**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**FORM 8-K**

**CURRENT REPORT**

**PURSUANT TO SECTION 13 OR 15(d)**

**OF THE SECURITIES EXCHANGE ACT OF 1934**

**October 29, 2013**

**Date of Report**

**(Date of earliest event reported)**



**GENWORTH FINANCIAL, INC.**

**(Exact name of registrant as specified in its charter)**

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

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

**(804) 281-6000**

**(Registrants telephone number, including area code)**

**N/A**

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

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

|  |  |
| --- | --- |
| ☐ | Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425) |

|  |  |
| --- | --- |
| ☐ | Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12) |

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| ☐ | Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b)) |

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| ☐ | Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c)) |

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| **Item 2.02** | **Results of Operations and Financial Condition.** |

On October 29, 2013, Genworth Financial, Inc. issued (1) a press release announcing its financial results for the quarter ended September 30, 2013, a copy of which is attached hereto as Exhibit 99.1 and is incorporated herein by reference, and (2) a financial supplement for the quarter ended September 30, 2013, a copy of which is attached hereto as Exhibit 99.2 and is incorporated herein by reference.

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

|  |  |
| --- | --- |
| **Item 9.01** | **Financial Statements and Exhibits.** |

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

|  |  |  |
| --- | --- | --- |
|  |  |  |
| Exhibit Number |  | Description of Exhibit |
|  |  | |
| 99.1 |  | Press Release dated October 29, 2013. |
|  |  | |
| 99.2 |  | Financial Supplement for the quarter ended September 30, 2013. |

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**SIGNATURES**

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

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|  |  |  |  |  |  |  |
|  |  |  |  | GENWORTH FINANCIAL, INC. | | |
|  |  | |  | |  | |
| Date: October 29, 2013 |  |  |  | By: |  | /s/ Kelly L. Groh |
|  |  |  |  |  |  | Kelly L. Groh |
|  |  |  |  |  |  | Vice President and Controller |
|  |  |  |  |  |  | (Principal Accounting Officer) |

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**Exhibit Index**

|  |  |  |
| --- | --- | --- |
|  |  |  |
| Exhibit Number |  | Description of Exhibit |
|  |  | |
| 99.1 |  | Press Release dated October 29, 2013. |
|  |  | |
| 99.2 |  | Financial Supplement for the quarter ended September 30, 2013. |

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**Exhibit 99.1**



**Genworth Financial Announces Third Quarter 2013 Results**

**Net Income Improves From Prior Year To $108 Million**

**Long Term Care Insurance Rate Actions Improve Earnings**

**Company Addresses Near Term Debt Maturities And Establishes Credit Line**

Richmond, VA (October 29, 2013)  Genworth Financial, Inc. (NYSE: GNW) today reported results for the third quarter of 2013. The company reported net income1 of $108 million, or $0.22 per diluted share, compared with net income of $35 million, or $0.07 per diluted share, in the third quarter of 2012. Net operating income2 for the third quarter of 2013 was $119 million, or $0.24 per diluted share, compared with net operating income of $111 million, or $0.22 per diluted share, in the third quarter of 2012.

Genworth is moving forward and rebuilding shareholder value through solid operating performance from our divisions, the increasing impact of long term care rate actions and continued achievement of key milestones, said Tom Mclnerney, President and CEO. We have increased our cash balance, established a new credit line, and addressed our near term debt maturities, which have strengthened our balance sheet and increased financial flexibility.

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|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Consolidated Net Income & Net Operating Income** |  |  | | | | | | | | | | | | | |  |
|  |  | **Three months ended September 30** **(Unaudited)** | | | | | | | | | | | | | |  |
|  |  | **2013** | | | | | |  |  | **2012** | | | | | |  |
| *(Amounts in millions, except per share)* |  | **Total** | |  |  | **Per diluted share** | |  |  | **Total** | |  |  | **Per diluted share** | |  |
| Net income |  | $ | 108 |  |  | $ | 0.22 |  |  | $ | 35 |  |  | $ | 0.07 |  |
| Net operating income |  | $ | 119 |  |  | $ | 0.24 |  |  | $ | 111 |  |  | $ | 0.22 |  |
| Weighted average diluted shares |  |  | 499.3 |  |  |  |  |  |  |  | 493.9 |  |  |  |  |  |
| Book value per share |  | $ | 29.55 |  |  |  |  |  |  | $ | 33.31 |  |  |  |  |  |
| Book value per share, excluding accumulated other comprehensive income (loss) |  | $ | 23.60 |  |  |  |  |  |  | $ | 22.69 |  |  |  |  |  |

