

Third Quarter Financial Supplement

September 30, 2020

**GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
THIRD QUARTER 2020**

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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
THIRD QUARTER 2020**

Dear Investor,

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

Regards,

Investor Relations
InvestorInfo@genworth.com

GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
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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), goodwill impairments, gains (losses) on the sale of businesses, gains (losses) on the early extinguishment of debt, gains (losses) on insurance block transactions, restructuring costs and infrequent or unusual non-operating items. Gains (losses) on insurance block transactions are defined as gains (losses) on the early extinguishment of non-recourse funding obligations, early termination fees for other financing restructuring and/or resulting gains (losses) on reinsurance restructuring for certain blocks of business. The company excludes net investment gains (losses) and infrequent or unusual non-operating items because the company does not consider them to be related to the operating performance of the company’s segments and Corporate and Other activities. A component of the company’s net investment gains (losses) is the result of 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. Goodwill impairments, gains (losses) on the sale of businesses, gains (losses) on the early extinguishment of debt, gains (losses) on insurance block transactions and restructuring costs are also excluded from adjusted operating income (loss) because, in the company’s opinion, they are not indicative of overall operating trends. Infrequent or unusual non-operating items are also excluded from adjusted operating income (loss) if, in the company’s opinion, they are not indicative of overall operating trends.

While some of these items may be significant components of net income (loss) available to Genworth Financial, Inc.’s common stockholders in accordance with 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 for the company’s domestic segments and a 30% tax rate for its Australia Mortgage Insurance segment 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 41).

In the second quarter of 2020, the company recorded a goodwill impairment of \$3 million, net of the portion attributable to noncontrolling interests, in its Australia mortgage insurance business.

During the second and first quarters of 2020, the company repurchased \$52 million and \$14 million, respectively, principal amount of Genworth Holdings, Inc.’s (Genworth Holdings) senior notes with 2021 maturity dates for a pre-tax gain of \$3 million and \$1 million, respectively. In January 2020, the company paid a pre-tax make-whole expense of \$9 million related to the early redemption of Genworth Holdings’ senior notes originally scheduled to mature in June 2020 and Rivermont Life Insurance Company I, the company’s indirect wholly-owned special purpose consolidated captive insurance subsidiary, early redeemed all of its \$315 million outstanding non-recourse funding obligations originally due in 2050 resulting in a pre-tax loss of \$4 million from the write-off of deferred borrowing costs. These transactions were excluded from adjusted operating income (loss) as they relate to gains (losses) on the early extinguishment of debt.

The company recorded a pre-tax expense of \$1 million in both the second and first quarters of 2020 and \$4 million in the first quarter of 2019 related to restructuring costs as it continues 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 (loss) available to Genworth Financial, Inc.’s common stockholders to adjusted operating income (loss) for the periods presented and reflects adjusted operating income (loss) as determined in accordance with accounting guidance related to segment reporting. This financial supplement 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 43 and 44 of this financial supplement.

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Results of Operations and Selected Operating Performance Measures

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

The company taxes its international businesses at their local jurisdictional tax rates and its domestic businesses at the U.S. corporate federal income tax rate of 21%. The company's segment tax methodology applies the respective jurisdictional or domestic tax rate to the pre-tax income (loss) of each segment, which is then adjusted in each segment to reflect the tax attributes of items unique to that segment such as foreign withholding taxes and permanent differences between U.S. GAAP and local 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. The company considers new insurance written to be a measure of the company's operating performance because it represents a measure of new sales of insurance policies during a specified period, rather than a measure of the company's revenues or profitability during that period.

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

<u>Balance Sheet Data</u>	<u>September 30, 2020</u>	<u>June 30, 2020</u>	<u>March 31, 2020</u>	<u>December 31, 2019</u>	<u>September 30, 2019</u>
Total Genworth Financial, Inc.'s stockholders' equity, excluding accumulated other comprehensive income	\$10,615	\$10,196	\$10,634	\$10,752	\$10,765
Total accumulated other comprehensive income	4,141	4,447	3,815	3,433	3,622
Total Genworth Financial, Inc.'s stockholders' equity	<u>\$14,756</u>	<u>\$14,643</u>	<u>\$14,449</u>	<u>\$14,185</u>	<u>\$14,387</u>
Book value per share	\$ 29.19	\$ 28.96	\$ 28.61	\$ 28.17	\$ 28.57
Book value per share, excluding accumulated other comprehensive income	\$ 20.99	\$ 20.17	\$ 21.05	\$ 21.35	\$ 21.38
Common shares outstanding as of the balance sheet date	505.6	505.6	505.1	503.5	503.5
	Twelve months ended				
	<u>September 30, 2020</u>	<u>June 30, 2020</u>	<u>March 31, 2020</u>	<u>December 31, 2019</u>	<u>September 30, 2019</u>
<u>Twelve Month Rolling Average ROE</u>					
U.S. GAAP Basis ROE	(1.0)%	(4.8)%	1.0%	3.2%	0.3%
Operating ROE ⁽¹⁾	1.6%	1.5%	3.3%	3.9%	0.9%
	Three months ended				
	<u>September 30, 2020</u>	<u>June 30, 2020</u>	<u>March 31, 2020</u>	<u>December 31, 2019</u>	<u>September 30, 2019</u>
<u>Quarterly Average ROE</u>					
U.S. GAAP Basis ROE	15.7%	(16.9)%	(2.5)%	(0.6)%	0.7%
Operating ROE ⁽¹⁾	5.0%	(0.8)%	1.2%	0.9%	4.6%
	<u>Three months ended September 30, 2020</u>	<u>Nine months ended September 30, 2020</u>			
<u>Basic and Diluted Shares</u>					
Weighted-average common shares used in basic earnings per share calculations	505.6	505.1			
Potentially dilutive securities:					
Stock options, restricted stock units and stock appreciation rights	5.9	6.1			
Weighted-average common shares used in diluted earnings per share calculations	<u>511.5</u>	<u>511.2</u>			

⁽¹⁾ See page 43 herein for a reconciliation of U.S. GAAP Basis ROE to Operating ROE.

Consolidated Quarterly Results

GENWORTH FINANCIAL, INC.
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Consolidated Net Income (Loss) by Quarter
(amounts in millions, except per share amounts)

	2020				2019				
	3Q	2Q	1Q	Total	4Q	3Q	2Q	1Q	Total
REVENUES:									
Premiums	\$1,034	\$1,019	\$1,015	\$3,068	\$1,033	\$1,015	\$1,001	\$ 988	\$4,037
Net investment income	827	786	793	2,406	794	816	816	794	3,220
Net investment gains (losses)	375	159	(152)	382	23	(2)	(46)	75	50
Policy fees and other income	184	174	181	539	188	191	223	187	789
Total revenues	2,420	2,138	1,837	6,395	2,038	2,020	1,994	2,044	8,096
BENEFITS AND EXPENSES:									
Benefits and other changes in policy reserves	1,299	1,486	1,361	4,146	1,346	1,284	1,251	1,282	5,163
Interest credited	137	139	141	417	138	146	146	147	577
Acquisition and operating expenses, net of deferrals	249	223	249	721	249	247	229	237	962
Amortization of deferred acquisition costs and intangibles	101	93	116	310	164	112	84	81	441
Goodwill impairment	—	5	—	5	—	—	—	—	—
Interest expense	49	44	52	145	60	59	60	60	239
Total benefits and expenses	1,835	1,990	1,919	5,744	1,957	1,848	1,770	1,807	7,382
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES									
Provision (benefit) for income taxes	585	148	(82)	651	81	172	224	237	714
	150	46	(10)	186	26	34	66	69	195
INCOME (LOSS) FROM CONTINUING OPERATIONS									
Income (loss) from discontinued operations, net of taxes ⁽¹⁾	435	102	(72)	465	55	138	158	168	519
	1	(520)	—	(519)	(31)	(80)	60	62	11
NET INCOME (LOSS)									
Less: net income (loss) from continuing operations attributable to noncontrolling interests	436	(418)	(72)	(54)	24	58	218	230	530
Less: net income from discontinued operations attributable to noncontrolling interests	18	23	(6)	35	19	10	15	20	64
	—	—	—	—	22	30	35	36	123
NET INCOME (LOSS) AVAILABLE TO GENWORTH FINANCIAL, INC.'S COMMON STOCKHOLDERS									
	\$ 418	\$ (441)	\$ (66)	\$ (89)	\$ (17)	\$ 18	\$ 168	\$ 174	\$ 343
NET INCOME (LOSS) AVAILABLE TO GENWORTH FINANCIAL, INC.'S COMMON STOCKHOLDERS:									
Income (loss) from continuing operations available to Genworth Financial, Inc.'s common stockholders	\$ 417	\$ 79	\$ (66)	\$ 430	\$ 36	\$ 128	\$ 143	\$ 148	\$ 455
Income (loss) from discontinued operations available to Genworth Financial, Inc.'s common stockholders	1	(520)	—	(519)	(53)	(110)	25	26	(112)
NET INCOME (LOSS) AVAILABLE TO GENWORTH FINANCIAL, INC.'S COMMON STOCKHOLDERS									
	\$ 418	\$ (441)	\$ (66)	\$ (89)	\$ (17)	\$ 18	\$ 168	\$ 174	\$ 343
Earnings (Loss) Per Share Data:									
Income (loss) from continuing operations available to Genworth Financial, Inc.'s common stockholders per share									
Basic	\$ 0.83	\$ 0.16	\$ (0.13)	\$ 0.85	\$ 0.07	\$ 0.25	\$ 0.29	\$ 0.29	\$ 0.90
Diluted	\$ 0.82	\$ 0.15	\$ (0.13)	\$ 0.84	\$ 0.07	\$ 0.25	\$ 0.28	\$ 0.29	\$ 0.89
Net income (loss) available to Genworth Financial, Inc.'s common stockholders per share									
Basic	\$ 0.83	\$ (0.87)	\$ (0.13)	\$ (0.18)	\$ (0.03)	\$ 0.04	\$ 0.33	\$ 0.35	\$ 0.68
Diluted	\$ 0.82	\$ (0.86)	\$ (0.13)	\$ (0.17)	\$ (0.03)	\$ 0.04	\$ 0.33	\$ 0.34	\$ 0.67
Weighted-average common shares outstanding									
Basic	505.6	505.4	504.3	505.1	503.5	503.5	503.4	501.2	502.9
Diluted ⁽²⁾	511.5	512.5	504.3	511.2	510.4	511.2	508.7	508.6	509.7

(1) Income (loss) from discontinued operations relates to the company's former Canada mortgage insurance business that was sold on December 12, 2019 and its former lifestyle protection insurance business that was sold on December 1, 2015. During the third quarter of 2020, based on an updated estimate, the company reduced 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 a benefit of \$23 million. In addition, during the third quarter of 2020, the company recognized a loss of \$22 million attributable to changes in foreign exchange rates on balances owed to AXA S.A. (AXA) under a settlement agreement reached in the second quarter of 2020 regarding a dispute over payment protection insurance claims sold by the company's former lifestyle protection insurance business, along with interest expense and other legal fees and expenses. During the second quarter of 2020, the company recorded an after-tax loss of \$520 million in connection with the settlement agreement, including legal fees and other expenses. During the fourth quarter of 2019, the company also recorded an after-tax loss of \$110 million prior to reaching the settlement agreement with AXA.

(2) Under applicable accounting guidance, companies in a loss position are required to use basic weighted-average common shares outstanding in the calculation of diluted loss per share. Therefore, as a result of the loss from continuing operations for the three months ended March 31, 2020, the company was required to use basic weighted-average common shares outstanding in the calculation of diluted loss per share for the three months ended March 31, 2020, as the inclusion of shares for stock options, restricted stock units and stock appreciation rights of 5.4 million would have been antidilutive to the calculation. If the company had not incurred a loss from continuing operations for the three months ended March 31, 2020, dilutive potential weighted-average common shares outstanding would have been 509.7 million.

GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
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Reconciliation of Net Income (Loss) to Adjusted Operating Income (Loss)
(amounts in millions, except per share amounts)

	2020				2019				
	3Q	2Q	1Q	Total	4Q	3Q	2Q	1Q	Total
NET INCOME (LOSS) AVAILABLE TO GENWORTH FINANCIAL, INC.'S COMMON STOCKHOLDERS	\$ 418	\$ (441)	\$ (66)	\$ (89)	\$ (17)	\$ 18	\$ 168	\$ 174	\$ 343
Add: net income (loss) from continuing operations attributable to noncontrolling interests	18	23	(6)	35	19	10	15	20	64
Add: net income from discontinued operations attributable to noncontrolling interests	—	—	—	—	22	30	35	36	123
NET INCOME (LOSS)	436	(418)	(72)	(54)	24	58	218	230	530
Less: income (loss) from discontinued operations, net of taxes	1	(520)	—	(519)	(31)	(80)	60	62	11
INCOME (LOSS) FROM CONTINUING OPERATIONS	435	102	(72)	465	55	138	158	168	519
Less: net income (loss) from continuing operations attributable to noncontrolling interests	18	23	(6)	35	19	10	15	20	64
INCOME (LOSS) FROM CONTINUING OPERATIONS AVAILABLE TO GENWORTH FINANCIAL, INC.'S COMMON STOCKHOLDERS	417	79	(66)	430	36	128	143	148	455
ADJUSTMENTS TO INCOME (LOSS) FROM CONTINUING OPERATIONS AVAILABLE TO GENWORTH FINANCIAL, INC.'S COMMON STOCKHOLDERS:									
Net investment (gains) losses, net ⁽¹⁾	(362)	(131)	115	(378)	(17)	(5)	43	(71)	(50)
Goodwill impairment, net ⁽²⁾	—	3	—	3	—	—	—	—	—
(Gains) losses on early extinguishment of debt	—	(3)	12	9	—	—	—	—	—
Expenses related to restructuring	—	1	1	2	—	—	—	4	4
Taxes on adjustments	77	30	(29)	78	5	—	(8)	14	11
ADJUSTED OPERATING INCOME (LOSS)	\$ 132	\$ (21)	\$ 33	\$ 144	\$ 24	\$ 123	\$ 178	\$ 95	\$ 420
ADJUSTED OPERATING INCOME (LOSS):									
U.S. Mortgage Insurance segment	\$ 141	\$ (3)	\$ 148	\$ 286	\$ 160	\$ 137	\$ 147	\$ 124	\$ 568
Australia Mortgage Insurance segment	7	1	9	17	12	12	13	14	51
U.S. Life Insurance segment:									
Long-Term Care Insurance	59	48	1	108	19	21	37	(20)	57
Life Insurance	(69)	(81)	(77)	(227)	(164)	(25)	10	(2)	(181)
Fixed Annuities	24	28	6	58	30	3	19	17	69
Total U.S. Life Insurance segment	14	(5)	(70)	(61)	(115)	(1)	66	(5)	(55)
Runoff segment	19	24	(13)	30	17	10	9	20	56
Corporate and Other	(49)	(38)	(41)	(128)	(50)	(35)	(57)	(58)	(200)
ADJUSTED OPERATING INCOME (LOSS)	\$ 132	\$ (21)	\$ 33	\$ 144	\$ 24	\$ 123	\$ 178	\$ 95	\$ 420
Earnings (Loss) Per Share Data:									
Net income (loss) available to Genworth Financial, Inc.'s common stockholders per share									
Basic	\$ 0.83	\$ (0.87)	\$ (0.13)	\$ (0.18)	\$ (0.03)	\$ 0.04	\$ 0.33	\$ 0.35	\$ 0.68
Diluted	\$ 0.82	\$ (0.86)	\$ (0.13)	\$ (0.17)	\$ (0.03)	\$ 0.04	\$ 0.33	\$ 0.34	\$ 0.67
Adjusted operating income (loss) per share									
Basic	\$ 0.26	\$ (0.04)	\$ 0.07	\$ 0.29	\$ 0.05	\$ 0.25	\$ 0.35	\$ 0.19	\$ 0.84
Diluted	\$ 0.26	\$ (0.04)	\$ 0.07	\$ 0.28	\$ 0.05	\$ 0.24	\$ 0.35	\$ 0.19	\$ 0.82
Weighted-average common shares outstanding									
Basic	505.6	505.4	504.3	505.1	503.5	503.5	503.4	501.2	502.9
Diluted ⁽³⁾	511.5	512.5	504.3	511.2	510.4	511.2	508.7	508.6	509.7

(1) Net investment (gains) losses were adjusted for the portion attributable to noncontrolling interests and DAC and other intangible amortization and certain benefit reserves (see page 41 for reconciliation).

(2) For the three months ended June 30, 2020, goodwill impairment was adjusted by \$2 million related to the company's mortgage insurance business in Australia for the portion attributable to noncontrolling interests.

(3) Under applicable accounting guidance, companies in a loss position are required to use basic weighted-average common shares outstanding in the calculation of diluted loss per share. Therefore, as a result of the loss from continuing operations for the three months ended March 31, 2020, the company was required to use basic weighted-average common shares outstanding in the calculation of diluted loss per share for the three months ended March 31, 2020, as the inclusion of shares for stock options, restricted stock units and stock appreciation rights of 5.4 million would have been antidilutive to the calculation. If the company had not incurred a loss from continuing operations for the three months ended March 31, 2020, dilutive potential weighted-average common shares outstanding would have been 509.7 million.

GENWORTH FINANCIAL, INC.
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Consolidated Balance Sheets
(amounts in millions)

	September 30, 2020	June 30, 2020	March 31, 2020	December 31, 2019	September 30, 2019
ASSETS					
Investments:					
Fixed maturity securities available-for-sale, at fair value ⁽¹⁾	\$ 64,416	\$ 63,544	\$59,051	\$ 60,339	\$ 61,233
Equity securities, at fair value	629	206	188	239	239
Commercial mortgage loans ⁽²⁾	6,911	6,945	6,944	6,976	7,045
Less: Allowance for credit losses	(31)	(28)	(29)	(13)	(12)
Commercial mortgage loans, net	6,880	6,917	6,915	6,963	7,033
Policy loans	2,153	2,182	2,052	2,058	2,069
Other invested assets	2,402	2,473	2,465	1,632	1,693
Total investments	76,480	75,322	70,671	71,231	72,267
Cash, cash equivalents and restricted cash	2,780	2,597	2,483	3,341	1,629
Accrued investment income	650	601	707	654	643
Deferred acquisition costs	1,623	1,718	1,898	1,836	1,881
Intangible assets and goodwill	209	223	263	201	210
Reinsurance recoverable	16,832	16,944	17,122	17,103	17,180
Less: Allowance for credit losses	(44)	(44)	(42)	—	—
Reinsurance recoverable, net	16,788	16,900	17,080	17,103	17,180
Other assets	445	454	456	443	479
Deferred tax asset	250	286	319	425	236
Separate account assets	5,700	5,536	4,967	6,108	6,005
Assets held for sale related to discontinued operations ⁽³⁾	—	—	—	—	5,123
Total assets	<u>\$104,925</u>	<u>\$103,637</u>	<u>\$98,844</u>	<u>\$101,342</u>	<u>\$105,653</u>

⁽¹⁾ Amortized cost of \$55,252 million, \$54,834 million and \$54,136 million as of September 30, 2020, June 30, 2020 and March 31, 2020, respectively, and allowance for credit losses of \$5 million, \$7 million and \$— as of September 30, 2020, June 30, 2020 and March 31, 2020, respectively.

⁽²⁾ Net of unamortized balance of loan origination fees and costs of \$4 million as of September 30, 2020, June 30, 2020, March 31, 2020, December 31, 2019 and September 30, 2019.

⁽³⁾ Prior to the sale on December 12, 2019, the assets of the company's former Canada mortgage insurance business were held for sale related to discontinued operations and segregated in the consolidated balance sheets.

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

	<u>September 30, 2020</u>	<u>June 30, 2020</u>	<u>March 31, 2020</u>	<u>December 31, 2019</u>	<u>September 30, 2019</u>
LIABILITIES AND EQUITY					
Liabilities:					
Future policy benefits	\$ 41,995	\$ 41,463	\$39,339	\$ 40,384	\$ 40,489
Policyholder account balances	22,731	22,921	22,313	22,217	22,607
Liability for policy and contract claims	11,373	11,280	11,132	10,958	10,780
Unearned premiums	1,846	1,804	1,722	1,893	1,863
Other liabilities ⁽¹⁾	1,913	2,033	1,645	1,386	1,404
Non-recourse funding obligations	—	—	—	311	311
Long-term borrowings	3,570	2,817	2,851	3,277	3,706
Separate account liabilities	5,700	5,536	4,967	6,108	6,005
Liabilities held for sale related to discontinued operations ^{(1),(2)}	565	695	41	176	2,343
Total liabilities	<u>89,693</u>	<u>88,549</u>	<u>84,010</u>	<u>86,710</u>	<u>89,508</u>
Equity:					
Common stock	1	1	1	1	1
Additional paid-in capital	11,997	11,996	11,993	11,990	11,986
Accumulated other comprehensive income (loss)	4,141	4,447	3,815	3,433	3,622
Retained earnings	1,317	899	1,340	1,461	1,478
Treasury stock, at cost	(2,700)	(2,700)	(2,700)	(2,700)	(2,700)
Total Genworth Financial, Inc.'s stockholders' equity	<u>14,756</u>	<u>14,643</u>	<u>14,449</u>	<u>14,185</u>	<u>14,387</u>
Noncontrolling interests	476	445	385	447	1,758
Total equity	<u>15,232</u>	<u>15,088</u>	<u>14,834</u>	<u>14,632</u>	<u>16,145</u>
Total liabilities and equity	<u>\$104,925</u>	<u>\$103,637</u>	<u>\$98,844</u>	<u>\$101,342</u>	<u>\$105,653</u>

⁽¹⁾ Certain liability balances have been reclassified to conform to the current period presentation.

⁽²⁾ Liabilities related to discontinued operations as of September 30, 2020 and June 30, 2020 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. The company also recorded a contingent liability as of December 31, 2019 prior to reaching the settlement agreement with AXA. Liabilities related to discontinued operations also includes an unrelated liability associated with underwriting losses on a product sold by a distributor in the company's former lifestyle protection insurance business. In addition, prior to the sale on December 12, 2019, the liabilities of the company's Canada mortgage insurance business were held for sale related to discontinued operations and segregated in the consolidated balance sheets.

GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
THIRD QUARTER 2020

Consolidated Balance Sheet by Segment
(amounts in millions)

	September 30, 2020					
	U.S. Mortgage Insurance	Australia Mortgage Insurance	U.S. Life Insurance	Runoff	Corporate and Other ⁽¹⁾	Total
ASSETS						
Cash and investments	\$5,394	\$2,384	\$66,549	\$3,320	\$ 2,263	\$ 79,910
Deferred acquisition costs and intangible assets	49	82	1,546	145	10	1,832
Reinsurance recoverable, net	—	—	16,065	723	—	16,788
Deferred tax and other assets	51	135	48	13	448	695
Separate account assets	—	—	—	5,700	—	5,700
Total assets	<u>\$5,494</u>	<u>\$2,601</u>	<u>\$84,208</u>	<u>\$9,901</u>	<u>\$ 2,721</u>	<u>\$104,925</u>
LIABILITIES AND EQUITY						
Liabilities:						
Future policy benefits	\$ —	\$ —	\$41,993	\$ 2	\$ —	\$ 41,995
Policyholder account balances	—	—	19,158	3,573	—	22,731
Liability for policy and contract claims	474	238	10,642	11	8	11,373
Unearned premiums	328	1,052	462	4	—	1,846
Other liabilities	130	188	980	48	567	1,913
Borrowings	738	169	—	—	2,663	3,570
Separate account liabilities	—	—	—	5,700	—	5,700
Liabilities related to discontinued operations	—	—	—	—	565	565
Total liabilities	<u>1,670</u>	<u>1,647</u>	<u>73,235</u>	<u>9,338</u>	<u>3,803</u>	<u>89,693</u>
Equity:						
Allocated equity, excluding accumulated other comprehensive income (loss)	3,640	443	7,043	530	(1,041)	10,615
Allocated accumulated other comprehensive income (loss)	184	35	3,930	33	(41)	4,141
Total Genworth Financial, Inc.'s stockholders' equity	3,824	478	10,973	563	(1,082)	14,756
Noncontrolling interests	—	476	—	—	—	476
Total equity	<u>3,824</u>	<u>954</u>	<u>10,973</u>	<u>563</u>	<u>(1,082)</u>	<u>15,232</u>
Total liabilities and equity	<u>\$5,494</u>	<u>\$2,601</u>	<u>\$84,208</u>	<u>\$9,901</u>	<u>\$ 2,721</u>	<u>\$104,925</u>

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

GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
THIRD QUARTER 2020

Consolidated Balance Sheet by Segment
(amounts in millions)

