 2,255</u>	<u>\$93,487</u>
LIABILITIES AND EQUITY					
Liabilities:					
Future policy benefits	\$ —	\$ 38,895	\$ 2	\$ —	\$38,897
Policyholder account balances	—	15,190	3,007	—	18,197
Liability for policy and contract claims	625	11,186	14	8	11,833
Unearned premiums	236	400	3	—	639
Other liabilities	123	705	43	545	1,416
Borrowings	741	—	—	1,078	1,819
Separate account liabilities	—	—	5,530	—	5,530
Liabilities related to discontinued operations	—	—	—	4	4
Total liabilities	<u>1,725</u>	<u>66,376</u>	<u>8,599</u>	<u>1,635</u>	<u>78,335</u>
Equity:					
Allocated equity, excluding accumulated other comprehensive income (loss)	3,436	7,238	361	762	11,797
Allocated accumulated other comprehensive income (loss)	(116)	2,868	—	(142)	2,610
Total Genworth Financial, Inc.'s stockholders' equity	3,320	10,106	361	620	14,407
Noncontrolling interests	745	—	—	—	745
Total equity	<u>4,065</u>	<u>10,106</u>	<u>361</u>	<u>620</u>	<u>15,152</u>
Total liabilities and equity	<u>\$5,790</u>	<u>\$ 76,482</u>	<u>\$8,960</u>	<u>\$ 2,255</u>	<u>\$93,487</u>

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

GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
FIRST QUARTER 2022

Consolidated Balance Sheet by Segment
(amounts in millions)

	December 31, 2021				
	Enact	U.S. Life Insurance	Runoff	Corporate and Other ⁽¹⁾	Total
ASSETS					
Cash and investments	\$5,723	\$ 64,084	\$2,574	\$ 2,115	\$74,496
Deferred acquisition costs and intangible assets	37	1,129	113	10	1,289
Reinsurance recoverable, net	—	16,168	645	—	16,813
Deferred tax and other assets	90	(171)	62	526	507
Separate account assets	—	—	6,066	—	6,066
Total assets	<u>\$5,850</u>	<u>\$ 81,210</u>	<u>\$9,460</u>	<u>\$ 2,651</u>	<u>\$99,171</u>
LIABILITIES AND EQUITY					
Liabilities:					
Future policy benefits	\$ —	\$ 41,526	\$ 2	\$ —	\$41,528
Policyholder account balances	—	16,343	3,011	—	19,354
Liability for policy and contract claims	641	11,183	8	9	11,841
Unearned premiums	246	423	3	—	672
Other liabilities	123	765	40	583	1,511
Borrowings	740	—	—	1,159	1,899
Separate account liabilities	—	—	6,066	—	6,066
Liabilities related to discontinued operations	—	—	—	34	34
Total liabilities	<u>1,750</u>	<u>70,240</u>	<u>9,130</u>	<u>1,785</u>	<u>82,905</u>
Equity:					
Allocated equity, excluding accumulated other comprehensive income (loss)	3,276	7,159	324	890	11,649
Allocated accumulated other comprehensive income (loss)	68	3,811	6	(24)	3,861
Total Genworth Financial, Inc.'s stockholders' equity	3,344	10,970	330	866	15,510
Noncontrolling interests	756	—	—	—	756
Total equity	<u>4,100</u>	<u>10,970</u>	<u>330</u>	<u>866</u>	<u>16,266</u>
Total liabilities and equity	<u>\$5,850</u>	<u>\$ 81,210</u>	<u>\$9,460</u>	<u>\$ 2,651</u>	<u>\$99,171</u>

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

GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
FIRST QUARTER 2022

Deferred Acquisition Costs Rollforward
(amounts in millions)

	<u>Enact</u>	<u>U.S. Life Insurance</u>	<u>Runoff</u>	<u>Total</u>
Unamortized balance as of December 31, 2021	\$ 27	\$ 2,279	\$ 132	\$ 2,438
Costs deferred	2	—	—	2
Amortization, net of interest accretion	(2)	(67)	(6)	(75)
Unamortized balance as of March 31, 2022	27	2,212	126	2,365
Effect of accumulated net unrealized investment (gains) losses	—	(1,054)	(1)	(1,055)
Balance as of March 31, 2022	<u>\$ 27</u>	<u>\$ 1,158</u>	<u>\$ 125</u>	<u>\$ 1,310</u>

Enact Segment

GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
FIRST QUARTER 2022

Adjusted Operating Income and Sales—Enact Segment
(amounts in millions)

	2022		2021			Total
	1Q	4Q	3Q	2Q	1Q	
REVENUES:						
Premiums	\$ 234	\$ 237	\$ 243	\$ 243	\$ 252	\$ 975
Net investment income	35	35	36	35	35	141
Net investment gains (losses)	—	—	1	(2)	(1)	(2)
Policy fees and other income	1	1	1	—	2	4
Total revenues	270	273	281	276	288	1,118
BENEFITS AND EXPENSES:						
Benefits and other changes in policy reserves	(10)	6	34	30	55	125
Acquisition and operating expenses, net of deferrals	54	55	55	63	57	230
Amortization of deferred acquisition costs and intangibles	3	4	3	4	4	15
Interest expense	13	13	13	12	13	51
Total benefits and expenses	60	78	105	109	129	421
INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES	210	195	176	167	159	697
Provision for income taxes	45	41	38	35	34	148
INCOME FROM CONTINUING OPERATIONS	165	154	138	132	125	549
Less: net income from continuing operations attributable to noncontrolling interests	30	29	4	—	—	33
INCOME FROM CONTINUING OPERATIONS AVAILABLE TO GENWORTH FINANCIAL, INC.'S COMMON STOCKHOLDERS	135	125	134	132	125	516
ADJUSTMENTS TO INCOME FROM CONTINUING OPERATIONS AVAILABLE TO GENWORTH FINANCIAL, INC.'S COMMON STOCKHOLDERS:						
Net investment (gains) losses	—	—	(1)	2	1	2
Expenses related to restructuring	—	—	1	2	—	3
Taxes on adjustments	—	—	—	(1)	—	(1)
ADJUSTED OPERATING INCOME	<u>\$ 135</u>	<u>\$ 125</u>	<u>\$ 134</u>	<u>\$ 135</u>	<u>\$ 126</u>	<u>\$ 520</u>
SALES:						
Primary New Insurance Written (NIW)	\$18,823	\$21,441	\$23,972	\$26,657	\$24,934	\$97,004

GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
FIRST QUARTER 2022

Primary New Insurance Written Metrics—Enact Segment
(amounts in millions)