|  |  |
| --- | --- |
| 1 | Unless otherwise stated, all references in this press release to net income, net income per share, book value, book value per share and stockholders equity should be read as net income available to Genworths common stockholders, net income available to Genworths common stockholders per share, book value available to Genworths common stockholders, book value available to Genworths common stockholders per share and stockholders equity available to Genworths common stockholders, respectively. |

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| 2 | This is a financial measure not calculated based on U.S. Generally Accepted Accounting Principles (Non-GAAP). See the Use of Non-GAAP Measures section of this press release for additional information. |

1

Net income for the quarter was negatively impacted by two charges in Corporate and Other activities consisting of $20 million from the make-whole expense related to the redemption of the companys 2015 senior notes and an adjustment of $20 million, including $18 million from a correction of prior periods, related to non-deductible stock compensation expense resulting from cancellations.

Net investment losses, net of tax and other adjustments, were $13 million in the quarter compared to net investment losses of $2 million in the prior year. Total investment impairments, net of tax, were $3 million in the current quarter and $19 million in the prior year. The prior year included an after-tax goodwill impairment of all of the goodwill related to the International Protection segment of $86 million.

In August 2013, the company closed the sale of its wealth management business. During the quarter, the company recognized $2 million of income from discontinued operations, comprising $4 million of income and a true-up to the loss on sale of $2 million. Net proceeds of approximately $360 million, together with cash on hand at Genworth Holdings, Inc., will be used to address the companys remaining 2014 debt at maturity or before.

Net operating income results are summarized in the table below:

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Net Operating Income (Loss)**  *(Amounts in millions)* |  | **Q3 13** | |  |  | **Q2 13** | |  |  | **Q3 12** | |  |
| U.S. Life Insurance Division: |  |  |  |  |  |  |  |  |  |  |  |  |
| U.S. Life Insurance |  | $ | 111 |  |  | $ | 79 |  |  | $ | 86 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Total U.S. Life Insurance Division** |  |  | **111** |  |  |  | **79** |  |  |  | **86** |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
| Global Mortgage Insurance Division: |  |  |  |  |  |  |  |  |  |  |  |  |
| International Mortgage Insurance |  |  | 90 |  |  |  | 89 |  |  |  | 94 |  |
| U.S. Mortgage Insurance (U.S. MI) |  |  | (3 | ) |  |  | 13 |  |  |  | (37 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Total Global Mortgage Insurance Division** |  |  | **87** |  |  |  | **102** |  |  |  | **57** |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
| Corporate and Other Division: |  |  |  |  |  |  |  |  |  |  |  |  |
| International Protection |  |  | 4 |  |  |  | 1 |  |  |  | 8 |  |
| Runoff |  |  | 25 |  |  |  | 6 |  |  |  | 9 |  |
| Corporate and Other |  |  | (108 | ) |  |  | (55 | ) |  |  | (49 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Total Corporate and Other Division** |  |  | **(79** | **)** |  |  | **(48** | **)** |  |  | **(32** | **)** |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Total Net Operating Income** |  | **$** | **119** |  |  | **$** | **133** |  |  | **$** | **111** |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |

Net operating income excludes net investment gains (losses), goodwill impairments, gains (losses) on the sale of businesses and restructuring charges, net of taxes. A reconciliation of net operating income of segments and Corporate and Other activities to net income is included at the end of this press release.

Unless specifically noted in the discussion of results for the International Mortgage Insurance and International Protection segments, references to percentage changes exclude the impact of foreign exchange. Percentage changes, which include the impact of foreign exchange, are found in a table at the end of this press release. The impact of foreign exchange on net operating income in the third quarter of 2013 was an unfavorable impact of $7 million versus the prior quarter and prior year.