	June 30, 2020					
	U.S. Mortgage Insurance	Australia Mortgage Insurance	U.S. Life Insurance	Runoff	Corporate and Other ⁽¹⁾	Total
ASSETS						
Cash and investments	\$4,831	\$2,216	\$66,136	\$3,355	\$ 1,982	\$ 78,520
Deferred acquisition costs and intangible assets	49	82	1,650	149	11	1,941
Reinsurance recoverable, net	—	2	16,164	734	—	16,900
Deferred tax and other assets	64	139	(121)	9	649	740
Separate account assets	—	—	—	5,536	—	5,536
Total assets	<u>\$4,944</u>	<u>\$2,439</u>	<u>\$83,829</u>	<u>\$9,783</u>	<u>\$ 2,642</u>	<u>\$103,637</u>
LIABILITIES AND EQUITY						
Liabilities:						
Future policy benefits	\$ —	\$ —	\$41,461	\$ 2	\$ —	\$ 41,463
Policyholder account balances	—	—	19,317	3,604	—	22,921
Liability for policy and contract claims	439	226	10,583	25	7	11,280
Unearned premiums	340	994	466	4	—	1,804
Other liabilities	115	192	1,142	48	578	2,075
Borrowings	—	138	—	—	2,679	2,817
Separate account liabilities	—	—	—	5,536	—	5,536
Liabilities related to discontinued operations	—	—	—	—	653	653
Total liabilities	<u>894</u>	<u>1,550</u>	<u>72,969</u>	<u>9,219</u>	<u>3,917</u>	<u>88,549</u>
Equity:						
Allocated equity, excluding accumulated other comprehensive income (loss)	3,897	422	6,546	538	(1,207)	10,196
Allocated accumulated other comprehensive income (loss)	153	22	4,314	26	(68)	4,447
Total Genworth Financial, Inc.'s stockholders' equity	4,050	444	10,860	564	(1,275)	14,643
Noncontrolling interests	—	445	—	—	—	445
Total equity	<u>4,050</u>	<u>889</u>	<u>10,860</u>	<u>564</u>	<u>(1,275)</u>	<u>15,088</u>
Total liabilities and equity	<u>\$4,944</u>	<u>\$2,439</u>	<u>\$83,829</u>	<u>\$9,783</u>	<u>\$ 2,642</u>	<u>\$103,637</u>

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

**GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
THIRD QUARTER 2020**

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

	<u>U.S. Mortgage Insurance</u>	<u>Australia Mortgage Insurance</u>	<u>U.S. Life Insurance</u>	<u>Runoff</u>	<u>Total</u>
Unamortized balance as of June 30, 2020	\$ 32	\$ 36	\$ 2,879	\$158	\$ 3,105
Costs deferred	3	3	(6)	—	—
Amortization, net of interest accretion	(2)	(2)	(79)	(4)	(87)
Impact of foreign currency translation	—	1	—	—	1
Unamortized balance as of September 30, 2020	33	38	2,794	154	3,019
Effect of accumulated net unrealized investment (gains) losses	—	—	(1,384)	(12)	(1,396)
Balance as of September 30, 2020	<u>\$ 33</u>	<u>\$ 38</u>	<u>\$ 1,410</u>	<u>\$142</u>	<u>\$ 1,623</u>

U.S. Mortgage Insurance Segment

GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
THIRD QUARTER 2020

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

	2020				2019				
	3Q	2Q	1Q	Total	4Q	3Q	2Q	1Q	Total
REVENUES:									
Premiums	\$ 251	\$ 243	\$ 226	\$ 720	\$ 237	\$ 219	\$ 206	\$ 194	\$ 856
Net investment income	34	31	33	98	30	31	28	28	117
Net investment gains (losses)	(2)	(1)	—	(3)	1	—	—	—	1
Policy fees and other income	1	1	2	4	1	1	1	1	4
Total revenues	284	274	261	819	269	251	235	223	978
BENEFITS AND EXPENSES:									
Benefits and other changes in policy reserves	45	228	19	292	11	23	—	16	50
Acquisition and operating expenses, net of deferrals	54	47	50	151	50	51	44	46	191
Amortization of deferred acquisition costs and intangibles	3	4	4	11	4	3	4	4	15
Interest expense	6	—	—	6	—	—	—	—	—
Total benefits and expenses	108	279	73	460	65	77	48	66	256
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES									
Provision (benefit) for income taxes	176	(5)	188	359	204	174	187	157	722
	37	(1)	40	76	43	37	40	33	153
INCOME (LOSS) FROM CONTINUING OPERATIONS	139	(4)	148	283	161	137	147	124	569
ADJUSTMENTS TO INCOME (LOSS) FROM CONTINUING OPERATIONS:									
Net investment (gains) losses	2	1	—	3	(1)	—	—	—	(1)
Taxes on adjustments	—	—	—	—	—	—	—	—	—
ADJUSTED OPERATING INCOME (LOSS)	<u>\$ 141</u>	<u>\$ (3)</u>	<u>\$ 148</u>	<u>\$ 286</u>	<u>\$ 160</u>	<u>\$ 137</u>	<u>\$ 147</u>	<u>\$ 124</u>	<u>\$ 568</u>
SALES:									
Primary New Insurance Written (NIW)⁽¹⁾	<u>\$26,600</u>	\$28,400	\$17,900	\$72,900	\$18,100	\$18,900	\$15,800	\$9,600	\$62,400

⁽¹⁾ In the third quarter of 2020, the company revised the product descriptions in its U.S. Mortgage Insurance segment to conform with industry convention and certain regulatory definitions, including classifications under the Private Mortgage Insurer Eligibility Requirements (PMIERS). Prior year amounts throughout the U.S. Mortgage Insurance segment pages of this quarterly financial supplement have been reclassified to conform to the current year presentation where applicable.

GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
THIRD QUARTER 2020

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

	2020						2019							
	3Q		2Q		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	Primary NIW	% of Primary NIW	Primary NIW	% of Primary NIW
Product														
Monthly	\$23,400	88%	\$25,800	91%	\$16,200	91%	\$16,200	89%	\$16,500	87%	\$13,800	87%	\$8,200	85%
Single	3,100	12	2,500	9	1,500	8	1,800	10	2,100	11	1,800	12	1,300	14
Other ⁽¹⁾	100	—	100	—	200	1	100	1	300	2	200	1	100	1
Total Primary	<u>\$26,600</u>	<u>100%</u>	<u>\$28,400</u>	<u>100%</u>	<u>\$17,900</u>	<u>100%</u>	<u>\$18,100</u>	<u>100%</u>	<u>\$18,900</u>	<u>100%</u>	<u>\$15,800</u>	<u>100%</u>	<u>\$9,600</u>	<u>100%</u>
FICO Scores														
Over 760	\$11,300	43%	\$12,300	43%	\$ 7,500	42%	\$ 7,400	41%	\$ 7,600	40%	\$ 6,100	39%	\$3,700	39%
740-759	4,100	15	4,800	17	3,200	18	3,200	18	3,300	17	2,500	16	1,600	17
720-739	3,500	13	4,200	15	2,600	14	2,800	15	2,700	14	2,300	15	1,400	15
700-719	3,100	12	3,300	11	2,200	12	2,300	13	2,300	12	2,100	13	1,200	12
680-699	2,400	9	2,200	8	1,500	8	1,500	8	1,800	10	1,600	10	900	9
660-679 ⁽²⁾	1,300	5	900	3	500	3	500	3	700	4	600	4	400	4
640-659	600	2	500	2	300	2	300	2	300	2	400	2	300	3
620-639	300	1	200	1	100	1	100	—	200	1	200	1	100	1
<620	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total Primary	<u>\$26,600</u>	<u>100%</u>	<u>\$28,400</u>	<u>100%</u>	<u>\$17,900</u>	<u>100%</u>	<u>\$18,100</u>	<u>100%</u>	<u>\$18,900</u>	<u>100%</u>	<u>\$15,800</u>	<u>100%</u>	<u>\$9,600</u>	<u>100%</u>
Loan-To-Value Ratio														
95.01% and above	\$ 3,700	14%	\$ 3,200	11%	\$ 1,800	10%	\$ 2,000	11%	\$ 2,900	16%	\$ 2,900	18%	\$1,800	19%
90.01% to 95.00%	11,700	44	12,300	43	7,700	43	7,900	44	8,000	42	6,900	44	4,200	44
85.01% to 90.00%	7,100	27	8,100	29	5,500	31	5,600	31	5,500	29	4,300	27	2,500	26
85.00% and below	4,100	15	4,800	17	2,900	16	2,600	14	2,500	13	1,700	11	1,100	11
Total Primary	<u>\$26,600</u>	<u>100%</u>	<u>\$28,400</u>	<u>100%</u>	<u>\$17,900</u>	<u>100%</u>	<u>\$18,100</u>	<u>100%</u>	<u>\$18,900</u>	<u>100%</u>	<u>\$15,800</u>	<u>100%</u>	<u>\$9,600</u>	<u>100%</u>
Origination														
Purchase	\$20,000	75%	\$17,400	61%	\$12,000	67%	\$12,900	71%	\$14,900	79%	\$13,900	88%	\$8,600	90%
Refinance	6,600	25	11,000	39	5,900	33	5,200	29	4,000	21	1,900	12	1,000	10
Total Primary	<u>\$26,600</u>	<u>100%</u>	<u>\$28,400</u>	<u>100%</u>	<u>\$17,900</u>	<u>100%</u>	<u>\$18,100</u>	<u>100%</u>	<u>\$18,900</u>	<u>100%</u>	<u>\$15,800</u>	<u>100%</u>	<u>\$9,600</u>	<u>100%</u>

(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
THIRD QUARTER 2020

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

	2020				2019				
	3Q	2Q	1Q	Total	4Q	3Q	2Q	1Q	Total
Net Premiums Written	\$ 240	\$ 217	\$ 208	\$ 665	\$ 208	\$ 213	\$ 204	\$ 193	\$ 818
Primary New Risk Written	\$ 6,668	\$ 7,011	\$ 4,405	\$18,084	\$ 4,465	\$ 4,647	\$ 3,931	\$ 2,403	\$15,446
Primary Insurance In-Force⁽¹⁾	\$212,400	\$206,600	\$197,700		\$191,300	\$185,400	\$177,500	\$169,400	
Risk In-Force									
Primary	\$ 51,393	\$ 49,868	\$ 47,740		\$ 46,246	\$ 44,903	\$ 42,936	\$ 41,040	
Pool	156	169	179		188	201	210	219	
Total Risk In-Force	<u>\$ 51,549</u>	<u>\$ 50,037</u>	<u>\$ 47,919</u>		<u>\$ 46,434</u>	<u>\$ 45,104</u>	<u>\$ 43,146</u>	<u>\$ 41,259</u>	
Primary Risk In-Force That Is GSE Conforming	93%	93%	92%		93%	93%	93%	93%	
Expense Ratio (Net Earned Premiums)⁽²⁾	23%	21%	24%	23%	23%	24%	24%	25%	24%
Expense Ratio (Net Premiums Written)⁽³⁾	24%	23%	26%	24%	27%	25%	24%	26%	25%
Primary Persistency	60%	60%	76%		74%	75%	82%	86%	
Risk To Capital Ratio⁽⁴⁾	12.1:1	12.0:1	12.2:1		12.2:1	11.9:1	11.8:1	11.9:1	
PMIERS Sufficiency Ratio⁽⁵⁾	132%	143%	142%		138%	129%	123%	123%	
Average Primary Loan Size (in thousands)	\$ 232	\$ 231	\$ 228		\$ 225	\$ 222	\$ 220	\$ 216	

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

- (1) Primary insurance in-force represents aggregate loan balances for outstanding insurance policies and is used to determine premiums. Original loan balances are presented for policies with level renewal premiums. Amortized loan balances are presented for policies with annual, amortizing renewal premiums.
- (2) The ratio of an insurer's general expenses to net earned premiums. In the business, general expenses consist of acquisition and operating expenses, net of deferrals, and amortization of DAC and intangibles.
- (3) The ratio of an insurer's general expenses to net premiums written. In the business, general expenses consist of acquisition and operating expenses, net of deferrals, and amortization of DAC and intangibles.
- (4) Certain states limit a private mortgage insurer's risk in-force to 25 times the total of the insurer's policyholders' surplus plus the statutory contingency reserve, commonly known as the "risk to capital" requirement. The current period risk to capital ratio is an estimate due to the timing of the filing of statutory statements and is prepared consistent with the presentation of the statutory financial statements in the combined annual statement of the U.S. mortgage insurance business.
- (5) The PMIERS sufficiency ratio is calculated as available assets divided by required assets as defined within PMIERS. The current period PMIERS sufficiency ratio is an estimate due to the timing of the PMIERS filing for the U.S. mortgage insurance business and does not take into consideration the impact of restrictions recently imposed by the government-sponsored enterprises (GSEs). As of September 30, 2020, June 30, 2020, March 31, 2020, December 31, 2019, September 30, 2019, June 30, 2019 and March 31, 2019, the PMIERS sufficiency ratios were \$1,074 million, \$1,275 million, \$1,171 million, \$1,057 million, \$861million, \$673 million and \$648 million, respectively, of available assets above the published PMIERS requirements. The GSEs have imposed certain capital restrictions on the U.S. mortgage insurance business which remain in effect until certain conditions are met. These restrictions currently require Genworth Mortgage Insurance Corporation, the company's principal U.S. mortgage insurance subsidiary, to maintain 115% of PMIERS minimum required assets among other restrictions.

GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
THIRD QUARTER 2020

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

	2020				2019				
	3Q	2Q	1Q	Total	4Q	3Q	2Q	1Q	Total
Paid claims									
Primary									
Direct	\$ 8	\$ 18	\$ 20	\$ 46	\$ 22	\$ 28	\$ 24	\$ 30	\$ 104
Assumed ⁽¹⁾	—	—	—	—	—	—	—	—	—
Ceded	—	—	—	—	—	—	—	—	—
Loss adjustment expenses	1	1	2	4	2	1	2	2	7
Total Primary	9	19	22	50	24	29	26	32	111
Pool	1	—	—	1	1	1	—	—	2
Total Paid Claims	<u>\$ 10</u>	<u>\$ 19</u>	<u>\$ 22</u>	<u>\$ 51</u>	<u>\$ 25</u>	<u>\$ 30</u>	<u>\$ 26</u>	<u>\$ 32</u>	<u>\$ 113</u>
Average Paid Claim (in thousands)	\$55.6	\$47.1	\$45.0		\$39.2	\$44.2	\$45.4	\$49.0	
Average Reserve Per Delinquency (in thousands)⁽²⁾	\$ 8.8	\$ 7.1	\$13.1		\$12.5	\$13.8	\$14.7	\$15.5	
Reserves:									
Primary direct case	\$ 436	\$ 379	\$ 202		\$ 205	\$ 217	\$ 223	\$ 247	
Assumed ⁽¹⁾	1	1	1		1	1	1	1	
All other ⁽³⁾	37	59	27		27	29	30	32	
Total Reserves	<u>\$ 474</u>	<u>\$ 439</u>	<u>\$ 230</u>		<u>\$ 233</u>	<u>\$ 247</u>	<u>\$ 254</u>	<u>\$ 280</u>	
Beginning Reserves	\$ 439	\$ 230	\$ 233	\$233	\$ 247	\$ 254	\$ 280	\$ 296	\$ 296
Paid claims	(10)	(19)	(22)	(51)	(25)	(30)	(26)	(32)	(113)
Increase (decrease) in reserves	45	228	19	292	11	23	—	16	50
Ending Reserves	<u>\$ 474</u>	<u>\$ 439</u>	<u>\$ 230</u>	<u>\$474</u>	<u>\$ 233</u>	<u>\$ 247</u>	<u>\$ 254</u>	<u>\$ 280</u>	<u>\$ 233</u>
Loss Ratio⁽⁴⁾	18%	94%	8%	41%	4%	11%	-%	8%	6%

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) Assumed is comprised of reinsurance arrangements with state governmental housing finance agencies.

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

(3) Other includes loss adjustment expenses, pool and incurred but not reported reserves.

(4) The ratio of benefits and other changes in policy reserves to net earned premiums. The company recorded a favorable reserve adjustment of \$13 million and a favorable adjustment to net earned premiums of \$14 million in the fourth quarter of 2019, which reduced the loss ratio by six percentage points for the three months ended December 31, 2019. The company also recorded a favorable reserve adjustment of \$10 million in the second quarter of 2019, which reduced the loss ratio by five percentage points for the three months ended June 30, 2019. These adjustments reduced the loss ratio by three percentage points for the twelve months ended December 31, 2019.

GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
THIRD QUARTER 2020

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

	2020				2019				
	3Q	2Q	1Q	Total	4Q	3Q	2Q	1Q	Total
Beginning Number of Primary Delinquencies	53,587	15,417	16,392	16,392	15,758	15,227	15,934	16,860	16,860
New delinquencies	16,664	48,373	8,114	73,151	8,658	8,547	7,606	8,424	33,235
Delinquency cures	(20,404)	(9,795)	(8,649)	(38,848)	(7,464)	(7,382)	(7,791)	(8,726)	(31,363)
Paid claims	(152)	(404)	(440)	(996)	(558)	(631)	(515)	(619)	(2,323)
Rescissions and claim denials	(3)	(4)	—	(7)	(2)	(3)	(7)	(5)	(17)
Ending Number of Primary Delinquencies	<u>49,692</u>	<u>53,587</u>	<u>15,417</u>	<u>49,692</u>	<u>16,392</u>	<u>15,758</u>	<u>15,227</u>	<u>15,934</u>	<u>16,392</u>
Composition of Cures									
Reported delinquent and cured-intraquarter	1,939	3,992	2,236		1,700	1,818	1,621	2,339	
Number of missed payments delinquent prior to cure:									
3 payments or less	13,022	4,522	4,850		4,390	4,110	4,510	4,786	
4 - 11 payments	5,239	1,122	1,389		1,167	1,215	1,417	1,323	
12 payments or more	204	159	174		207	239	243	278	
Total	<u>20,404</u>	<u>9,795</u>	<u>8,649</u>		<u>7,464</u>	<u>7,382</u>	<u>7,791</u>	<u>8,726</u>	
Primary Delinquencies by Missed Payment Status									
3 payments or less	13,904	43,158	7,650		8,618	8,294	7,704	7,768	
4 - 11 payments	32,366	7,448	4,909		4,876	4,360	4,197	4,700	
12 payments or more	3,422	2,981	2,858		2,898	3,104	3,326	3,466	
Primary Delinquencies	<u>49,692</u>	<u>53,587</u>	<u>15,417</u>		<u>16,392</u>	<u>15,758</u>	<u>15,227</u>	<u>15,934</u>	

	September 30, 2020		
	Direct Case Reserves ⁽¹⁾	Risk In-Force	Reserves as % of Risk In-Force
3 payments or less in default	\$ 49	\$ 763	6%
4 - 11 payments in default	264	2,014	13%
12 payments or more in default	123	168	73%
Total	<u>\$ 436</u>	<u>\$ 2,945</u>	15%

	December 31, 2019		
	Direct Case Reserves ⁽¹⁾	Risk In-Force	Reserves as % of Risk In-Force
3 payments or less in default	\$ 28	\$ 386	7%
4 - 11 payments in default	78	225	35%
12 payments or more in default	99	146	68%
Total	<u>\$ 205</u>	<u>\$ 757</u>	27%

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

GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
THIRD QUARTER 2020

Portfolio Quality Metrics - U.S. Mortgage Insurance Segment

	2020			2019			
	3Q	2Q	1Q	4Q	3Q	2Q	1Q
Primary Loans							
Primary loans in-force	913,974	896,232	868,111	851,070	833,215	808,428	782,471
Primary delinquent loans	49,692	53,587	15,417	16,392	15,758	15,227	15,934
Primary delinquency rate	5.44%	5.98%	1.78%	1.93%	1.89%	1.88%	2.04%
A minus and sub-prime loans in-force	10,984	11,610	12,141	12,688	13,345	14,074	14,599
A minus and sub-prime delinquent loans	2,342	2,453	2,061	2,266	2,320	2,352	2,512
A minus and sub-prime delinquency rate	21.32%	21.13%	16.98%	17.86%	17.38%	16.71%	17.21%
Pool Loans							
Pool loans in-force	11,888	12,339	12,872	13,266	13,738	14,261	14,799
Pool delinquent loans	434	458	363	382	415	432	459
Pool delinquency rate	3.65%	3.71%	2.82%	2.88%	3.02%	3.03%	3.10%
Primary Risk In-Force by Credit Quality							
Over 760	38%	38%	38%	38%	38%	38%	38%
740—759	16	17	17	17	16	16	16
720—739	15	15	15	14	14	14	14
700—719	12	12	12	12	12	12	12
680—699	9	9	9	9	9	9	9
660—679 ⁽¹⁾	5	4	4	5	5	5	5
640—659	3	3	3	3	3	3	3
620—639	1	1	1	1	2	2	2
<620	1	1	1	1	1	1	1
Total Primary	100%	100%	100%	100%	100%	100%	100%

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

GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
THIRD QUARTER 2020

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

Policy Year	September 30, 2020						
	Average Rate ⁽¹⁾	% of Total Reserves ⁽²⁾	Primary Insurance In-Force	% of Total	Primary Risk In-Force	% of Total	Delinquency Rate
2004 and prior	6.08%	3.7%	\$ 870	0.4%	\$ 212	0.4%	16.85%
2005 to 2008	5.43%	27.8	12,940	6.1	2,932	5.7	13.22%
2009 to 2012	4.20%	1.3	1,858	0.9	404	0.8	5.51%
2013	4.13%	1.3	2,567	1.2	613	1.2	4.87%
2014	4.45%	3.1	4,944	2.3	1,174	2.3	5.80%
2015	4.15%	5.3	10,336	4.9	2,465	4.8	5.56%
2016	3.88%	9.2	19,715	9.3	4,727	9.2	5.53%
2017	4.24%	11.4	20,541	9.7	4,938	9.6	6.59%
2018	4.75%	13.4	21,282	10.0	5,119	9.9	7.73%
2019	4.20%	18.2	46,638	21.9	11,346	22.1	5.79%
2020	3.42%	5.3	70,745	33.3	17,463	34.0	1.24%
Total	4.06%	100.0%	\$212,436	100.0%	\$51,393	100.0%	5.44%

	September 30, 2020		June 30, 2020		September 30, 2019	
	Primary Risk In-Force	Primary Delinquency Rate	Primary Risk In-Force	Primary Delinquency Rate	Primary Risk In-Force	Primary Delinquency Rate
Lender concentration (by original applicant)	\$51,393	5.44%	\$ 49,868	5.98%	\$44,903	1.89%
Top 10 lenders	\$15,683	6.11%	\$ 15,803	6.62%	\$13,474	2.03%
Top 20 lenders	\$20,263	6.03%	\$ 20,264	6.52%	\$17,647	1.87%
Loan-to-value ratio						
95.01% and above	\$ 9,196	6.96%	\$ 8,789	7.43%	\$ 8,238	3.19%
90.01% to 95.00%	26,403	5.37%	25,686	5.85%	23,309	1.52%
80.01% to 90.00%	15,772	4.58%	15,370	5.26%	13,331	1.53%
80.00% and below	22	5.81%	23	5.91%	25	2.36%
Total	\$51,393	5.44%	\$ 49,868	5.98%	\$44,903	1.89%
Loan grade						
Prime	\$51,000	5.24%	\$ 49,454	5.78%	\$44,430	1.64%
A minus and sub-prime	393	21.32%	414	21.13%	473	17.38%
Total	\$51,393	5.44%	\$ 49,868	5.98%	\$44,903	1.89%

(1) Average Annual Mortgage Interest Rate.

(2) Total reserves were \$474 million as of September 30, 2020.

Australia Mortgage Insurance Segment

GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
THIRD QUARTER 2020

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

	2020			2019					
	3Q	2Q	1Q	Total	4Q	3Q	2Q	1Q	Total
REVENUES:									
Premiums	\$ 71	\$ 62	\$ 69	\$ 202	\$ 72	\$ 77	\$ 80	\$ 83	\$ 312
Net investment income	7	8	10	25	11	13	15	16	55
Net investment gains (losses)	24	66	(53)	37	19	(9)	1	12	23
Policy fees and other income	—	—	1	1	—	1	—	(1)	—
Total revenues	<u>102</u>	<u>136</u>	<u>27</u>	<u>265</u>	<u>102</u>	<u>82</u>	<u>96</u>	<u>110</u>	<u>390</u>
BENEFITS AND EXPENSES:									
Benefits and other changes in policy reserves	26	39	24	89	22	28	26	28	104
Acquisition and operating expenses, net of deferrals	19	18	17	54	18	17	17	17	69
Amortization of deferred acquisition costs and intangibles	7	6	8	21	6	9	9	9	33
Goodwill impairment	—	5	—	5	—	—	—	—	—
Interest expense	2	2	1	5	2	2	2	2	8
Total benefits and expenses	<u>54</u>	<u>70</u>	<u>50</u>	<u>174</u>	<u>48</u>	<u>56</u>	<u>54</u>	<u>56</u>	<u>214</u>
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES	48	66	(23)	91	54	26	42	54	176
Provision (benefit) for income taxes	15	20	(7)	28	16	8	13	16	53
INCOME (LOSS) FROM CONTINUING OPERATIONS	33	46	(16)	63	38	18	29	38	123
Less: net income (loss) from continuing operations attributable to noncontrolling interests	18	23	(6)	35	19	10	15	20	64
INCOME (LOSS) FROM CONTINUING OPERATIONS AVAILABLE TO GENWORTH FINANCIAL, INC.'S COMMON STOCKHOLDERS	15	23	(10)	28	19	8	14	18	59
ADJUSTMENTS TO INCOME (LOSS) FROM CONTINUING OPERATIONS AVAILABLE TO GENWORTH FINANCIAL, INC.'S COMMON STOCKHOLDERS:									
Net investment (gains) losses, net ⁽¹⁾	(12)	(34)	27	(19)	(10)	5	(1)	(6)	(12)
Goodwill impairment, net ⁽²⁾	—	3	—	3	—	—	—	—	—
Taxes on adjustments	4	9	(8)	5	3	(1)	—	2	4
ADJUSTED OPERATING INCOME⁽³⁾	<u>\$ 7</u>	<u>\$ 1</u>	<u>\$ 9</u>	<u>\$ 17</u>	<u>\$ 12</u>	<u>\$ 12</u>	<u>\$ 13</u>	<u>\$ 14</u>	<u>\$ 51</u>
SALES:									
New Insurance Written (NIW)									
Flow	\$5,500	\$4,400	\$4,100	\$14,000	\$4,900	\$4,600	\$3,700	\$3,400	\$16,600
Bulk	100	100	200	400	400	—	1,200	500	2,100
Total Australia NIW^{(4),(5)}	<u>\$5,600</u>	<u>\$4,500</u>	<u>\$4,300</u>	<u>\$14,400</u>	<u>\$5,300</u>	<u>\$4,600</u>	<u>\$4,900</u>	<u>\$3,900</u>	<u>\$18,700</u>

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

Net investment (gains) losses, gross	\$ (24)	\$ (66)	\$ 53	\$ (37)	\$ (19)	\$ 9	\$ (1)	\$ (12)	\$ (23)
Adjustment for net investment gains (losses) attributable to noncontrolling interests	12	32	(26)	18	9	(4)	—	6	11
Net investment (gains) losses, net	<u>\$ (12)</u>	<u>\$ (34)</u>	<u>\$ 27</u>	<u>\$ (19)</u>	<u>\$ (10)</u>	<u>\$ 5</u>	<u>\$ (1)</u>	<u>\$ (6)</u>	<u>\$ (12)</u>

(2) For the three months ended June 30, 2020, goodwill impairment was adjusted by \$2 million for the portion attributable to noncontrolling interests.