	2022		2021							
	1Q		4Q		3Q		2Q		1Q	
	Primary NIW	% of Primary NIW	Primary NIW	% of Primary NIW	Primary NIW	% of Primary NIW	Primary NIW	% of Primary NIW	Primary NIW	% of Primary NIW
Payment Type										
Monthly	\$17,071	91%	\$19,395	91%	\$21,475	90%	\$24,887	93%	\$23,358	94%
Single	1,690	9	1,991	9	2,431	10	1,686	7	1,446	6
Other(1)	62	—	55	—	66	—	84	—	130	—
Total Primary	\$18,823	100%	\$21,441	100%	\$23,972	100%	\$26,657	100%	\$24,934	100%
Origination										
Purchase	\$17,326	92%	\$19,284	90%	\$20,988	88%	\$21,143	79%	\$15,500	62%
Refinance	1,497	8	2,157	10	2,984	12	5,514	21	9,434	38
Total Primary	\$18,823	100%	\$21,441	100%	\$23,972	100%	\$26,657	100%	\$24,934	100%
FICO Scores										
Over 760	\$ 8,359	45%	\$ 9,401	44%	\$10,708	45%	\$11,762	44%	\$10,520	42%
740 - 759	3,085	16	3,406	16	3,830	16	3,995	15	3,836	15
720 - 739	2,515	13	2,844	13	3,177	13	3,467	13	3,423	14
700 - 719	1,952	10	2,257	11	2,702	11	3,131	12	2,979	12
680 - 699	1,316	7	1,589	7	1,875	8	2,513	9	2,480	10
660 - 679 (2)	931	5	1,106	5	1,010	4	1,068	4	983	4
640 - 659	486	3	611	3	504	2	547	2	511	2
620 - 639	173	1	223	1	166	1	174	1	202	1
<620	6	—	4	—	—	—	—	—	—	—
Total Primary	\$18,823	100%	\$21,441	100%	\$23,972	100%	\$26,657	100%	\$24,934	100%
Loan-To-Value Ratio										
95.01% and above	\$ 3,146	17%	\$ 3,660	17%	\$ 3,396	14%	\$ 2,767	11%	\$ 2,241	9%
90.01% to 95.00%	6,682	35	7,548	35	8,838	37	10,758	40	9,453	38
85.01% to 90.00%	5,620	30	6,253	29	7,454	31	8,618	32	8,392	34
85.00% and below	3,375	18	3,980	19	4,284	18	4,514	17	4,848	19
Total Primary	\$18,823	100%	\$21,441	100%	\$23,972	100%	\$26,657	100%	\$24,934	100%
Debt-To-Income Ratio										
45.01% and above	\$ 4,452	24%	\$ 4,977	23%	\$ 4,167	17%	\$ 3,269	12%	\$ 2,566	10%
38.01% to 45.00%	6,361	34	7,047	33	7,949	33	9,204	35	8,746	35
38.00% and below	8,010	42	9,417	44	11,856	50	14,184	53	13,622	55
Total Primary	\$18,823	100%	\$21,441	100%	\$23,972	100%	\$26,657	100%	\$24,934	100%

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

GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
FIRST QUARTER 2022

Other Metrics—Enact Segment
(dollar amounts in millions)

	2022		2021			Total
	1Q	4Q	3Q	2Q	1Q	
Primary Insurance In-Force⁽¹⁾	\$231,853	\$226,514	\$222,464	\$217,477	\$210,187	
Risk In-Force						
Primary ⁽²⁾	\$ 58,295	\$ 56,881	\$ 55,866	\$ 54,643	\$ 52,866	
Pool	97	105	117	123	134	
Total Risk In-Force	<u>\$ 58,392</u>	<u>\$ 56,986</u>	<u>\$ 55,983</u>	<u>\$ 54,766</u>	<u>\$ 53,000</u>	
Expense Ratio⁽³⁾	24%	25%	24%	27%	24%	25%
Primary Persistency	76%	69%	65%	63%	56%	62%
Combined Risk To Capital Ratio⁽⁴⁾	12.1:1	12.2:1	11.8:1	11.8:1	11.7:1	
EMICO Risk To Capital Ratio^{(4),(5)}	12.2:1	12.3:1	11.9:1	12.0:1	11.9:1	
PMIERS Available Assets⁽⁶⁾	\$ 5,222	\$ 5,077	\$ 5,126	\$ 4,926	\$ 4,769	
PMIERS Required Assets⁽⁶⁾	\$ 2,961	\$ 3,074	\$ 2,839	\$ 2,985	\$ 3,005	
Available Assets Above PMIERS Requirements⁽⁶⁾	\$ 2,261	\$ 2,003	\$ 2,287	\$ 1,941	\$ 1,764	
PMIERS Sufficiency Ratio⁽⁶⁾	176%	165%	181%	165%	159%	
Average Primary Loan Size (in thousands)	\$ 246	\$ 242	\$ 237	\$ 233	\$ 228	

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

- (1) Primary insurance in-force represents aggregate unpaid balance for loans the company's U.S. mortgage insurance subsidiaries insure. Original loan balances are primarily used to determine premiums.
- (2) Primary risk in-force represents risk on current loan balances as provided by servicers, lenders and investors.
- (3) 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. Expenses associated with strategic transaction preparations and restructuring costs increased the expense ratio by two percentage points for the three months ended June 30, 2021.
- (4) 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 company's U.S. mortgage insurance subsidiaries.
- (5) Enact Mortgage Insurance Corporation (EMICO), the company's principal U.S. mortgage insurance subsidiary.
- (6) The Private Mortgage Insurer Eligibility Requirements (PMIERS) sufficiency ratio is calculated as available assets divided by required assets as defined within PMIERS. The current period PMIERS sufficiency ratio is an estimate due to the timing of the PMIERS filing and does not take into consideration the impact of restrictions recently imposed by the government-sponsored enterprises (GSEs). The GSEs have imposed certain capital restrictions on the company's U.S. mortgage insurance subsidiaries which remain in effect until certain conditions are met. These restrictions required EMICO to maintain 115% of published PMIERS minimum required assets among other restrictions as of December 31, 2021. Effective January 1, 2022, these requirements increased to 120%.

GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
FIRST QUARTER 2022

Loss Metrics—Enact Segment
(amounts in millions)

	2022		2021			Total
	1Q	4Q	3Q	2Q	1Q	
Average Paid Claim (in thousands) ⁽¹⁾	\$ 51.6	\$ 27.2	\$ 26.7	\$ 63.1	\$ 54.7	
Average Reserve Per Primary Delinquency (in thousands) ⁽²⁾	\$ 26.2	\$ 24.4	\$ 21.2	\$ 17.5	\$ 13.7	
Reserves:						
Primary direct case	\$ 591	\$ 606	\$ 613	\$ 589	\$ 564	
All other ⁽³⁾	34	35	35	35	39	
Total Reserves	<u>\$ 625</u>	<u>\$ 641</u>	<u>\$ 648</u>	<u>\$ 624</u>	<u>\$ 603</u>	
Beginning Reserves	\$ 641	\$ 648	\$ 624	\$ 603	\$ 555	\$ 555
Paid claims	(6)	(13)	(10)	(9)	(7)	(39)
Increase (decrease) in reserves	(10)	6	34	30	55	125
Ending Reserves	<u>\$ 625</u>	<u>\$ 641</u>	<u>\$ 648</u>	<u>\$ 624</u>	<u>\$ 603</u>	<u>\$ 641</u>
Loss Ratio⁽⁴⁾	(4)%	3%	14%	12%	22%	13%

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) Average paid claim in the fourth and third quarters of 2021 includes payments in relation to agreements on non-performing loans.
- (2) Primary direct case reserves divided by primary delinquency count.
- (3) Other includes loss adjustment expenses, pool, incurred but not reported and reinsurance reserves.
- (4) The ratio of benefits and other changes in policy reserves to net earned premiums. The company recorded a favorable reserve adjustment of \$50 million in the first quarter of 2022, which reduced the loss ratio by 21 percentage points for the three months ended March 31, 2022.

GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
FIRST QUARTER 2022

Delinquency Metrics—Enact Segment
(dollar amounts in millions)

	2022	2021				Total
	1Q	4Q	3Q	2Q	1Q	
Primary Loans						
Primary loans in-force	941,689	937,350	936,934	933,616	922,186	
Primary delinquent loans	22,571	24,820	28,904	33,568	41,332	
Primary delinquency rate	2.40%	2.65%	3.08%	3.60%	4.48%	
Beginning Number of Primary Delinquencies	24,820	28,904	33,568	41,332	44,904	44,904
New delinquencies	8,724	8,282	7,427	6,862	10,053	32,624
Delinquency cures	(10,860)	(11,929)	(11,746)	(14,473)	(13,478)	(51,626)
Paid claims	(107)	(430)	(343)	(143)	(134)	(1,050)
Rescissions and claim denials	(6)	(7)	(2)	(10)	(13)	(32)
Ending Number of Primary Delinquencies	<u>22,571</u>	<u>24,820</u>	<u>28,904</u>	<u>33,568</u>	<u>41,332</u>	<u>24,820</u>
Composition of Cures						
Reported delinquent and cured-intraquarter	1,581	1,274	1,143	1,149	1,549	
Number of missed payments delinquent prior to cure:						
3 payments or less	3,902	3,563	3,080	4,179	4,812	
4 - 11 payments	2,315	2,691	3,492	6,055	6,849	
12 payments or more	3,062	4,401	4,031	3,090	268	
Total	<u>10,860</u>	<u>11,929</u>	<u>11,746</u>	<u>14,473</u>	<u>13,478</u>	
Primary Delinquencies by Missed Payment Status						
3 payments or less	6,837	6,586	6,192	6,030	8,296	
4 - 11 payments	6,875	7,360	9,021	12,378	21,011	
12 payments or more	8,859	10,874	13,691	15,160	12,025	
Primary Delinquencies	<u>22,571</u>	<u>24,820</u>	<u>28,904</u>	<u>33,568</u>	<u>41,332</u>	

	March 31, 2022		
	Direct Case Reserves	Risk In-Force	Reserves as % of Risk In-Force
Primary Direct Case Reserves(1) and Percentage Reserved by Payment Status			
3 payments or less in default	\$ 38	\$ 359	11%
4 - 11 payments in default	115	392	29%
12 payments or more in default	438	515	85%
Total	<u>\$ 591</u>	<u>\$ 1,266</u>	<u>47%</u>

	December 31, 2021		
	Direct Case Reserves	Risk In-Force	Reserves as % of Risk In-Force
Primary Direct Case Reserves(1) and Percentage Reserved by Payment Status			
3 payments or less in default	\$ 35	\$ 340	10%
4 - 11 payments in default	111	426	26%
12 payments or more in default	460	643	72%
Total	<u>\$ 606</u>	<u>\$ 1,409</u>	<u>43%</u>

(1) Primary direct case reserves exclude loss adjustment expenses, pool, incurred but not reported and reinsurance reserves.

GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
FIRST QUARTER 2022

Portfolio Quality Metrics—Enact Segment
(amounts in millions)

Policy Year	March 31, 2022					
	% of Direct Case Reserves ⁽¹⁾	Primary Insurance In-Force	% of Total	Primary Risk In-Force	% of Total	Delinquency Rate
2008 and prior	25%	\$ 7,723	3%	\$ 1,991	3%	10.41%
2009-2014	5	2,946	1	788	1	5.34%
2015	5	3,960	2	1,058	2	4.06%
2016	7	8,076	4	2,147	4	3.48%
2017	10	8,023	4	2,094	4	4.43%
2018	12	8,306	4	2,092	4	5.48%
2019	17	19,609	8	4,935	8	3.44%
2020	15	65,807	28	16,606	28	1.49%
2021	4	88,757	38	21,959	38	0.58%
2022	—	18,646	8	4,625	8	0.04%
Total	100%	\$ 231,853	100%	\$ 58,295	100%	2.40%

Loan-to-value ratio	March 31, 2022		December 31, 2021		March 31, 2021	
	Primary Risk In-Force	Percent of Primary Risk In-Force	Primary Risk In-Force	Percent of Primary Risk In-Force	Primary Risk In-Force	Percent of Primary Risk In-Force
95.01% and above	\$ 10,379	18%	\$ 9,907	17%	\$ 9,151	17%
90.01% to 95.00%	27,987	48	27,608	49	26,637	51
85.01% to 90.00%	16,082	27	15,644	27	13,997	26
85.00% and below	3,847	7	3,722	7	3,081	6
Total	\$ 58,295	100%	\$ 56,881	100%	\$ 52,866	100%

Credit Quality	March 31, 2022		December 31, 2021		March 31, 2021	
	Primary Risk In-Force	Percent of Primary Risk In-Force	Primary Risk In-Force	Percent of Primary Risk In-Force	Primary Risk In-Force	Percent of Primary Risk In-Force
Over 760	\$ 23,326	40%	\$ 22,489	40%	\$ 19,829	37%
740 - 759	9,267	16	9,009	16	8,442	16
720 - 739	8,224	14	8,055	14	7,715	15
700 - 719	6,974	12	6,907	12	6,678	13
680 - 699	5,334	9	5,334	9	5,231	10
660 - 679 ⁽²⁾	2,715	5	2,638	5	2,484	5
640 - 659	1,550	3	1,530	3	1,485	3
620 - 639	699	1	702	1	734	1
<620	206	—	217	—	268	—
Total	\$ 58,295	100%	\$ 56,881	100%	\$ 52,866	100%