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**U.S. Life Insurance Division**

U.S. Life Insurance Division net operating income was $111 million, compared with $79 million in the prior quarter and $86 million a year ago.

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| **U.S. Life Insurance Division** |  |  | |  |  |  | |  |  |  | |  |
| **Net Operating Income**  *(Amounts in millions)* |  | **Q3 13** | |  |  | **Q2 13** | |  |  | **Q3 12** | |  |
| **U.S. Life Insurance** |  |  |  |  |  |  |  |  |  |  |  |  |
| Life Insurance |  | $ | 54 |  |  | $ | 27 |  |  | $ | 22 |  |
| Long Term Care Insurance |  |  | 41 |  |  |  | 26 |  |  |  | 45 |  |
| Fixed Annuities |  |  | 16 |  |  |  | 26 |  |  |  | 19 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Total U.S. Life Insurance** |  |  | 111 |  |  |  | 79 |  |  |  | 86 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Total U.S. Life Insurance** |  | **$** | **111** |  |  | **$** | **79** |  |  | **$** | **86** |  |
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| **Sales**  *(Amounts in millions)* |  | **Q3 13** | |  |  | **Q2 13** | |  |  | **Q3 12** | |  |
| **U.S. Life Insurance** |  |  |  |  |  |  |  |  |  |  |  |  |
| Life Insurance |  |  |  |  |  |  |  |  |  |  |  |  |
| Term Life |  | $ | 5 |  |  | $ | 4 |  |  | $ | 1 |  |
| Term Universal Life |  |  |  |  |  |  |  |  |  |  | 19 |  |
| Universal Life |  |  | 5 |  |  |  | 5 |  |  |  | 15 |  |
| Linked Benefits |  |  | 2 |  |  |  | 3 |  |  |  | 3 |  |
| Long Term Care Insurance |  |  |  |  |  |  |  |  |  |  |  |  |
| Individual |  |  | 37 |  |  |  | 38 |  |  |  | 63 |  |
| Group |  |  | 3 |  |  |  | 5 |  |  |  | 6 |  |
| Fixed Annuities |  |  | 760 |  |  |  | 212 |  |  |  | 487 |  |

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| **Account Value**  *(Amounts in millions)* |  | **Q3 13** | |  |  | **Q2 13** | |  |  | **Q3 12** | |  |
| Fixed Annuities |  | $ | 18,367 |  |  | $ | 17,949 |  |  | $ | 18,677 |  |

**U.S. Life Insurance Division**

**Key Points**

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| --- | --- | --- |
|  |  | U.S. Life Insurance Division net operating income was $111 million, compared with $79 million in the prior quarter and $86 million a year ago. |

|  |  |  |
| --- | --- | --- |
|  |  | Compared to the prior quarter, sales of life insurance products were flat, modestly lower in individual long term care insurance (LTC) and up in fixed annuities from more competitively priced products in the higher interest rate environment. |

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|  |  | The consolidated risk-based capital (RBC) ratio is estimated to be approximately 450 percent3, up modestly from approximately 445 percent at the end of the second quarter of 2013. |

|  |  |  |
| --- | --- | --- |
|  |  | As of September 30, 2013, LTC in force premium rate increase approvals represented approximately $155 to $160 million of the expected $200 to $300 million premium increase when fully implemented. |

**Life Insurance**

Life insurance net operating income was $54 million, compared with $27 million in the prior quarter and $22 million in the prior year. Results in the quarter included an $18 million favorable impact from a correction to reserves in the term universal life insurance product, a $12 million unfavorable tax valuation allowance on a deferred tax asset on a specific separate tax return net operating loss that is no longer expected to be realized and an $11 million net favorable impact from the unlocking of mortality and interest assumptions primarily impacting reserves and deferred acquisition costs (DAC). Mortality experience was favorable versus pricing expectations, the prior quarter and prior year because of lower frequency and severity. Prior year results included $15 million of unfavorable items, including a $6 million unfavorable impact from a life block transaction. Sales were flat versus the prior quarter and down $26 million versus the prior year when the company discontinued sales of its term universal life insurance product and began to transition to new term and universal life insurance product offerings. The company will continue to make pricing and product changes that are expected to increase sales over time.