(3) Adjusted operating income for the Australian platform adjusted for foreign exchange as compared to the prior year period was \$7 million and \$18 million for the three and nine months ended September 30, 2020, respectively.

(4) New insurance written for the Australian platform adjusted for foreign exchange as compared to the prior year period was \$5,500 million and \$15,000 million for the three and nine months ended September 30, 2020, respectively.

(5) The business currently has structured insurance transactions with three lenders where it is in a secondary loss position. The new insurance written associated with these arrangements is excluded from these metrics.

GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
THIRD QUARTER 2020

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

	2020				2019				
	3Q	2Q	1Q	Total	4Q	3Q	2Q	1Q	Total
Net Premiums Written	\$ 91	\$ 70	\$ 62	\$ 223	\$ 92	\$ 70	\$ 58	\$ 52	\$ 272
Loss Ratio ⁽¹⁾	37%	63%	34%	44%	30%	36%	34%	34%	33%
Expense Ratio (Net Earned Premiums) ⁽²⁾	37%	47%	36%	40%	34%	34%	33%	31%	33%
Expense Ratio (Net Premiums Written) ⁽³⁾	29%	41%	40%	36%	26%	38%	44%	50%	38%
Primary Insurance In-Force ⁽⁴⁾	\$215,800	\$210,200	\$188,400		\$215,700	\$206,400	\$215,600	\$219,200	
Primary Risk In-Force ^{(4),(5)}									
Flow	\$ 69,700	\$ 67,700	\$ 60,700		\$ 69,400	\$ 66,400	\$ 69,100	\$ 70,600	
Bulk	5,500	5,500	5,000		5,700	5,500	6,000	5,700	
Total	<u>\$ 75,200</u>	<u>\$ 73,200</u>	<u>\$ 65,700</u>		<u>\$ 75,100</u>	<u>\$ 71,900</u>	<u>\$ 75,100</u>	<u>\$ 76,300</u>	

Risk In-Force by Loan-To-Value Ratio ^{(4),(6)}	September 30, 2020			June 30, 2020		
	Primary	Flow	Bulk	Primary	Flow	Bulk
95.01% and above	\$ 9,781	\$ 9,781	\$ —	\$ 9,613	\$ 9,613	\$ —
90.01% to 95.00%	21,842	21,831	11	21,066	21,057	9
80.01% to 90.00%	24,435	24,354	81	23,481	23,403	78
80.00% and below	19,153	13,729	5,424	19,060	13,675	5,385
Total	<u>\$ 75,211</u>	<u>\$ 69,695</u>	<u>\$ 5,516</u>	<u>\$ 73,220</u>	<u>\$ 67,748</u>	<u>\$ 5,472</u>

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

- (1) The ratio of benefits and other changes in policy reserves to net earned premiums.
- (2) The ratio of an insurer's general expenses to net earned premiums. In the business, general expenses consist of acquisition and operating expenses, net of deferrals, and amortization of DAC and intangibles.
- (3) The ratio of an insurer's general expenses to net premiums written. In the business, general expenses consist of acquisition and operating expenses, net of deferrals, and amortization of DAC and intangibles.
- (4) The business currently has structured insurance transactions with three lenders where it is in a secondary loss position. The insurance in-force and risk in-force associated with these arrangements are excluded from these metrics. The risk in-force on these transactions was approximately \$168 million, \$162 million, \$143 million, \$162 million, \$152 million, \$157 million and \$157 million as of September 30, 2020, June 30, 2020, March 31, 2020, December 31, 2019, September 30, 2019, June 30, 2019 and March 31, 2019, respectively.
- (5) The business currently provides 100% coverage on the majority of the loans the company insures. For the purpose of representing the risk in-force, Australia has computed an "effective risk in-force" amount which recognizes that the loss on any particular loan will be reduced by the net proceeds received upon sale of the property. Effective risk in-force has been calculated by applying to insurance in-force a factor that represents the highest expected average per-claim payment for any one underwriting year over the life of the business. This factor was 35% for all periods presented. Australia also has certain risk share arrangements where it provides pro-rata coverage of certain loans rather than 100% coverage. As a result, for loans with these risk share arrangements, the applicable pro-rata coverage amount provided is used when applying the factor.
- (6) Loan amount in loan-to-value ratio calculation includes capitalized premiums, where applicable.

GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
THIRD QUARTER 2020

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

Primary Insurance⁽¹⁾	September 30, 2020	June 30, 2020	March 31, 2020	December 31, 2019	September 30, 2019	
Insured loans in-force	1,193,072	1,236,657	1,284,120	1,290,216	1,293,961	
Insured delinquent loans	7,422	7,614	7,274	7,221	7,713	
Insured delinquency rate	0.62%	0.62%	0.57%	0.56%	0.60%	
Flow loans in-force	1,096,679	1,137,784	1,183,889	1,189,019	1,192,282	
Flow delinquent loans	7,171	7,380	7,055	7,003	7,469	
Flow delinquency rate	0.65%	0.65%	0.60%	0.59%	0.63%	
Bulk loans in-force	96,393	98,873	100,231	101,197	101,679	
Bulk delinquent loans	251	234	219	218	244	
Bulk delinquency rate	0.26%	0.24%	0.22%	0.22%	0.24%	
Loss Metrics	September 30, 2020	June 30, 2020	March 31, 2020	December 31, 2019	September 30, 2019	
Beginning Reserves	\$ 226	\$ 184	\$ 208	\$ 204	\$ 209	
Paid claims ⁽²⁾	(23)	(22)	(21)	(25)	(24)	
Increase in reserves	26	39	24	22	27	
Impact of changes in foreign exchange rates	9	25	(27)	7	(8)	
Ending Reserves	<u>\$ 238</u>	<u>\$ 226</u>	<u>\$ 184</u>	<u>\$ 208</u>	<u>\$ 204</u>	
	September 30, 2020	June 30, 2020	September 30, 2019			
State and Territory⁽¹⁾	% of Primary Risk In-Force	Primary Delinquency Rate	% of Primary Risk In-Force	Primary Delinquency Rate	% of Primary Risk In-Force	Primary Delinquency Rate
New South Wales	28%	0.50%	27%	0.51%	28%	0.45%
Queensland	23	0.77%	23	0.78%	23	0.80%
Victoria	23	0.49%	23	0.46%	22	0.43%
Western Australia	13	1.04%	13	1.06%	13	1.06%
South Australia	6	0.69%	6	0.70%	6	0.69%
Australian Capital Territory	3	0.25%	3	0.27%	3	0.26%
Tasmania	2	0.24%	2	0.27%	2	0.31%
New Zealand	1	0.05%	2	0.03%	2	0.02%
Northern Territory	1	0.92%	1	0.87%	1	0.85%
Total	<u>100%</u>	0.62%	<u>100%</u>	0.62%	<u>100%</u>	0.60%
By Policy Year⁽¹⁾						
2011 and prior	41%	0.59%	44%	0.55%	47%	0.53%
2012	5	0.99%	5	1.01%	6	1.04%
2013	6	1.06%	6	1.12%	6	1.13%
2014	7	1.08%	7	1.10%	8	1.01%
2015	7	0.83%	7	0.89%	7	0.86%
2016	6	0.68%	6	0.71%	7	0.60%
2017	6	0.52%	6	0.57%	7	0.41%
2018	7	0.41%	7	0.41%	7	0.22%
2019	8	0.17%	8	0.10%	5	0.01%
2020	7	0.01%	4	0.01%	—	— %
Total	<u>100%</u>	0.62%	<u>100%</u>	0.62%	<u>100%</u>	0.60%

(1) The business currently has structured insurance transactions with three lenders where it is in a secondary loss position. The loans in-force, including delinquent loans, and risk in-force associated with these arrangements are excluded from these metrics.

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

GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
THIRD QUARTER 2020

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

	2020				2019				
	3Q	2Q	1Q	Total	4Q	3Q	2Q	1Q	Total
Paid Claims⁽¹⁾									
Flow	\$ 33	\$ 35	\$ 31	\$ 99	\$ 37	\$ 35	\$ 28	\$ 30	\$ 130
Total Paid Claims	<u>\$ 33</u>	<u>\$ 35</u>	<u>\$ 31</u>	<u>\$ 99</u>	<u>\$ 37</u>	<u>\$ 35</u>	<u>\$ 28</u>	<u>\$ 30</u>	<u>\$ 130</u>
Average Paid Claim (in thousands)	\$99.4	\$97.0	\$92.7		\$99.4	\$97.9	\$94.1	\$94.2	
Average Reserve Per Delinquency (in thousands)	\$44.7	\$43.0	\$41.3		\$41.1	\$39.2	\$37.8	\$38.4	
Loss Metrics									
Beginning Reserves	\$ 328	\$ 301	\$ 297	\$297	\$ 302	\$ 298	\$ 288	\$ 279	\$ 279
Paid claims ⁽¹⁾	(33)	(35)	(31)	(99)	(37)	(35)	(28)	(30)	(130)
Increase in reserves	36	62	35	133	32	39	38	39	148
Ending Reserves	<u>\$ 331</u>	<u>\$ 328</u>	<u>\$ 301</u>	<u>\$331</u>	<u>\$ 297</u>	<u>\$ 302</u>	<u>\$ 298</u>	<u>\$ 288</u>	<u>\$ 297</u>
Loan Amount^{(2),(3)}									
Over \$550K	21%	21%	20%		19%	19%	19%	18%	
\$400K to \$550K	23	22	22		22	22	21	21	
\$250K to \$400K	33	33	32		33	33	33	34	
\$100K to \$250K	19	20	21		21	21	22	22	
\$100K or Less	4	4	5		5	5	5	5	
Total	<u>100%</u>	<u>100%</u>	<u>100%</u>		<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	
Average Primary Loan Size (in thousands)⁽³⁾	\$ 252	\$ 246	\$ 240		\$ 238	\$ 236	\$ 235	\$ 233	

All amounts presented in Australian dollars.

- (1) Paid claims exclude adjustments for expected recoveries related to loss reserves and prior paid claims.
- (2) The percentages in this table are based on the amount of primary insurance in-force in each loan band as a percentage of total insurance in-force.
- (3) The business currently has structured insurance transactions with three lenders where it is in a secondary loss position. The loans in-force associated with these arrangements are excluded from these metrics.