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

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

U.S. Life Insurance Segment

GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
FIRST QUARTER 2022

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

	2022		2021			Total
	1Q	4Q	3Q	2Q	1Q	
REVENUES:						
Premiums	\$ 695	\$ 338	\$ 699	\$ 703	\$ 714	\$2,454
Net investment income	676	777	773	763	716	3,029
Net investment gains (losses)	56	134	87	66	42	329
Policy fees and other income	137	128	144	145	148	565
Total revenues	<u>1,564</u>	<u>1,377</u>	<u>1,703</u>	<u>1,677</u>	<u>1,620</u>	<u>6,377</u>
BENEFITS AND EXPENSES:						
Benefits and other changes in policy reserves	1,141	849	1,097	1,129	1,155	4,230
Interest credited	82	84	85	87	90	346
Acquisition and operating expenses, net of deferrals	199	243	211	219	192	865
Amortization of deferred acquisition costs and intangibles	83	99	96	77	68	340
Total benefits and expenses	<u>1,505</u>	<u>1,275</u>	<u>1,489</u>	<u>1,512</u>	<u>1,505</u>	<u>5,781</u>
INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES						
	59	102	214	165	115	596
Provision for income taxes	20	28	53	42	32	155
INCOME FROM CONTINUING OPERATIONS	39	74	161	123	83	441
ADJUSTMENTS TO INCOME FROM CONTINUING OPERATIONS:						
Net investment (gains) losses, net ⁽¹⁾	(55)	(135)	(87)	(67)	(41)	(330)
Initial loss from life block transaction	—	92	—	—	—	92
Expenses related to restructuring	—	—	1	2	14	17
Taxes on adjustments	12	10	18	13	6	47
ADJUSTED OPERATING INCOME (LOSS)	<u>\$ (4)</u>	<u>\$ 41</u>	<u>\$ 93</u>	<u>\$ 71</u>	<u>\$ 62</u>	<u>\$ 267</u>

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

Net investment (gains) losses, gross	\$ (56)	\$ (134)	\$ (87)	\$ (66)	\$ (42)	\$ (329)
Adjustment for DAC and other intangible amortization and certain benefit reserves	1	(1)	—	(1)	1	(1)
Net investment (gains) losses, net	<u>\$ (55)</u>	<u>\$ (135)</u>	<u>\$ (87)</u>	<u>\$ (67)</u>	<u>\$ (41)</u>	<u>\$ (330)</u>

GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
FIRST QUARTER 2022

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

	2022		2021			Total
	1Q	4Q	3Q	2Q	1Q	
REVENUES:						
Premiums	\$ 621	\$ 644	\$ 652	\$ 648	\$ 646	\$2,590
Net investment income	447	532	521	509	465	2,027
Net investment gains (losses)	41	83	80	67	27	257
Policy fees and other income	—	(6)	3	2	2	1
Total revenues	<u>1,109</u>	<u>1,253</u>	<u>1,256</u>	<u>1,226</u>	<u>1,140</u>	<u>4,875</u>
BENEFITS AND EXPENSES:						
Benefits and other changes in policy reserves	812	817	802	822	829	3,270
Interest credited	—	—	—	—	—	—
Acquisition and operating expenses, net of deferrals	143	163	165	176	141	645
Amortization of deferred acquisition costs and intangibles	29	30	31	27	24	112
Total benefits and expenses	<u>984</u>	<u>1,010</u>	<u>998</u>	<u>1,025</u>	<u>994</u>	<u>4,027</u>
INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES						
	125	243	258	201	146	848
Provision for income taxes	34	59	63	50	38	210
INCOME FROM CONTINUING OPERATIONS						
	91	184	195	151	108	638
ADJUSTMENTS TO INCOME FROM CONTINUING OPERATIONS:						
Net investment (gains) losses	(41)	(83)	(80)	(67)	(27)	(257)
Expenses related to restructuring	—	—	1	1	10	12
Taxes on adjustments	9	18	17	13	4	52
ADJUSTED OPERATING INCOME						
	<u>\$ 59</u>	<u>\$ 119</u>	<u>\$ 133</u>	<u>\$ 98</u>	<u>\$ 95</u>	<u>\$ 445</u>
RATIOS:						
Loss Ratio ⁽¹⁾	64%	62%	58%	62%	62%	61%
Gross Benefits Ratio ⁽²⁾	131%	127%	123%	127%	128%	126%

(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
FIRST QUARTER 2022

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

	2022		2021			Total
	1Q	4Q	3Q	2Q	1Q	
REVENUES:						
Premiums ⁽¹⁾	\$ 74	\$(306)	\$ 47	\$ 55	\$ 68	\$ (136)
Net investment income	121	124	128	126	125	503
Net investment gains (losses)	9	50	6	6	12	74
Policy fees and other income	135	131	139	142	143	555
Total revenues	339	(1)	320	329	348	996
BENEFITS AND EXPENSES:						
Benefits and other changes in policy reserves ⁽¹⁾	282	(14)	252	245	282	765
Interest credited	52	53	53	53	56	215
Acquisition and operating expenses, net of deferrals	47	66	36	34	40	176
Amortization of deferred acquisition costs and intangibles	50	62	59	43	41	205
Total benefits and expenses	431	167	400	375	419	1,361
LOSS FROM CONTINUING OPERATIONS BEFORE INCOME TAXES	(92)	(168)	(80)	(46)	(71)	(365)
Benefit for income taxes	(20)	(37)	(17)	(10)	(15)	(79)
LOSS FROM CONTINUING OPERATIONS	(72)	(131)	(63)	(36)	(56)	(286)
ADJUSTMENTS TO LOSS FROM CONTINUING OPERATIONS:						
Net investment (gains) losses	(9)	(50)	(6)	(6)	(12)	(74)
Initial loss from life block transaction	—	92	—	—	—	92
Expenses related to restructuring	—	—	—	1	3	4
Taxes on adjustments	2	(9)	1	1	2	(5)
ADJUSTED OPERATING LOSS	<u>\$ (79)</u>	<u>\$ (98)</u>	<u>\$ (68)</u>	<u>\$ (40)</u>	<u>\$ (63)</u>	<u>\$ (269)</u>

- (1) In the fourth quarter of 2021, 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 \$360 million and reduced benefits and other changes in policy reserves by \$268 million for the amounts initially ceded.

GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
FIRST QUARTER 2022

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

	2022	2021				Total
	1Q	4Q	3Q	2Q	1Q	
REVENUES:						
Premiums	\$—	\$—	\$—	\$—	\$—	\$—
Net investment income	108	121	124	128	126	499
Net investment gains (losses)	6	1	1	(7)	3	(2)
Policy fees and other income	2	3	2	1	3	9
Total revenues	<u>116</u>	<u>125</u>	<u>127</u>	<u>122</u>	<u>132</u>	<u>506</u>
BENEFITS AND EXPENSES:						
Benefits and other changes in policy reserves	47	46	43	62	44	195
Interest credited	30	31	32	34	34	131
Acquisition and operating expenses, net of deferrals	9	14	10	9	11	44
Amortization of deferred acquisition costs and intangibles	4	7	6	7	3	23
Total benefits and expenses	<u>90</u>	<u>98</u>	<u>91</u>	<u>112</u>	<u>92</u>	<u>393</u>
INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES	<u>26</u>	<u>27</u>	<u>36</u>	<u>10</u>	<u>40</u>	<u>113</u>
Provision for income taxes	6	6	7	2	9	24
INCOME FROM CONTINUING OPERATIONS	<u>20</u>	<u>21</u>	<u>29</u>	<u>8</u>	<u>31</u>	<u>89</u>
ADJUSTMENTS TO INCOME FROM CONTINUING OPERATIONS:						
Net investment (gains) losses, net ⁽¹⁾	(5)	(2)	(1)	6	(2)	1
Expenses related to restructuring	—	—	—	—	1	1
Taxes on adjustments	1	1	—	(1)	—	—
ADJUSTED OPERATING INCOME	<u>\$ 16</u>	<u>\$ 20</u>	<u>\$ 28</u>	<u>\$ 13</u>	<u>\$ 30</u>	<u>\$ 91</u>