**Long Term Care Insurance**

Long term care insurance net operating income was $41 million, compared with $26 million in the prior quarter and $45 million in the prior year. Results benefitted from premium increases and reduced benefits of $14 million versus the prior quarter and $26 million versus the prior year related to the premium increases approved and implemented to date. Results also included a $16 million correction that increased reserves to reflect a benefit for policyholders related to an accumulated benefit option. Mostly offsetting the increase was an $11 million favorable adjustment from a refinement of the methodology for calculating incurred but not reported reserves to more fully reflect product specific incidence rates and a $4 million favorable impact as part of the multi-stage system conversion. Total pending claims were up from the prior quarter as cancellations of pending claims were more than offset by new pending claims. Prior year results included favorable reserve adjustments of $29 million. The reported loss ratio for the current quarter was approximately 64 percent, three points lower than the prior quarter and one point higher than the prior year. Individual LTC sales of $37 million were modestly lower than the prior quarter. Sales are expected to trend down in the near term due to the cessation of sales of AARP branded products in the retail channel and the introduction of higher priced products in additional states. The company continues to utilize reinsurance in LTC as part of its capital optimization strategies.

|  |  |
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| 3 | Company estimate for the third quarter of 2013, due to timing of the filing of statutory statements. |

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As previously announced in the third quarter of 2012, the company filed for LTC in force premium rate increases with the goal of achieving approximately $200 to $300 million of additional annual premiums when fully implemented by 2017. As of September 30, 2013, the company has received approvals representing approximately $155 to $160 million of the targeted premium increase.

In September 2013, the company announced that it began filing for LTC premium rate increases on certain Privileged Choice® and Classic Select® policies sold between 2003 and 2012. The premium rate increases requested range between six and thirteen percent on more than $800 million in annualized in force premiums. Although these policies have generated positive operating earnings to date, the premium rate increases on these policies are primarily due to improvements in mortality and lower than priced-for lapse rates and are intended to return the projected lifetime loss ratios to the original priced-for loss ratios.

**Fixed Annuities**

Fixed annuities net operating income was $16 million, compared with $26 million in the prior quarter and $19 million in the prior year. Results in the quarter included lower limited partnership and bond call performance versus the prior quarter and spread compression versus both the prior quarter and prior year. Mortality was unfavorable versus the prior quarter. Sales in the quarter totaled $760 million, up sequentially benefitting from competitively priced products in the rising interest rate environment while still meeting or exceeding targeted returns.

**U.S. Life Companies Capital**

The consolidated RBC ratio is estimated to be approximately 450 percent3, up modestly from approximately 445 percent at the end of the second quarter of 2013 from in force capital generation, primarily from a reduction in variable annuity required capital related to favorable equity market trends offset by new business capital use.

**Global Mortgage Insurance Division**

Global Mortgage Insurance Division had net operating income of $87 million, compared with net operating income of $102 million in the prior quarter and $57 million a year ago.

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| **Global Mortgage Insurance Division** |  |  | |  |  |  | |  |  |  | |  |
| **Net Operating Income (Loss)** |  |  | |  |  |  | |  |  |  | |  |
| *(Amounts in millions)* |  | **Q3 13** | |  |  | **Q2 13** | |  |  | **Q3 12** | |  |
| **International Mortgage Insurance** |  |  |  |  |  |  |  |  |  |  |  |  |
| Canada |  | $ | 41 |  |  | $ | 43 |  |  | $ | 42 |  |
| Australia |  |  | 61 |  |  |  | 55 |  |  |  | 57 |  |
| Other Countries |  |  | (12 | ) |  |  | (9 | ) |  |  | (5 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Total International Mortgage Insurance** |  |  | 90 |  |  |  | 89 |  |  |  | 94 |  |
| **U.S. Mortgage Insurance** |  |  | (3 | ) |  |  | 13 |  |  |  | (37 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Total Global Mortgage Insurance** |  | **$** | **87** |  |  | **$** | **102** |  |  | **$** | **57** |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |

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| **Sales** |  |  | |  |  |  | |  |  |  | |  |
| *(Amounts in billions)* |  | **Q3 13** | |  |  | **Q2 13** | |  |  | **Q3 12** | |  |
| **International Mortgage Insurance** |  |  |  |  |  |  |  |  |  |  |  |  |
| Flow |  |  |  |  |  |  |  |  |  |  |  |  |
| Canada |  | $ | 6.0 |  |  | $ | 4.7 |  |  | $ | 7.2 |  |
| Australia |  |  | 8.0 |  |  |  | 8.7 |  |  |  | 8.8 |  |
| Other Countries |  |  | 0.5 |  |  |  | 0.4 |  |  |  | 0.4 |  |
| Bulk |  |  |  |  |  |  |  |  |  |  |  |  |
| Canada |  |  | 3.9 |  |  |  | 6.4 |  |  |  | 2.6 |  |
| Australia |  |  | 0.1 |  |  |  | 0.9 |  |  |  |  |  |
| Other Countries |  |  |  |  |  |  |  |  |  |  |  |  |
| **U.S. Mortgage Insurance** |  |  |  |  |  |  |  |  |  |  |  |  |
| Primary Flow |  |  | 6.4 |  |  |  | 6.3 |  |  |  | 4.7 |  |
| Primary Bulk |  |  |  |  |  |  |  |  |  |  |  |  |

**International Mortgage Insurance Segment**

**Key Points**

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| --- | --- | --- |
|  |  | Reported International Mortgage Insurance segment net operating earnings were $90 million, compared with $89 million in the prior quarter and $94 million a year ago. Foreign exchange had an unfavorable impact of $8 million versus the prior quarter and $9 million versus the prior year, primarily in Australia. |

|  |  |  |
| --- | --- | --- |
|  |  | In Canada, flow new insurance written (NIW) was up 30 percent4 sequentially and down 15 percent4 year over year. In addition, in the current quarter, the company completed $3.9 billion of bulk transactions, consisting of low loan-to-value prime loans. In Australia, flow NIW was up two percent4 sequentially and up one percent4 year over year. |

|  |  |  |
| --- | --- | --- |
|  |  | The Canadian and Australian businesses continue to maintain sound capital positions. |

|  |  |  |
| --- | --- | --- |
|  |  | Dividends of $173 million, including proceeds relating to Genworth MI Canada Inc.s share repurchase program, were paid to the holding company year-to-date through September 30, 2013. |

|  |  |
| --- | --- |
| 4 | Percent change excludes the impact of foreign exchange. |

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**Canada Mortgage Insurance**

Canada reported net operating earnings of $41 million versus $43 million in the prior quarter and $42 million in the prior year. The loss ratio in the quarter was 22 percent, down three points from the prior quarter and down eight points from the prior year primarily from a favorable shift in the geographic mix of delinquencies. Total delinquencies were flat sequentially as new delinquencies were offset by cures, processed claims, loss mitigation and improving economic conditions in most regions. Improvement in losses was more than offset by higher taxes versus the prior quarter and prior year and lower revenues versus the prior year. Flow NIW was up 30 percent4 sequentially from normal seasonal variation and down 15 percent4 year over year primarily from a smaller origination market. In addition, the company completed several bulk transactions, consisting of low loan-to-value prime loans, of approximately $3.9 billion reflecting its selective participation in this market. At quarter end, the Canada mortgage insurance business had a regulatory capital ratio of 218 percent3, well in excess of regulatory requirements. GAAP book value was $2.9 billion, of which $1.7 billion represented Genworths 57.4 percent ownership interest and was flat to the prior quarter.