U.S. Life Insurance Segment

GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
THIRD QUARTER 2020

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

	2020				2019				
	3Q	2Q	1Q	Total	4Q	3Q	2Q	1Q	Total
REVENUES:									
Premiums	\$ 711	\$ 712	\$ 718	\$2,141	\$ 722	\$ 717	\$ 713	\$ 709	\$2,861
Net investment income	726	692	695	2,113	705	722	724	701	2,852
Net investment gains (losses)	348	118	(70)	396	23	11	(36)	84	82
Policy fees and other income	152	142	144	438	153	152	187	151	643
Total revenues	<u>1,937</u>	<u>1,664</u>	<u>1,487</u>	<u>5,088</u>	<u>1,603</u>	<u>1,602</u>	<u>1,588</u>	<u>1,645</u>	<u>6,438</u>
BENEFITS AND EXPENSES:									
Benefits and other changes in policy reserves	1,221	1,213	1,297	3,731	1,307	1,225	1,211	1,236	4,979
Interest credited	95	97	100	292	101	106	106	106	419
Acquisition and operating expenses, net of deferrals	158	147	151	456	156	158	142	148	604
Amortization of deferred acquisition costs and intangibles	87	83	87	257	150	89	67	66	372
Interest expense	—	—	5	5	4	4	4	5	17
Total benefits and expense	<u>1,561</u>	<u>1,540</u>	<u>1,640</u>	<u>4,741</u>	<u>1,718</u>	<u>1,582</u>	<u>1,530</u>	<u>1,561</u>	<u>6,391</u>
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES									
TAXES	376	124	(153)	347	(115)	20	58	84	47
Provision (benefit) for income taxes	87	33	(27)	93	(19)	10	19	24	34
INCOME (LOSS) FROM CONTINUING OPERATIONS	<u>289</u>	<u>91</u>	<u>(126)</u>	<u>254</u>	<u>(96)</u>	<u>10</u>	<u>39</u>	<u>60</u>	<u>13</u>
ADJUSTMENTS TO INCOME (LOSS) FROM CONTINUING OPERATIONS:									
Net investment (gains) losses, net ⁽¹⁾	(348)	(121)	67	(402)	(24)	(14)	35	(86)	(89)
Losses on early extinguishment of debt	—	—	4	4	—	—	—	—	—
Expenses related to restructuring	—	—	—	—	—	—	(1)	4	3
Taxes on adjustments	73	25	(15)	83	5	3	(7)	17	18
ADJUSTED OPERATING INCOME (LOSS)	<u>\$ 14</u>	<u>\$ (5)</u>	<u>\$ (70)</u>	<u>\$ (61)</u>	<u>\$ (115)</u>	<u>\$ (1)</u>	<u>\$ 66</u>	<u>\$ (5)</u>	<u>\$ (55)</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	\$ (348)	\$ (118)	\$ 70	\$ (396)	\$ (23)	\$ (11)	\$ 36	\$ (84)	\$ (82)
Adjustment for DAC and other intangible amortization and certain benefit reserves	—	(3)	(3)	(6)	(1)	(3)	(1)	(2)	(7)
Net investment (gains) losses, net	<u>\$ (348)</u>	<u>\$ (121)</u>	<u>\$ 67</u>	<u>\$ (402)</u>	<u>\$ (24)</u>	<u>\$ (14)</u>	<u>\$ 35</u>	<u>\$ (86)</u>	<u>\$ (89)</u>

GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
THIRD QUARTER 2020

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

	2020				2019				
	3Q	2Q	1Q	Total	4Q	3Q	2Q	1Q	Total
REVENUES:									
Premiums	\$ 661	\$ 649	\$ 642	\$1,952	\$ 663	\$ 652	\$ 640	\$ 628	\$2,583
Net investment income	456	422	419	1,297	424	432	428	406	1,690
Net investment gains (losses)	347	129	(55)	421	19	28	(15)	80	112
Policy fees and other income	2	—	—	2	—	(2)	2	—	—
Total revenues	<u>1,466</u>	<u>1,200</u>	<u>1,006</u>	<u>3,672</u>	<u>1,106</u>	<u>1,110</u>	<u>1,055</u>	<u>1,114</u>	<u>4,385</u>
BENEFITS AND EXPENSES:									
Benefits and other changes in policy reserves	901	876	928	2,705	925	916	896	927	3,664
Interest credited	—	—	—	—	—	—	—	—	—
Acquisition and operating expenses, net of deferrals	108	103	101	312	105	106	93	101	405
Amortization of deferred acquisition costs and intangibles	25	21	24	70	25	25	26	25	101
Interest expense	—	—	—	—	—	—	—	—	—
Total benefits and expenses	<u>1,034</u>	<u>1,000</u>	<u>1,053</u>	<u>3,087</u>	<u>1,055</u>	<u>1,047</u>	<u>1,015</u>	<u>1,053</u>	<u>4,170</u>
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE									
INCOME TAXES	432	200	(47)	585	51	63	40	61	215
Provision (benefit) for income taxes	99	49	(4)	144	17	19	15	19	70
INCOME (LOSS) FROM CONTINUING OPERATIONS	<u>333</u>	<u>151</u>	<u>(43)</u>	<u>441</u>	<u>34</u>	<u>44</u>	<u>25</u>	<u>42</u>	<u>145</u>
ADJUSTMENTS TO INCOME (LOSS) FROM CONTINUING OPERATIONS:									
Net investment (gains) losses	(347)	(129)	55	(421)	(19)	(28)	15	(80)	(112)
Expenses related to restructuring	—	—	—	—	—	—	(1)	2	1
Taxes on adjustments	73	26	(11)	88	4	5	(2)	16	23
ADJUSTED OPERATING INCOME (LOSS)	<u>\$ 59</u>	<u>\$ 48</u>	<u>\$ 1</u>	<u>\$ 108</u>	<u>\$ 19</u>	<u>\$ 21</u>	<u>\$ 37</u>	<u>\$ (20)</u>	<u>\$ 57</u>
RATIOS:									
Loss Ratio ⁽¹⁾	71%	69%	78%	73%	76%	76%	74%	81%	77%
Gross Benefits Ratio ⁽²⁾	136%	135%	145%	139%	140%	140%	140%	148%	142%

(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
THIRD QUARTER 2020

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

	2020				2019				
	3Q	2Q	1Q	Total	4Q	3Q	2Q	1Q	Total
REVENUES:									
Premiums	\$ 50	\$ 63	\$ 76	\$ 189	\$ 59	\$ 65	\$ 73	\$ 81	\$ 278
Net investment income	131	127	130	388	128	133	130	133	524
Net investment gains (losses)	4	5	1	10	6	(2)	(3)	10	11
Policy fees and other income	148	140	141	429	150	151	182	148	631
Total revenues	<u>333</u>	<u>335</u>	<u>348</u>	<u>1,016</u>	<u>343</u>	<u>347</u>	<u>382</u>	<u>372</u>	<u>1,444</u>
BENEFITS AND EXPENSES:									
Benefits and other changes in policy reserves	269	289	302	860	335	228	244	242	1,049
Interest credited	57	57	59	173	58	60	58	58	234
Acquisition and operating expenses, net of deferrals	39	34	39	112	39	40	37	34	150
Amortization of deferred acquisition costs and intangibles	52	53	44	149	109	50	28	27	214
Interest expense	—	—	5	5	4	4	4	5	17
Total benefits and expenses	<u>417</u>	<u>433</u>	<u>449</u>	<u>1,299</u>	<u>545</u>	<u>382</u>	<u>371</u>	<u>366</u>	<u>1,664</u>
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE									
INCOME TAXES	(84)	(98)	(101)	(283)	(202)	(35)	11	6	(220)
Provision (benefit) for income taxes	(18)	(21)	(22)	(61)	(43)	(8)	3	1	(47)
INCOME (LOSS) FROM CONTINUING OPERATIONS	(66)	(77)	(79)	(222)	(159)	(27)	8	5	(173)
ADJUSTMENTS TO INCOME (LOSS) FROM CONTINUING									
OPERATIONS:									
Net investment (gains) losses	(4)	(5)	(1)	(10)	(6)	2	3	(10)	(11)
Losses on early extinguishment of debt	—	—	4	4	—	—	—	—	—
Expenses related to restructuring	—	—	—	—	—	—	—	1	1
Taxes on adjustments	1	1	(1)	1	1	—	(1)	2	2
ADJUSTED OPERATING INCOME (LOSS)	<u><u>\$ (69)</u></u>	<u><u>\$ (81)</u></u>	<u><u>\$ (77)</u></u>	<u><u>\$ (227)</u></u>	<u><u>\$ (164)</u></u>	<u><u>\$ (25)</u></u>	<u><u>\$ 10</u></u>	<u><u>\$ (2)</u></u>	<u><u>\$ (181)</u></u>

GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
THIRD QUARTER 2020

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

	2020				2019				
	3Q	2Q	1Q	Total	4Q	3Q	2Q	1Q	Total
REVENUES:									
Premiums	\$—	\$—	\$—	\$—	\$—	\$—	\$—	\$—	\$—
Net investment income	139	143	146	428	153	157	166	162	638
Net investment gains (losses)	(3)	(16)	(16)	(35)	(2)	(15)	(18)	(6)	(41)
Policy fees and other income	2	2	3	7	3	3	3	3	12
Total revenues	<u>138</u>	<u>129</u>	<u>133</u>	<u>400</u>	<u>154</u>	<u>145</u>	<u>151</u>	<u>159</u>	<u>609</u>
BENEFITS AND EXPENSES:									
Benefits and other changes in policy reserves	51	48	67	166	47	81	71	67	266
Interest credited	38	40	41	119	43	46	48	48	185
Acquisition and operating expenses, net of deferrals	11	10	11	32	12	12	12	13	49
Amortization of deferred acquisition costs and intangibles	10	9	19	38	16	14	13	14	57
Interest expense	—	—	—	—	—	—	—	—	—
Total benefits and expenses	<u>110</u>	<u>107</u>	<u>138</u>	<u>355</u>	<u>118</u>	<u>153</u>	<u>144</u>	<u>142</u>	<u>557</u>
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE									
INCOME TAXES	28	22	(5)	45	36	(8)	7	17	52
Provision (benefit) for income taxes	6	5	(1)	10	7	(1)	1	4	11
INCOME (LOSS) FROM CONTINUING OPERATIONS	22	17	(4)	35	29	(7)	6	13	41
ADJUSTMENTS TO INCOME (LOSS) FROM CONTINUING OPERATIONS:									
Net investment (gains) losses, net ⁽¹⁾	3	13	13	29	1	12	17	4	34
Expenses related to restructuring	—	—	—	—	—	—	—	1	1
Taxes on adjustments	(1)	(2)	(3)	(6)	—	(2)	(4)	(1)	(7)
ADJUSTED OPERATING INCOME	<u>\$ 24</u>	<u>\$ 28</u>	<u>\$ 6</u>	<u>\$ 58</u>	<u>\$ 30</u>	<u>\$ 3</u>	<u>\$ 19</u>	<u>\$ 17</u>	<u>\$ 69</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	\$ 3	\$ 16	\$ 16	\$ 35	\$ 2	\$ 15	\$ 18	\$ 6	\$ 41
Adjustment for DAC and other intangible amortization and certain benefit reserves	—	(3)	(3)	(6)	(1)	(3)	(1)	(2)	(7)
Net investment (gains) losses, net	<u>\$ 3</u>	<u>\$ 13</u>	<u>\$ 13</u>	<u>\$ 29</u>	<u>\$ 1</u>	<u>\$ 12</u>	<u>\$ 17</u>	<u>\$ 4</u>	<u>\$ 34</u>

Runoff Segment

GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
THIRD QUARTER 2020

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

	2020				2019				
	3Q	2Q	1Q	Total	4Q	3Q	2Q	1Q	Total
REVENUES:									
Net investment income	\$ 55	\$54	\$ 49	\$158	\$ 45	\$ 48	\$ 47	\$ 47	\$187
Net investment gains (losses)	15	4	(75)	(56)	(12)	(9)	(4)	—	(25)
Policy fees and other income	33	32	33	98	35	35	35	35	140
Total revenues	<u>103</u>	<u>90</u>	<u>7</u>	<u>200</u>	<u>68</u>	<u>74</u>	<u>78</u>	<u>82</u>	<u>302</u>
BENEFITS AND EXPENSES:									
Benefits and other changes in policy reserves	7	4	20	31	5	8	13	1	27
Interest credited	42	42	41	125	37	40	40	41	158
Acquisition and operating expenses, net of deferrals	12	11	13	36	13	13	13	13	52
Amortization of deferred acquisition costs and intangibles	4	(1)	17	20	2	10	4	2	18
Total benefits and expenses	<u>65</u>	<u>56</u>	<u>91</u>	<u>212</u>	<u>57</u>	<u>71</u>	<u>70</u>	<u>57</u>	<u>255</u>
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE									
INCOME TAXES	38	34	(84)	(12)	11	3	8	25	47
Provision (benefit) for income taxes	8	6	(18)	(4)	2	—	1	5	8
INCOME (LOSS) FROM CONTINUING OPERATIONS	30	28	(66)	(8)	9	3	7	20	39
ADJUSTMENTS TO INCOME (LOSS) FROM CONTINUING									
OPERATIONS:									
Net investment (gains) losses, net ⁽¹⁾	(14)	(5)	67	48	10	9	2	—	21
Taxes on adjustments	3	1	(14)	(10)	(2)	(2)	—	—	(4)
ADJUSTED OPERATING INCOME (LOSS)	<u>\$ 19</u>	<u>\$24</u>	<u>\$(13)</u>	<u>\$ 30</u>	<u>\$ 17</u>	<u>\$ 10</u>	<u>\$ 9</u>	<u>\$ 20</u>	<u>\$ 56</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)	\$ (4)	\$ 75	\$ 56	\$ 12	\$ 9	\$ 4	\$ —	\$ 25
Adjustment for DAC and other intangible amortization and certain benefit reserves	1	(1)	(8)	(8)	(2)	—	(2)	—	(4)
Net investment (gains) losses, net	<u>\$ (14)</u>	<u>\$ (5)</u>	<u>\$ 67</u>	<u>\$ 48</u>	<u>\$ 10</u>	<u>\$ 9</u>	<u>\$ 2</u>	<u>\$ —</u>	<u>\$ 21</u>