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

Net investment (gains) losses, gross	\$ (6)	\$ (1)	\$ (1)	\$ 7	\$ (3)	\$ 2
Adjustment for DAC and other intangible amortization and certain benefit reserves	<u>1</u>	<u>(1)</u>	<u>—</u>	<u>(1)</u>	<u>1</u>	<u>(1)</u>
Net investment (gains) losses, net	<u>\$ (5)</u>	<u>\$ (2)</u>	<u>\$ (1)</u>	<u>\$ 6</u>	<u>\$ (2)</u>	<u>\$ 1</u>

Runoff Segment

27

GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
FIRST QUARTER 2022

Adjusted Operating Income—Runoff Segment
(amounts in millions)

	2022		2021			Total
	1Q	4Q	3Q	2Q	1Q	
REVENUES:						
Net investment income	\$ 50	\$ 53	\$ 49	\$ 43	\$ 49	\$ 194
Net investment gains (losses)	(15)	—	(1)	10	(6)	3
Policy fees and other income	31	33	33	35	33	134
Total revenues	<u>66</u>	<u>86</u>	<u>81</u>	<u>88</u>	<u>76</u>	<u>331</u>
BENEFITS AND EXPENSES:						
Benefits and other changes in policy reserves	8	5	12	2	8	27
Interest credited	43	43	38	40	41	162
Acquisition and operating expenses, net of deferrals	12	14	12	14	13	53
Amortization of deferred acquisition costs and intangibles	6	4	7	4	5	20
Total benefits and expenses	<u>69</u>	<u>66</u>	<u>69</u>	<u>60</u>	<u>67</u>	<u>262</u>
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES						
	(3)	20	12	28	9	69
Provision (benefit) for income taxes	(1)	4	2	6	1	13
INCOME (LOSS) FROM CONTINUING OPERATIONS						
	(2)	16	10	22	8	56
ADJUSTMENTS TO INCOME (LOSS) FROM CONTINUING OPERATIONS:						
Net investment (gains) losses, net ⁽¹⁾	14	—	1	(9)	5	(3)
Taxes on adjustments	(3)	—	—	2	(1)	1
ADJUSTED OPERATING INCOME	<u>\$ 9</u>	<u>\$ 16</u>	<u>\$ 11</u>	<u>\$ 15</u>	<u>\$ 12</u>	<u>\$ 54</u>

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

Net investment (gains) losses, gross	\$ 15	\$ —	\$ 1	\$(10)	\$ 6	\$ (3)
Adjustment for DAC and other intangible amortization and certain benefit reserves	(1)	—	—	1	(1)	—
Net investment (gains) losses, net	<u>\$ 14</u>	<u>\$ —</u>	<u>\$ 1</u>	<u>\$ (9)</u>	<u>\$ 5</u>	<u>\$ (3)</u>

Corporate and Other

GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
FIRST QUARTER 2022

Adjusted Operating Income (Loss)—Corporate and Other⁽¹⁾
(amounts in millions)

	2022	2021				Total
	1Q	4Q	3Q	2Q	1Q	
REVENUES:						
Premiums	\$ 2	\$ 1	\$ 2	\$ 1	\$ 2	\$ 6
Net investment income	3	1	1	3	1	6
Net investment gains (losses)	(13)	(2)	1	(4)	(2)	(7)
Policy fees and other income	—	—	1	—	—	1
Total revenues	<u>(8)</u>	<u>—</u>	<u>5</u>	<u>—</u>	<u>1</u>	<u>6</u>
BENEFITS AND EXPENSES:						
Benefits and other changes in policy reserves	—	1	—	—	—	1
Acquisition and operating expenses, net of deferrals	6	42	12	8	13	75
Amortization of deferred acquisition costs and intangibles	—	1	—	1	—	2
Interest expense	13	18	22	31	38	109
Total benefits and expenses	<u>19</u>	<u>62</u>	<u>34</u>	<u>40</u>	<u>51</u>	<u>187</u>
LOSS FROM CONTINUING OPERATIONS BEFORE INCOME TAXES	<u>(27)</u>	<u>(62)</u>	<u>(29)</u>	<u>(40)</u>	<u>(50)</u>	<u>(181)</u>
Benefit for income taxes	<u>(6)</u>	<u>(11)</u>	<u>(26)</u>	<u>(8)</u>	<u>(8)</u>	<u>(53)</u>
LOSS FROM CONTINUING OPERATIONS	<u>(21)</u>	<u>(51)</u>	<u>(3)</u>	<u>(32)</u>	<u>(42)</u>	<u>(128)</u>
ADJUSTMENTS TO LOSS FROM CONTINUING OPERATIONS:						
Net investment (gains) losses	13	2	(1)	4	2	7
(Gains) losses on early extinguishment of debt	3	35	6	—	4	45
Expenses related to restructuring	—	5	1	1	7	14
Taxes on adjustments	<u>(4)</u>	<u>(9)</u>	<u>(2)</u>	<u>—</u>	<u>(3)</u>	<u>(14)</u>
ADJUSTED OPERATING INCOME (LOSS)	<u>\$ (9)</u>	<u>\$ (18)</u>	<u>\$ 1</u>	<u>\$ (27)</u>	<u>\$ (32)</u>	<u>\$ (76)</u>

(1) Includes inter-segment eliminations and the results of other businesses that are managed outside the operating segments, including certain international mortgage insurance businesses.

Additional Financial Data

GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
FIRST QUARTER 2022

Investments Summary
(amounts in millions)