**Australia Mortgage Insurance**

Australia reported net operating earnings of $61 million versus $55 million in the prior quarter and $57 million in the prior year. The loss ratio in the quarter was 31 percent, down four points sequentially and down 16 points from the prior year, and total delinquencies were down six percent sequentially from lower new delinquencies and higher cures. Improvements in losses were partially offset by unfavorable foreign exchange. Taxes were also favorable versus the prior quarter, including an $8 million favorable impact reflecting a partial reversal of an uncertain tax position. Flow NIW was up two percent4 sequentially and up one percent4 year over year as low interest rates continued to improve affordability. At quarter end, the Australia mortgage insurance business had a regulatory capital ratio of 135 percent3, in excess of regulatory requirements. The GAAP book value was $2.0 billion as of the end of the quarter, up $0.1 billion from the prior quarter.

**Other Countries Mortgage Insurance**

Other Countries had a net operating loss of $12 million, compared to $9 million in the prior quarter and $5 million in the prior year as the business continues to be pressured from elevated losses, primarily in Ireland.

**U.S. Mortgage Insurance Segment**

**Key Points**

|  |  |  |
| --- | --- | --- |
|  |  | U.S. MI net operating loss was $3 million, compared with net operating income of $13 million in the prior quarter and a net operating loss of $37 million in the prior year. |

|  |  |  |
| --- | --- | --- |
|  |  | Flow NIW increased two percent from the prior quarter and increased 36 percent over the prior year to $6.4 billion. |

|  |  |  |
| --- | --- | --- |
|  |  | The risk-to-capital ratio for Genworth Mortgage Insurance Corporation (GMICO) is estimated at 23.2:13 and the combined risk-to-capital ratio is estimated at 22.4:13 as of September 30, 2013. |

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Total flow delinquencies decreased five percent sequentially and decreased 24 percent versus the prior year. New flow delinquencies increased approximately eight percent from the prior quarter from normal seasonal variation and decreased approximately 19 percent from the prior year, reflecting the continued burn through of delinquencies from the 2005 to 2008 book years. The flow average reserve per delinquency was $29,600, down slightly from the prior quarter.

Total losses were up $26 million compared to the prior quarter from a seasonal increase in new delinquency development, modest changes in aging of existing delinquencies and lower cure activity.

Loss mitigation savings were $136 million in the quarter, down $8 million from the prior quarter. Loss mitigation savings this year through September 30, 2013 were $439 million.

Flow NIW of $6.4 billion increased two percent over the prior quarter and increased 36 percent versus the prior year reflecting an increase in both refinance and purchase private mortgage insurance penetration and stable market share. Overall private mortgage insurance market penetration was up approximately three points from the prior quarter and up approximately six points year over year. The companys estimate of market share at the end of the quarter is approximately 13 percent. Flow persistency was 79 percent. In addition, the Home Affordable Refinance Program (HARP) accounted for about $1.4 billion in the quarter of insurance that is treated as a modification of the coverage on existing insurance in force rather than NIW.

The combined U.S. MI statutory risk-to-capital ratio is estimated at 22.4:13 at the end of the third quarter with the risk-to-capital ratio for GMICO estimated at 23.2:13. GMICO currently maintains waivers or other authorizations from 45 states that permit the company to continue writing new business if its risk-to-capital ratio exceeds 25.0:1. Additionally, the company has separately capitalized and licensed legal entities to write new business for states where waivers are not in place, subject to the approval of applicable regulators and the GSEs (government sponsored entities) approval. Currently, new business in one state is being written out of Genworth Residential Mortgage Assurance Corporation (GRMAC), a subsidiary of GMICO.

The company currently expects the U.S. mortgage insurance business to be modestly profitable in 2013 and expects that its 2014 results should improve over 2013. The company continues to expect seasonality in the remainder of 2013, which could cause the fourth quarter of the year to have a marginal net loss profile. Its profitability expectations are subject to the continued recovery of the U.S. housing market, the extent of seasonality that has been historically experienced in the second half of the year, and certain other items such as the cost of resolution of pending litigation.

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**Corporate and Other Division**

Corporate and Other Division net operating loss was $79 million, compared with $48 million in the prior quarter and $32 million in the prior year.