Corporate and Other

GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
THIRD QUARTER 2020

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

	2020			2019					
	3Q	2Q	1Q	Total	4Q	3Q	2Q	1Q	Total
REVENUES:									
Premiums	\$ 1	\$ 2	\$ 2	\$ 5	\$ 2	\$ 2	\$ 2	\$ 2	\$ 8
Net investment income	5	1	6	12	3	2	2	2	9
Net investment gains (losses)	(10)	(28)	46	8	(8)	5	(7)	(21)	(31)
Policy fees and other income	(2)	(1)	1	(2)	(1)	2	—	1	2
Total revenues	(6)	(26)	55	23	(4)	11	(3)	(16)	(12)
BENEFITS AND EXPENSES:									
Benefits and other changes in policy reserves	—	2	1	3	1	—	1	1	3
Acquisition and operating expenses, net of deferrals	6	—	18	24	12	8	13	13	46
Amortization of deferred acquisition costs and intangibles	—	1	—	1	2	1	—	—	3
Interest expense	41	42	46	129	54	53	54	53	214
Total benefits and expenses	47	45	65	157	69	62	68	67	266
LOSS FROM CONTINUING OPERATIONS BEFORE INCOME TAXES	(53)	(71)	(10)	(134)	(73)	(51)	(71)	(83)	(278)
Provision (benefit) for income taxes	3	(12)	2	(7)	(16)	(21)	(7)	(9)	(53)
LOSS FROM CONTINUING OPERATIONS	(56)	(59)	(12)	(127)	(57)	(30)	(64)	(74)	(225)
ADJUSTMENTS TO LOSS FROM CONTINUING OPERATIONS:									
Net investment (gains) losses	10	28	(46)	(8)	8	(5)	7	21	31
(Gains) losses on early extinguishment of debt	—	(3)	8	5	—	—	—	—	—
Expenses related to restructuring	—	1	1	2	—	—	1	—	1
Taxes on adjustments	(3)	(5)	8	—	(1)	—	(1)	(5)	(7)
ADJUSTED OPERATING LOSS	<u>\$ (49)</u>	<u>\$ (38)</u>	<u>\$ (41)</u>	<u>\$ (128)</u>	<u>\$ (50)</u>	<u>\$ (35)</u>	<u>\$ (57)</u>	<u>\$ (58)</u>	<u>\$ (200)</u>

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

Additional Financial Data

GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
THIRD QUARTER 2020

Investments Summary
(amounts in millions)

	September 30, 2020		June 30, 2020		March 31, 2020		December 31, 2019		September 30, 2019	
	Carrying Amount	% of Total	Carrying Amount	% of Total	Carrying Amount	% of Total	Carrying Amount	% of Total	Carrying Amount	% of Total
Composition of Investment Portfolio										
Fixed maturity securities:										
Investment grade:										
Public fixed maturity securities ⁽¹⁾	\$35,637	44%	\$35,802	45%	\$33,056	46%	\$33,684	45%	\$34,280	46%
Private fixed maturity securities	14,444	18	13,952	18	12,736	17	13,384	18	13,411	18
Residential mortgage-backed securities ⁽²⁾	2,042	3	2,151	3	2,243	3	2,232	3	2,335	3
Commercial mortgage-backed securities	2,957	4	2,952	4	2,963	4	3,006	4	3,051	4
Other asset-backed securities	3,241	4	2,921	4	3,061	4	3,257	4	3,337	5
State and political subdivisions ⁽¹⁾	3,115	4	2,998	4	2,864	4	2,747	4	2,729	4
Non-investment grade fixed maturity securities	2,980	4	2,768	4	2,128	3	2,029	3	2,090	3
Equity securities:										
Common stocks and mutual funds	529	1	104	—	91	—	105	—	107	—
Preferred stocks	100	—	102	—	97	—	134	—	132	—
Commercial mortgage loans, net	6,880	8	6,917	9	6,915	10	6,963	9	7,033	10
Policy loans	2,153	3	2,182	3	2,052	3	2,058	3	2,069	3
Cash, cash equivalents, restricted cash and short-term investments	3,054	4	2,809	3	2,696	3	3,601	5	1,839	2
Securities lending	75	—	59	—	58	—	51	—	62	—
Other invested assets:										
Limited partnerships	844	1	764	1	671	1	634	1	565	1
Derivatives:										
Interest rate swaps	708	1	939	1	1,002	1	197	—	402	1
Foreign currency swaps	10	—	17	—	21	—	4	—	10	—
Equity index options	67	—	66	—	62	—	81	—	62	—
Other foreign currency contracts	19	—	2	—	16	—	8	—	13	—
Other	405	1	414	1	422	1	397	1	369	—
Total invested assets and cash	\$79,260	100%	\$77,919	100%	\$73,154	100%	\$74,572	100%	\$73,896	100%
Public Fixed Maturity Securities - Credit Quality:										
NRSRO⁽³⁾ Designation										
AAA	\$ 9,732	22%	\$10,805	25%	\$11,025	27%	\$10,160	24%	\$10,561	25%
AA	3,788	8	3,636	8	3,554	8	3,536	8	3,758	9
A	12,094	27	11,970	27	11,268	27	12,315	29	12,040	28
BBB	17,497	39	16,780	37	14,807	35	15,041	36	15,418	35
BB	1,616	4	1,506	3	1,139	3	1,040	3	1,093	3
B	71	—	73	—	50	—	44	—	53	—
CCC and lower	42	—	24	—	21	—	26	—	25	—
Total public fixed maturity securities	\$44,840	100%	\$44,794	100%	\$41,864	100%	\$42,162	100%	\$42,948	100%
Private Fixed Maturity Securities - Credit Quality:										
NRSRO⁽³⁾ Designation										
AAA	\$ 1,610	8%	\$ 1,526	8%	\$ 1,382	8%	\$ 1,536	8%	\$ 1,594	9%
AA	2,342	12	2,209	12	2,090	12	2,235	12	2,254	12
A	5,522	28	5,320	28	4,914	28	5,182	29	5,296	29
BBB	8,851	46	8,530	46	7,883	46	8,305	46	8,222	45
BB	1,054	5	994	5	819	5	844	5	851	5
B	183	1	160	1	98	1	73	—	66	—
CCC and lower	14	—	11	—	1	—	2	—	2	—
Total private fixed maturity securities	\$19,576	100%	\$18,750	100%	\$17,187	100%	\$18,177	100%	\$18,285	100%

⁽¹⁾ Certain fixed maturity securities balances have been reclassified as of December 31, 2019 to conform to the current period presentation.

⁽²⁾ The company does not have any material exposure to residential mortgage-backed securities collateralized debt obligations (CDOs).

⁽³⁾ Nationally Recognized Statistical Rating Organizations.

GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
THIRD QUARTER 2020

Fixed Maturity Securities Summary
(amounts in millions)

	September 30, 2020		June 30, 2020		March 31, 2020		December 31, 2019		September 30, 2019	
	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	\$ 4,792	7%	\$ 5,602	9%	\$ 5,771	10%	\$ 5,025	8%	\$ 5,254	9%
State and political subdivisions ⁽¹⁾	3,115	5	2,998	5	2,864	5	2,747	5	2,729	4
Foreign government	1,395	2	1,542	2	1,201	2	1,350	2	1,359	2
U.S. corporate ⁽¹⁾	35,234	55	34,395	54	31,077	52	32,111	54	32,424	54
Foreign corporate	11,543	18	10,885	17	9,799	17	10,525	17	10,656	17
Residential mortgage-backed securities	2,075	3	2,184	3	2,273	4	2,270	4	2,375	4
Commercial mortgage-backed securities	2,976	5	2,970	5	2,981	5	3,026	5	3,071	5
Other asset-backed securities	3,286	5	2,968	5	3,085	5	3,285	5	3,365	5
Total fixed maturity securities	<u>\$64,416</u>	<u>100%</u>	<u>\$63,544</u>	<u>100%</u>	<u>\$59,051</u>	<u>100%</u>	<u>\$60,339</u>	<u>100%</u>	<u>\$61,233</u>	<u>100%</u>
Corporate Bond Holdings - Industry Sector:										
Investment Grade:										
Finance and insurance	\$11,064	24%	\$10,611	23%	\$ 9,523	23%	\$ 9,881	23%	\$ 9,995	22%
Utilities	6,057	13	6,052	13	5,555	14	5,743	14	5,868	14
Energy	3,372	7	3,193	7	2,799	7	3,699	9	3,801	9
Consumer - non-cyclical	6,954	15	6,836	15	6,163	15	6,247	15	6,293	15
Consumer - cyclical	2,131	5	2,076	5	1,856	4	1,937	5	2,003	5
Capital goods	3,531	7	3,511	8	3,076	8	3,161	7	3,243	8
Industrial	2,279	5	2,210	5	2,063	5	2,201	5	2,188	5
Technology and communications	4,331	9	4,221	9	3,966	10	3,966	9	3,919	9
Transportation	2,173	5	2,151	5	2,047	5	2,127	5	2,189	5
Other ⁽¹⁾	2,086	4	1,847	4	1,855	4	1,839	4	1,691	4
Subtotal	<u>43,978</u>	<u>94</u>	<u>42,708</u>	<u>94</u>	<u>38,903</u>	<u>95</u>	<u>40,801</u>	<u>96</u>	<u>41,190</u>	<u>96</u>
Non-Investment Grade:										
Finance and insurance	289	1	258	1	211	1	212	1	208	—
Utilities	95	—	97	—	77	—	83	—	85	—
Energy	741	2	676	1	391	1	319	1	346	1
Consumer - non-cyclical	220	—	218	1	196	1	138	—	138	—
Consumer - cyclical	349	1	297	1	225	1	220	1	233	1
Capital goods	152	—	130	—	149	—	155	—	137	—
Industrial	340	1	288	1	193	—	183	—	224	1
Technology and communications	452	1	437	1	418	1	417	1	425	1
Transportation	56	—	49	—	29	—	8	—	8	—
Other	105	—	122	—	84	—	100	—	86	—
Subtotal	<u>2,799</u>	<u>6</u>	<u>2,572</u>	<u>6</u>	<u>1,973</u>	<u>5</u>	<u>1,835</u>	<u>4</u>	<u>1,890</u>	<u>4</u>
Total	<u>\$46,777</u>	<u>100%</u>	<u>\$45,280</u>	<u>100%</u>	<u>\$40,876</u>	<u>100%</u>	<u>\$42,636</u>	<u>100%</u>	<u>\$43,080</u>	<u>100%</u>
Fixed Maturity Securities - Contractual Maturity Dates:										
Due in one year or less	\$ 1,499	2%	\$ 1,517	2%	\$ 1,421	2%	\$ 1,434	2%	\$ 1,587	3%
Due after one year through five years	10,265	16	10,054	16	8,949	15	9,381	16	9,655	16
Due after five years through ten years	14,863	23	14,478	23	12,642	21	12,296	20	12,387	20
Due after ten years	29,452	46	29,373	46	27,700	48	28,647	48	28,793	47
Subtotal	<u>56,079</u>	<u>87</u>	<u>55,422</u>	<u>87</u>	<u>50,712</u>	<u>86</u>	<u>51,758</u>	<u>86</u>	<u>52,422</u>	<u>86</u>
Mortgage and asset-backed securities	8,337	13	8,122	13	8,339	14	8,581	14	8,811	14
Total fixed maturity securities	<u>\$64,416</u>	<u>100%</u>	<u>\$63,544</u>	<u>100%</u>	<u>\$59,051</u>	<u>100%</u>	<u>\$60,339</u>	<u>100%</u>	<u>\$61,233</u>	<u>100%</u>

⁽¹⁾ Certain fixed maturity securities balances have been reclassified as of December 31, 2019 to conform to the current period presentation.

GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
THIRD QUARTER 2020

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

	2020			2019					
	3Q	2Q	1Q	Total	4Q	3Q	2Q	1Q	Total
U.S. GAAP Net Investment Income									
Fixed maturity securities - taxable	\$ 632	\$ 601	\$ 622	\$1,855	\$ 616	\$ 631	\$ 634	\$ 613	\$2,494
Fixed maturity securities - non-taxable	2	1	2	5	2	2	2	2	8
Equity securities	3	2	2	7	3	4	5	4	16
Commercial mortgage loans	82	84	85	251	94	87	85	82	348
Other invested assets	57	52	49	158	50	49	47	44	190
Limited partnerships	22	14	(2)	34	4	13	12	15	44
Policy loans	51	49	49	149	42	47	45	46	180
Cash, cash equivalents, restricted cash and short-term investments	2	4	11	17	9	8	11	11	39
Gross investment income before expenses and fees	851	807	818	2,476	820	841	841	817	3,319
Expenses and fees	(24)	(21)	(25)	(70)	(26)	(25)	(25)	(23)	(99)
Net investment income	<u>\$ 827</u>	<u>\$ 786</u>	<u>\$ 793</u>	<u>\$2,406</u>	<u>\$ 794</u>	<u>\$ 816</u>	<u>\$ 816</u>	<u>\$ 794</u>	<u>\$3,220</u>
Annualized Yields									
Fixed maturity securities - taxable	4.6%	4.4%	4.6%	4.6%	4.6%	4.7%	4.7%	4.6%	4.6%
Fixed maturity securities - non-taxable	6.2%	2.6%	5.2%	4.7%	6.0%	6.1%	6.1%	6.1%	6.1%
Equity securities	2.9%	4.1%	3.8%	3.0%	5.0%	6.4%	7.8%	6.1%	6.3%
Commercial mortgage loans	4.8%	4.9%	4.9%	4.8%	5.4%	5.0%	4.9%	4.8%	5.0%
Other invested assets ⁽¹⁾	55.7%	49.8%	47.8%	51.4%	52.2%	54.0%	56.1%	65.7%	57.2%
Limited partnerships ⁽²⁾	10.9%	7.8%	(1.2)%	6.2%	2.7%	9.7%	9.9%	13.8%	8.5%
Policy loans	9.4%	9.3%	9.5%	9.4%	8.1%	9.1%	8.8%	9.5%	8.9%
Cash, cash equivalents, restricted cash and short-term investments	0.3%	0.6%	1.4%	0.7%	1.3%	1.7%	2.2%	2.1%	1.7%
Gross investment income before expenses and fees	5.0%	4.8%	4.9%	4.9%	4.9%	5.1%	5.1%	5.0%	5.0%
Expenses and fees	(0.2)%	(0.1)%	(0.2)%	(0.2)%	(0.2)%	(0.2)%	(0.1)%	(0.2)%	(0.1)%
Net investment income	<u>4.8%</u>	<u>4.7%</u>	<u>4.7%</u>	<u>4.7%</u>	<u>4.7%</u>	<u>4.9%</u>	<u>5.0%</u>	<u>4.8%</u>	<u>4.9%</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 44 herein for average invested assets and cash used in the yield calculation.

- (1) Investment income for other invested assets includes amortization of terminated cash flow hedges, which have no corresponding book value within the yield calculation.
- (2) Limited partnership investments are primarily equity-based and do not have fixed returns by period.

GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
THIRD QUARTER 2020

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

	2020				2019				
	3Q	2Q	1Q	Total	4Q	3Q	2Q	1Q	Total
Net realized gains (losses) on available-for-sale securities:									
Fixed maturity securities:									
U.S. corporate	\$ 2	\$ 2	\$ 2	\$ 6	\$ (2)	\$ 11	\$ (16)	\$ 30	\$ 23
U.S. government, agencies and government-sponsored enterprises	316	94	—	410	—	—	2	33	35
Foreign corporate	1	4	—	5	1	1	(1)	(1)	—
Foreign government	12	10	5	27	4	2	2	—	8
Mortgage-backed securities	—	4	—	4	—	1	1	(2)	—
Asset-backed securities	—	(2)	—	(2)	—	—	—	(1)	(1)
Foreign exchange	(1)	2	6	7	2	1	1	(1)	3
Total net realized gains (losses) on available-for-sale securities	330	114	13	457	5	16	(11)	58	68
Impairments:									
Bank loans	—	—	—	—	(1)	—	—	—	(1)
Total impairments	—	—	—	—	(1)	—	—	—	(1)
Net change in allowance for credit losses on available-for-sale fixed maturity securities	2	(7)	—	(5)	—	—	—	—	—
Write-down of available-for-sale fixed maturity securities	(4)	—	—	(4)	—	—	—	—	—
Net realized gains (losses) on equity securities sold	(3)	—	—	(3)	—	6	—	3	9
Net unrealized gains (losses) on equity securities still held	3	9	(19)	(7)	1	(4)	5	12	14
Limited partnerships	31	37	(40)	28	19	6	(11)	15	29
Commercial mortgage loans	(3)	1	—	(2)	(1)	(1)	1	(1)	(2)
Derivative instruments	22	10	(105)	(73)	(1)	(29)	(30)	(12)	(72)
Other	(3)	(5)	(1)	(9)	1	4	—	—	5
Net investment gains (losses), gross	375	159	(152)	382	23	(2)	(46)	75	50
Adjustment for DAC and other intangible amortization and certain benefit reserves	(1)	4	11	14	3	3	3	2	11
Adjustment for net investment (gains) losses attributable to noncontrolling interests	(12)	(32)	26	(18)	(9)	4	—	(6)	(11)
Net investment gains (losses), net	\$362	\$131	\$(115)	\$378	\$ 17	\$ 5	\$(43)	\$ 71	\$ 50

Reconciliations of Non-GAAP Measures

GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
THIRD QUARTER 2020

Reconciliation of Operating ROE
(amounts in millions)

Twelve Month Rolling Average ROE

U.S. GAAP Basis ROE

Net income (loss) available to Genworth Financial, Inc.'s common stockholders for the twelve months ended ⁽¹⁾	
Quarterly average Genworth Financial, Inc.'s stockholders' equity, excluding accumulated other comprehensive income ⁽²⁾	
U.S. GAAP Basis ROE ^{(1)/(2)}	

	Twelve months ended				
	September 30, 2020	June 30, 2020	March 31, 2020	December 31, 2019	September 30, 2019
	\$ (106)	\$ (506)	\$ 103	\$ 343	\$ 31
	\$10,592	\$10,618	\$10,695	\$10,650	\$10,646
	(1.0)%	(4.8)%	1.0%	3.2%	0.3%
Operating ROE					
Adjusted operating income for the twelve months ended ⁽¹⁾	\$ 168	\$ 159	\$ 358	\$ 420	\$ 91
Quarterly average Genworth Financial, Inc.'s stockholders' equity, excluding accumulated other comprehensive income ⁽²⁾	\$10,592	\$10,618	\$10,695	\$10,650	\$10,646
Operating ROE ^{(1)/(2)}	1.6%	1.5%	3.3%	3.9%	0.9%

Quarterly Average ROE

U.S. GAAP Basis ROE

Net income (loss) available to Genworth Financial, Inc.'s common stockholders for the period ended ⁽³⁾	
Quarterly average Genworth Financial, Inc.'s stockholders' equity for the period, excluding accumulated other comprehensive income ⁽⁴⁾	
Annualized U.S. GAAP Quarterly Basis ROE ^{(3)/(4)}	

	Three months ended				
	September 30, 2020	June 30, 2020	March 31, 2020	December 31, 2019	September 30, 2019
	\$ 418	\$ (441)	\$ (66)	\$ (17)	\$ 18
	\$10,625	\$10,415	\$10,693	\$10,759	\$10,755
	15.7%	(16.9)%	(2.5)%	(0.6)%	0.7%
Operating ROE					
Adjusted operating income (loss) for the period ended ⁽³⁾	\$ 132	\$ (21)	\$ 33	\$ 24	\$ 123
Quarterly average Genworth Financial, Inc.'s stockholders' equity for the period, excluding accumulated other comprehensive income ⁽⁴⁾	\$10,625	\$10,415	\$10,693	\$10,759	\$10,755
Annualized Operating Quarterly Basis ROE ^{(3)/(4)}	5.0%	(0.8)%	1.2%	0.9%	4.6%

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 (loss) available to Genworth Financial, Inc.'s common stockholders and adjusted operating income (loss) from page 9 herein.
- (2) Quarterly average Genworth Financial, Inc.'s stockholders' equity, excluding accumulated other comprehensive income, 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 (loss) available to Genworth Financial, Inc.'s common stockholders and adjusted operating income (loss) from page 9 herein.
- (4) Quarterly average Genworth Financial, Inc.'s stockholders' equity, excluding accumulated other comprehensive income, is derived by averaging ending Genworth Financial, Inc.'s stockholders' equity, excluding accumulated other comprehensive income.

GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
THIRD QUARTER 2020

Reconciliation of Reported Yield to Core Yield

	2020				2019				
	3Q	2Q	1Q	Total	4Q	3Q	2Q	1Q	Total
(Assets - amounts in billions)									
Reported - Total Invested Assets and Cash	\$79.3	\$77.9	\$73.2	\$ 79.3	\$74.6	\$73.9	\$72.0	\$69.5	\$ 74.6
Subtract:									
Securities lending	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Unrealized gains (losses)	10.0	9.7	6.0	10.0	6.9	7.5	5.7	3.7	6.9
Adjusted end of period invested assets and cash	<u>\$69.2</u>	<u>\$68.1</u>	<u>\$67.1</u>	<u>\$ 69.2</u>	<u>\$67.6</u>	<u>\$66.3</u>	<u>\$66.2</u>	<u>\$65.7</u>	<u>\$ 67.6</u>
(A) Average Invested Assets and Cash Used in Reported and Core Yield Calculation	\$68.7	\$67.6	\$67.3	\$ 68.0	\$66.9	\$66.2	\$66.0	\$65.7	\$ 66.3
(Income - amounts in millions)									
(B) Reported - Net Investment Income	\$ 827	\$ 786	\$ 793	\$2,406	\$ 794	\$ 816	\$ 816	\$ 794	\$3,220
Subtract:									
Bond calls and commercial mortgage loan prepayments	23	8	16	47	23	13	7	6	49
Other non-core items ⁽¹⁾	6	2	7	15	(2)	8	7	2	15
(C) Core Net Investment Income	<u>\$ 798</u>	<u>\$ 776</u>	<u>\$ 770</u>	<u>\$2,344</u>	<u>\$ 773</u>	<u>\$ 795</u>	<u>\$ 802</u>	<u>\$ 786</u>	<u>\$3,156</u>
(B) / (A) Reported Yield	4.82%	4.65%	4.71%	4.72%	4.74%	4.93%	4.95%	4.83%	4.86%
(C) / (A) Core Yield	4.65%	4.59%	4.57%	4.60%	4.62%	4.80%	4.86%	4.79%	4.76%

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

**GENWORTH FINANCIAL, INC.
FINANCIAL SUPPLEMENT
THIRD QUARTER 2020**

Financial Strength Ratings As Of November 3, 2020

<u>Company</u>	<u>Standard & Poor's Financial Services LLC (S&P)</u>	<u>Moody's Investors Service, Inc. (Moody's)</u>	<u>A.M. Best Company, Inc. (A.M. Best)</u>
Genworth Mortgage Insurance Corporation	BB+ (Marginal)	Baa3 (Adequate)	N/A
Genworth Financial Mortgage Insurance Pty Limited (Australia) ⁽¹⁾	A (Strong)	N/A	N/A
Genworth Life Insurance Company	N/A	N/A	C++ (Marginal)
Genworth Life and Annuity Insurance Company	N/A	N/A	B (Fair)
Genworth Life Insurance Company of New York	N/A	N/A	C++ (Marginal)

The S&P, Moody's, A.M. Best, HR Ratings and Fitch Rating Service (Fitch) 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 "A" (Strong) has strong financial security characteristics that outweigh any vulnerabilities and is highly likely to have the ability to meet financial commitments. Insurers rated "A" (Strong) or "BB" (Marginal) have strong or marginal financial security characteristics, respectively. The "A" and "BB" ranges are the third- and fifth-highest of nine financial strength rating ranges assigned by S&P, which range from "AAA" to "R." A plus (+) or minus (-) shows relative standing within a rating category. These suffixes are not added to ratings in the "AAA" category or to ratings below the "CCC" category. Accordingly, the "A" and "BB+" ratings are the sixth- and eleventh-highest of S&P's 21 ratings categories.

Moody's states that insurance companies rated "Baa" (Adequate) offer adequate financial security. The "Baa" (Adequate) range 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 "Baa3" rating is the tenth-highest of Moody's 21 ratings categories.

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

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

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

S&P, Moody's, A.M. Best, Fitch 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 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.

⁽¹⁾ Genworth Financial Mortgage Insurance Pty Limited (Australia) is also rated "A" by Fitch.