Composition of Investment Portfolio	March 31, 2022		December 31, 2021		September 30, 2021		June 30, 2021		March 31, 2021	
	Carrying Amount	% of Total	Carrying Amount	% of Total	Carrying Amount	% of Total	Carrying Amount	% of Total	Carrying Amount	% of Total
Fixed maturity securities:										
Investment grade:										
Public fixed maturity securities	\$ 30,897	45%	\$ 34,181	46%	\$ 34,382	46%	\$ 34,610	47%	\$ 33,376	47%
Private fixed maturity securities	12,873	19	13,872	19	13,742	18	13,722	18	13,402	18
Residential mortgage-backed securities ⁽¹⁾	1,320	2	1,440	2	1,572	2	1,683	2	1,766	2
Commercial mortgage-backed securities	2,349	3	2,570	3	2,656	4	2,714	4	2,770	4
Other asset-backed securities	2,016	3	2,127	3	2,374	3	2,500	3	2,806	4
State and political subdivisions	3,134	5	3,450	5	3,418	5	3,371	4	3,135	4
Non-investment grade fixed maturity securities	2,438	4	2,840	4	3,130	4	3,049	4	2,976	4
Equity securities:										
Common stocks and mutual funds	151	—	115	—	72	—	63	—	155	—
Preferred stocks	79	—	83	—	84	—	84	—	83	—
Commercial mortgage loans, net	6,913	10	6,830	9	6,886	9	6,879	9	6,755	9
Policy loans	2,028	3	2,050	3	2,067	3	2,083	3	1,976	3
Limited partnerships	2,007	3	1,900	3	1,617	2	1,354	2	1,160	2
Cash, cash equivalents, restricted cash and short-term investments	1,367	2	1,597	2	2,006	3	2,335	3	1,981	3
Securities lending	—	—	—	—	—	—	105	—	68	—
Other invested assets:										
Derivatives:										
Interest rate swaps	162	—	364	—	298	—	280	—	84	—
Foreign currency swaps	5	—	6	—	5	—	2	—	—	—
Equity index options	30	—	42	—	33	—	47	—	53	—
Other foreign currency contracts	—	—	2	—	2	—	24	—	27	—
Other	398	1	380	1	311	1	327	1	350	—
Total invested assets and cash	\$ 68,167	100%	\$ 73,849	100%	\$ 74,655	100%	\$ 75,232	100%	\$ 72,923	100%
Public Fixed Maturity Securities—Credit Quality:										
NRSRO⁽²⁾ Designation										
AAA	\$ 7,484	20%	\$ 8,316	20%	\$ 8,393	19%	\$ 8,505	20%	\$ 8,308	20%
AA	3,538	9	3,872	9	3,907	9	3,872	9	3,500	8
A	9,880	26	11,039	26	11,134	26	11,158	26	10,986	26
BBB	16,177	42	17,789	42	17,980	42	18,208	41	17,581	42
BB	1,079	3	1,443	3	1,658	4	1,637	4	1,579	4
B	61	—	42	—	53	—	45	—	69	—
CCC and lower	—	—	—	—	—	—	6	—	6	—
Total public fixed maturity securities	\$ 38,219	100%	\$ 42,501	100%	\$ 43,125	100%	\$ 43,431	100%	\$ 42,029	100%
Private Fixed Maturity Securities—Credit Quality:										
NRSRO⁽²⁾ Designation										
AAA	\$ 775	5%	\$ 821	5%	\$ 856	5%	\$ 862	5%	\$ 973	5%
AA	1,554	9	1,718	9	1,831	10	1,850	10	1,882	10
A	4,773	28	5,224	29	5,240	29	5,183	28	5,188	29
BBB	8,408	50	8,861	49	8,803	48	8,962	49	8,837	49
BB	1,159	7	1,186	7	1,252	7	1,190	7	1,117	6
B	131	1	161	1	158	1	162	1	197	1
CCC and lower	8	—	8	—	9	—	9	—	8	—
Total private fixed maturity securities	\$ 16,808	100%	\$ 17,979	100%	\$ 18,149	100%	\$ 18,218	100%	\$ 18,202	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
FIRST QUARTER 2022

Fixed Maturity Securities Summary
(amounts in millions)

	March 31, 2022		December 31, 2021		September 30, 2021		June 30, 2021		March 31, 2021	
	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	\$ 4,097	8%	\$ 4,552	8%	\$ 4,500	7%	\$ 4,484	7%	\$ 4,273	7%
State and political subdivisions	3,134	6	3,450	6	3,418	6	3,371	6	3,135	5
Foreign government	784	1	835	1	835	1	802	1	820	1
U.S. corporate	31,823	58	34,924	58	35,132	57	35,289	57	34,107	57
Foreign corporate	9,453	17	10,535	17	10,740	18	10,744	18	10,485	17
Residential mortgage-backed securities	1,320	2	1,440	2	1,572	3	1,691	3	1,774	3
Commercial mortgage-backed securities	2,361	4	2,584	4	2,670	4	2,734	4	2,794	5
Other asset-backed securities	2,055	4	2,160	4	2,407	4	2,534	4	2,843	5
Total fixed maturity securities	\$ 55,027	100%	\$ 60,480	100%	\$ 61,274	100%	\$ 61,649	100%	\$ 60,231	100%
Corporate Bond Holdings—Industry Sector:										
Investment Grade:										
Finance and insurance	\$ 10,235	25%	\$ 11,204	25%	\$ 11,231	25%	\$ 11,155	24%	\$ 10,807	25%
Utilities	5,450	14	5,963	13	5,953	13	5,948	13	5,736	13
Energy	3,372	8	3,622	8	3,645	8	3,592	8	3,417	8
Consumer - non-cyclical	5,967	15	6,635	15	6,703	15	6,726	15	6,545	15
Consumer - cyclical	1,758	4	1,877	4	1,891	4	1,979	4	1,922	4
Capital goods	2,972	7	3,291	7	3,349	7	3,371	7	3,275	7
Industrial	2,092	5	2,278	5	2,251	5	2,344	5	2,299	5
Technology and communications	4,224	10	4,612	10	4,547	10	4,518	10	4,376	10
Transportation	1,642	4	1,832	4	1,836	4	1,924	4	1,877	4
Other	1,298	3	1,473	3	1,510	3	1,596	4	1,516	3
Subtotal	39,010	95	42,787	94	42,916	94	43,153	94	41,770	94
Non-Investment Grade:										
Finance and insurance	185	—	219	—	226	—	234	1	243	1
Utilities	62	—	69	—	95	—	88	—	94	—
Energy	568	1	695	2	782	2	759	1	712	1
Consumer - non-cyclical	192	1	267	1	270	1	243	1	243	1
Consumer - cyclical	321	1	363	1	369	1	368	1	389	1
Capital goods	159	—	159	—	163	—	141	—	152	—
Industrial	209	1	263	1	366	1	368	1	356	1
Technology and communications	372	1	446	1	490	1	520	1	488	1
Transportation	29	—	28	—	26	—	26	—	18	—
Other	169	—	163	—	169	—	133	—	127	—
Subtotal	2,266	5	2,672	6	2,956	6	2,880	6	2,822	6
Total	\$ 41,276	100%	\$ 45,459	100%	\$ 45,872	100%	\$ 46,033	100%	\$ 44,592	100%
Fixed Maturity Securities—Contractual Maturity Dates:										
Due in one year or less	\$ 1,420	3%	\$ 1,499	2%	\$ 1,449	2%	\$ 1,291	2%	\$ 1,291	2%
Due after one year through five years	8,501	15	8,807	15	9,039	15	9,030	15	8,926	15
Due after five years through ten years	13,943	25	15,053	25	14,956	24	15,158	25	14,904	24
Due after ten years	25,427	47	28,937	48	29,181	48	29,211	47	27,699	46
Subtotal	49,291	90	54,296	90	54,625	89	54,690	89	52,820	87
Mortgage and asset-backed securities	5,736	10	6,184	10	6,649	11	6,959	11	7,411	13
Total fixed maturity securities	\$ 55,027	100%	\$ 60,480	100%	\$ 61,274	100%	\$ 61,649	100%	\$ 60,231	100%

GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
FIRST QUARTER 2022

General Account U.S. GAAP Net Investment Income Yields
(amounts in millions)