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
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| **Corporate and Other Division** |  |  | |  |  |  | |  |  |  | |  |
| **Net Operating Income (Loss)** |  |  | |  |  |  | |  |  |  | |  |
| *(Amounts in millions)* |  | **Q3 13** | |  |  | **Q2 13** | |  |  | **Q3 12** | |  |
| International Protection |  | $ | 4 |  |  | $ | 1 |  |  | $ | 8 |  |
| Runoff |  |  | 25 |  |  |  | 6 |  |  |  | 9 |  |
| Corporate and Other |  |  | (108 | ) |  |  | (55 | ) |  |  | (49 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Total Corporate and Other** |  | **$** | **(79** | **)** |  | **$** | **(48** | **)** |  | **$** | **(32** | **)** |
|  |  |  |  |  |  |  |  |  |  |  |  |  |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Account Value** |  |  | |  |  |  | |  |  |  | |  |
| *(Amounts in millions)* |  | **Q3 13** | |  |  | **Q2 13** | |  |  | **Q3 12** | |  |
| Variable Annuities |  | $ | 7,966 |  |  | $ | 7,877 |  |  | $ | 8,270 |  |
| Guaranteed Investment Contracts, Funding Agreements Backing Notes and Funding Agreements |  |  | 1,036 |  |  |  | 1,077 |  |  |  | 2,297 |  |

**International Protection Segment**

International Protection reported operating earnings of $4 million, compared with $1 million in the prior quarter and $8 million in the prior year. The business continues to be impacted by the slow consumer lending environment in Europe, and high unemployment in Southern Europe continues to keep losses elevated while a favorable shift in mix of contracts with profit share and lower expenses favorably impacted results in the quarter. At quarter end, the lifestyle protection business had a regulatory capital ratio of approximately 335 percent3, well in excess of regulatory requirements. Dividends of $24 million were paid to the holding company through September 30, 2013.

**Runoff Segment**

The Runoff segments net operating income was $25 million, compared with $6 million in the prior quarter and $9 million in the prior year. Results in the current quarter reflected more favorable equity market conditions versus the prior quarter. Taxes in the current quarter were also more favorable than the prior quarter and prior year. Results in the prior year included a $6 million unfavorable impact from refinement of DAC assumptions primarily related to the companys annual review of assumptions.

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**Corporate and Other**

Corporate and Others net operating loss was $108 million, compared with $55 million in the prior quarter and $49 million in the prior year. Results in the current quarter included a $20 million make-whole expense related to the redemption of the companys 2015 senior notes and an adjustment of $20 million, including $18 million from a correction of prior periods, related to non-deductible stock compensation expense resulting from cancellations.

**Investment Portfolio Performance**

Net investment income decreased to $801 million, compared to $821 million in the prior quarter primarily from unfavorable foreign exchange and lower impact from prepayment speeds on structured securities as interest rates increase. The reported yield for the current quarter was approximately 4.7 percent. The core yield2 was flat to the prior quarter at approximately 4.5 percent.

Net income in the quarter included $13 million of net investment losses, net of tax, DAC amortization and other items of $4 million primarily related to mark-to-market on derivatives. Total investment impairments, net of tax, were $3 million in the current quarter and $19 million in the prior year.

Net unrealized investment gains were $1.1 billion, net of tax and other items, as of September 30, 2013 compared with $2.6 billion as of September 30, 2012 and $1.3 billion as of June 30, 2013 primarily driven by rising interest rates. The fixed maturity securities portfolio had gross unrealized investment gains of $3.7 billion compared with $6.7 billion as of September 30, 2012 and gross unrealized investment losses of $1.0 billion compared with $0.8 billion as of September 30, 2012.

**Holding Company**

Genworths holding company5 ended the quarter with approximately $1.3 billion6 of cash and liquid assets, up approximately $300 million compared to the prior quarter, from approximately $360 million of net proceeds from the sale of the wealth management business and $45 million of dividends received from the operating companies, partially offset by approximately $50 million of debt interest payments and $50 million of net other expenses. In September 2013, the company entered into a credit agreement that provides Genworth Holdings, Inc. with a three-year $300 million, multicurrency revolving credit facility, with a $100 million sublimit for letters of credit. With the addition of the credit facility, the holding company cash and liquid asset balance target changed from two to one and a half times its annual debt service expense, plus a risk buffer of $350 million. After deducting for the net proceeds from the sale of the wealth management business transaction and cash

|  |  |
| --- | --- |
| 5 | Holding company cash and liquid assets comprises assets held in Genworth Holdings, Inc. (the issuer of outstanding public company debt) which is now a subsidiary of Genworth Financial, Inc. |

|  |  |
| --- | --- |
| 6 | Comprises cash and cash equivalents of $1,164 million and U.S. government bonds of $150 million. |