	2022		2021			Total
	1Q	4Q	3Q	2Q	1Q	
U.S. GAAP Net Investment Income						
Fixed maturity securities - taxable	\$ 580	\$ 590	\$ 614	\$ 608	\$ 599	\$2,411
Fixed maturity securities - non-taxable	1	2	2	1	2	7
Equity securities	2	2	2	2	3	9
Commercial mortgage loans	81	102	93	103	78	376
Policy loans	50	52	47	40	50	189
Limited partnerships	7	79	59	54	31	223
Other invested assets	63	62	63	58	58	241
Cash, cash equivalents, restricted cash and short-term investments	—	—	1	—	—	1
Gross investment income before expenses and fees	784	889	881	866	821	3,457
Expenses and fees	(20)	(23)	(22)	(22)	(20)	(87)
Net investment income	<u>\$ 764</u>	<u>\$ 866</u>	<u>\$ 859</u>	<u>\$ 844</u>	<u>\$ 801</u>	<u>\$3,370</u>
Annualized Yields						
Fixed maturity securities - taxable	4.4%	4.5%	4.6%	4.6%	4.5%	4.5%
Fixed maturity securities - non-taxable	3.6%	6.7%	6.3%	3.1%	6.3%	5.6%
Equity securities	3.7%	4.5%	5.3%	4.1%	3.8%	4.0%
Commercial mortgage loans	4.7%	5.9%	5.4%	6.0%	4.6%	5.5%
Policy loans	9.8%	10.1%	9.1%	7.9%	10.1%	9.3%
Limited partnerships ⁽¹⁾	1.4%	18.0%	15.9%	17.2%	11.2%	15.7%
Other invested assets ⁽²⁾	64.8%	71.9%	79.5%	68.6%	65.0%	69.7%
Cash, cash equivalents, restricted cash and short-term investments	— %	— %	0.2%	— %	— %	— %
Gross investment income before expenses and fees	4.8%	5.4%	5.3%	5.2%	5.0%	5.2%
Expenses and fees	(0.1)%	(0.1)%	(0.1)%	(0.1)%	(0.2)%	(0.1)%
Net investment income	<u>4.7%</u>	<u>5.3%</u>	<u>5.2%</u>	<u>5.1%</u>	<u>4.8%</u>	<u>5.1%</u>

Yields are based on net investment income as reported under U.S. 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 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 39 herein for average invested assets and cash used in the yield calculation.

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

(2) Investment income for other invested assets includes amortization of terminated cash flow hedges, which have no corresponding book value within the yield calculation.

GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
FIRST QUARTER 2022

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

	2022	2021				Total
	1Q	4Q	3Q	2Q	1Q	
Realized investment gains (losses):						
Net realized gains (losses) on available-for-sale securities:						
Fixed maturity securities:						
U.S. corporate	\$ (12)	\$ 28	\$ 8	\$ 2	\$ 4	\$ 42
U.S. government, agencies and government-sponsored enterprises	6	—	—	—	—	—
Foreign corporate	(2)	10	1	(2)	1	10
Foreign government	—	—	(1)	1	—	—
Mortgage-backed securities	—	3	3	—	(1)	5
Total net realized gains (losses) on available-for-sale securities	(8)	41	11	1	4	57
Net realized gains (losses) on equity securities sold	—	—	—	(2)	(5)	(7)
Net realized gains (losses) on limited partnerships	—	—	—	—	3	3
Total net realized investment gains (losses)	(8)	41	11	(1)	2	53
Net change in allowance for credit losses on available-for-sale fixed maturity securities	—	—	—	(4)	(2)	(6)
Write-down of available-for-sale fixed maturity securities	(2)	—	—	—	(1)	(1)
Net unrealized gains (losses) on equity securities still held	(6)	4	(1)	6	(8)	1
Net unrealized gains (losses) on limited partnerships	35	90	75	65	34	264
Commercial mortgage loans	1	(4)	3	(1)	(1)	(3)
Derivative instruments	4	5	(3)	4	8	14
Other	4	(4)	3	1	1	1
Net investment gains (losses), gross	28	132	88	70	33	323
Adjustment for DAC and other intangible amortization and certain benefit reserves	—	1	—	—	—	1
Net investment gains (losses), net	<u>\$ 28</u>	<u>\$ 133</u>	<u>\$ 88</u>	<u>\$ 70</u>	<u>\$ 33</u>	<u>\$ 324</u>

Reconciliations of Non-GAAP Measures

GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
FIRST QUARTER 2022

Reconciliation of Operating ROE
(amounts in millions)

Twelve Month Rolling Average ROE

	Twelve months ended				
	March 31, 2022	December 31, 2021	September 30, 2021	June 30, 2021	March 31, 2021
U.S. GAAP Basis ROE					
Net income available to Genworth Financial, Inc.'s common stockholders for the twelve months ended ⁽¹⁾	\$ 866	\$ 904	\$ 1,008	\$ 1,112	\$ 431
Quarterly average Genworth Financial, Inc.'s stockholders' equity, excluding accumulated other comprehensive income ⁽²⁾	\$ 11,467	\$ 11,286	\$ 11,079	\$10,823	\$ 10,684
U.S. GAAP Basis ROE ^{(1)/(2)}	7.6%	8.0%	9.1%	10.3%	4.0%

Operating ROE

Adjusted operating income for the twelve months ended ⁽¹⁾	\$ 728	\$ 765	\$ 789	\$ 675	\$ 458
Quarterly average Genworth Financial, Inc.'s stockholders' equity, excluding accumulated other comprehensive income ⁽²⁾	\$ 11,467	\$ 11,286	\$ 11,079	\$10,823	\$ 10,684
Operating ROE ^{(1)/(2)}	6.3%	6.8%	7.1%	6.2%	4.3%

Quarterly Average ROE

	Three months ended				
	March 31, 2022	December 31, 2021	September 30, 2021	June 30, 2021	March 31, 2021
U.S. GAAP Basis ROE					
Net income available to Genworth Financial, Inc.'s common stockholders for the period ended ⁽³⁾	\$ 149	\$ 163	\$ 314	\$ 240	\$ 187
Quarterly average Genworth Financial, Inc.'s stockholders' equity for the period, excluding accumulated other comprehensive income ⁽⁴⁾	\$ 11,723	\$ 11,563	\$ 11,403	\$11,207	\$ 10,988
Annualized U.S. GAAP Quarterly Basis ROE ^{(3)/(4)}	5.1%	5.6%	11.0%	8.6%	6.8%

Operating ROE

Adjusted operating income for the period ended ⁽³⁾	\$ 131	\$ 164	\$ 239	\$ 194	\$ 168
Quarterly average Genworth Financial, Inc.'s stockholders' equity for the period, excluding accumulated other comprehensive income ⁽⁴⁾	\$ 11,723	\$ 11,563	\$ 11,403	\$11,207	\$ 10,988
Annualized Operating Quarterly Basis ROE ^{(3)/(4)}	4.5%	5.7%	8.4%	6.9%	6.1%

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 U.S. GAAP.

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

GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
FIRST QUARTER 2022

Reconciliation of Consolidated Expense Ratio
(amounts in millions)

	2022		2021			
	1Q	4Q	3Q	2Q	1Q	Total
GAAP Basis Expense Ratio						
(A) Acquisition and operating expenses, net of deferrals	\$ 271	\$ 354	\$ 290	\$ 304	\$ 275	\$ 1,223
(B) Premiums	\$ 931	\$ 576	\$ 944	\$ 947	\$ 968	\$ 3,435
(A) / (B) GAAP Basis Expense Ratio	29%	61%	31%	32%	28%	36%
Adjusted Expense Ratio						
Acquisition and operating expenses, net of deferrals	\$ 271	\$ 354	\$ 290	\$ 304	\$ 275	\$ 1,223
Less: Legal settlement expenses ⁽¹⁾	43	59	57	70	23	209
(C) Adjusted acquisition and operating expenses, net of deferrals	<u>\$ 228</u>	<u>\$ 295</u>	<u>\$ 233</u>	<u>\$ 234</u>	<u>\$ 252</u>	<u>\$ 1,014</u>
Premiums	\$ 931	\$ 576	\$ 944	\$ 947	\$ 968	\$ 3,435
Add: Policy fees and other income	169	162	179	180	183	704
Add: Initial ceded premiums from a life block transaction ⁽²⁾	—	360	—	—	—	360
(D) Adjusted revenues	<u>\$1,100</u>	<u>\$1,098</u>	<u>\$1,123</u>	<u>\$1,127</u>	<u>\$1,151</u>	<u>\$ 4,499</u>
(C) / (D) Adjusted expense ratio ⁽³⁾	21%	27%	21%	21%	22%	23%

Non-GAAP Definition for Adjusted Expense Ratio

The company references the non-GAAP financial measure entitled “adjusted expense ratio” as a measure of its operating performance. The company defines adjusted expense ratio as acquisition and operating expenses, net of deferrals, less legal settlement expenses incurred in the company’s long-term care insurance business divided by the sum of premiums, policy fees and other income and premiums initially ceded under life block transactions. Management believes that the expense ratio analysis enhances understanding of the operating performance of the company. However, the adjusted expense ratio as defined by the company should not be viewed as a substitute for the GAAP basis expense ratio.

- (1) Estimated pre-tax impact of expenses related to policyholder benefit reduction elections made as part of a legal settlement in the company’s long-term care insurance business, which includes cash damages of \$43 million, \$54 million, \$50 million, \$61 million and \$20 million for the three months ended March 31, 2022, December 31, 2021, September 30, 2021, June 30, 2021 and March 31, 2021, respectively.
- (2) In the fourth quarter of 2021, the company entered into a new reinsurance agreement to cede certain of its term life insurance policies as part of a life block transaction. Under this new reinsurance agreement, the company initially ceded \$360 million of certain term life insurance premiums.
- (3) In the first quarter of 2022, the company recorded a legal settlement accrual of \$25 million in its life insurance business, which increased the adjusted expense ratio by three percentage points for the three months ended March 31, 2022.

GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
FIRST QUARTER 2022

Reconciliation of Reported Yield to Core Yield

	2022		2021			
	1Q	4Q	3Q	2Q	1Q	Total
(Assets - amounts in billions)						
Reported - Total Invested Assets and Cash	\$68.2	\$73.8	\$74.7	\$75.2	\$72.9	\$ 73.8
Subtract:						
Securities lending	—	—	—	0.1	0.1	—
Unrealized gains (losses)	3.0	8.2	8.5	8.9	6.9	8.2
Adjusted end of period invested assets and cash	<u>\$65.2</u>	<u>\$65.6</u>	<u>\$66.2</u>	<u>\$66.2</u>	<u>\$65.9</u>	<u>\$ 65.6</u>
(A) Average Invested Assets and Cash Used in Reported and Core Yield Calculation	\$65.4	\$65.9	\$66.2	\$66.1	\$66.2	\$ 66.1
(Income - amounts in millions)						
(B) Reported - Net Investment Income	\$ 764	\$ 866	\$ 859	\$ 844	\$ 801	\$3,370
Subtract:						
Bond calls and commercial mortgage loan prepayments	10	38	43	39	15	135
Other non-core items ⁽¹⁾	—	2	(4)	3	2	3
(C) Core Net Investment Income	<u>\$ 754</u>	<u>\$ 826</u>	<u>\$ 820</u>	<u>\$ 802</u>	<u>\$ 784</u>	<u>\$3,232</u>
(B) / (A) Reported Yield	4.67%	5.26%	5.19%	5.11%	4.84%	5.10%
(C) / (A) Core Yield	4.61%	5.01%	4.95%	4.85%	4.73%	4.89%

Note: 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 U.S. GAAP.

⁽¹⁾ Includes cost basis adjustments on structured securities and various other immaterial items.

Corporate Information

40

**GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
FIRST QUARTER 2022**

Financial Strength Ratings As Of May 2, 2022

<u>Company</u>	<u>S&P Global Ratings (S&P)</u>	<u>Moody's Investors Service, Inc. (Moody's)</u>	<u>Fitch Ratings, Inc. (Fitch)</u>	<u>A.M. Best Company, Inc. (A.M. Best)</u>
Enact Mortgage Insurance Corporation	BBB (Good)	Baa2 (Adequate)	BBB+ (Good)	N/A
Genworth Life Insurance Company	N/A	N/A	N/A	C++ (Marginal)
Genworth Life and Annuity Insurance Company	N/A	N/A	N/A	B (Fair)
Genworth Life Insurance Company of New York	N/A	N/A	N/A	C++ (Marginal)

The ratings included herewith represent those solicited by the company and 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 an insurer rated "BBB" (Good) has good financial security characteristics. The "BBB" rating is the fourth-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 rating category. These suffixes are not added to ratings in the "AAA" category or to ratings below the "CCC" category. Accordingly, the "BBB" rating is the ninth-highest of S&P's 21 ratings categories.

Moody's states that insurance companies rated "Baa" (Adequate) offer adequate financial security. The "Baa" rating is the fourth-highest 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 groups, 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 "Baa2" rating is the ninth-highest of Moody's 21 ratings categories.

Fitch states that "BBB" (Good) rated insurance companies are viewed as possessing good capacity to meet policyholder and contract obligations. The "BBB" rating category is the fourth-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 within a rating category. These suffixes are not added to ratings in the "AAA" category or to ratings below the "B" category. Accordingly, the "BBB+" rating is the eighth-highest of Fitch's 19 ratings categories.

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

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 Ratings' eight long-term rating categories, which range from "HR AAA" to "HR D."

S&P, Moody's, Fitch, A.M. Best and HR Ratings review their ratings periodically and the company cannot assure you that it will maintain the current ratings in the future. These and other agencies may also rate the company or its insurance subsidiaries on a solicited or an unsolicited basis. The company does not provide non-public information to agencies issuing unsolicited ratings and cannot ensure that any agencies that rate the company or its insurance subsidiaries on an unsolicited basis will continue to do so.