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on hand at Genworth Holdings, Inc. that will be used to address the remaining $485 million 2014 debt at maturity or before, cash and highly liquid securities were approximately $830 million at the end of the quarter. The holding company has no debt maturities until June 2014.

**About Genworth Financial**

Genworth Financial, Inc. (NYSE: GNW) is a leading Fortune 500 insurance holding company dedicated to helping people secure their financial lives, families and futures. Genworth has leadership positions in offerings that assist consumers in protecting themselves, investing for the future and planning for retirementincluding life insurance, long term care insurance, and financial protection coveragesand mortgage insurance that helps consumers achieve home ownership while assisting lenders in managing their risk and capital.

Genworth operates through three divisions: U.S. Life Insurance, which includes life insurance, long term care insurance and fixed annuities; Global Mortgage Insurance, containing U.S. Mortgage Insurance and International Mortgage Insurance segments; and the Corporate and Other division, which includes the International Protection and Runoff segments. Products and services are offered through financial intermediaries, advisors, independent distributors and sales specialists. Genworth, headquartered in Richmond, Virginia, traces its roots back to 1871 and became a public company in 2004. For more information, visit genworth.com.

From time to time, Genworth releases important information via postings on its corporate website. Accordingly, investors and other interested parties are encouraged to enroll to receive automatic email alerts and Really Simple Syndication (RSS) feeds regarding new postings. Enrollment information is found under the Investors section of genworth.com.

**Conference Call and Financial Supplement Information**

This press release and the third quarter 2013 financial supplement are now posted on the companys website. Additional information regarding business results will be posted on the companys website, http://investor.genworth.com, by 7:30 a.m. on October 30, 2013. Investors are encouraged to review these materials.

Genworth will conduct a conference call on October 30, 2013 at 8 a.m. (ET) to discuss the quarters results and provide an update on the companys strategy and 2013 goals. The conference call will be accessible via telephone and the Internet. The dial-in number for the conference call is 866 393.0571 or 206 453.2872 (outside the U.S.). To participate in the call by webcast, register at http://investor.genworth.com at least 15 minutes prior to the webcast to download and install any necessary software.

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Replays of the call will be available through November 13, 2013 at 855 859.2056 or 404 537.3406 (outside the U.S.); the conference ID # for the call is # 70370923. The webcast will also be archived on the companys website.

**Use of Non-GAAP Measures**

This press release includes the non-GAAP financial measure entitled net operating income (loss) and operating earnings per share. Operating earnings per share is derived from net operating income (loss). The chief operating decision maker evaluates segment performance and allocates resources on the basis of net operating income (loss). The company defines net operating income (loss) as income (loss) from continuing operations excluding the after-tax effects of income attributable to noncontrolling interests, net investment gains (losses), goodwill impairments, gains (losses) on the sale of businesses and infrequent or unusual non-operating items. The company excludes net investment gains (losses) and infrequent or unusual non-operating items because the company does not consider them to be related to the operating performance of the companys segments and Corporate and Other activities. A component of the companys net investment gains (losses) is the result of impairments, the size and timing of which can vary significantly depending on market credit cycles. In addition, the size and timing of other investment gains (losses) can be subject to the companys discretion and are influenced by market opportunities, as well as asset-liability matching considerations. Goodwill impairments and gains (losses) on the sale of businesses are also excluded from net operating income (loss) because in the companys opinion, they are not indicative of overall operating trends. Other non-operating items are also excluded from net operating income (loss) if, in the companys opinion, they are not indicative of overall operating trends.

While some of these items may be significant components of net income (loss) available to Genworths common stockholders in accordance with GAAP, the company believes that net operating income (loss) and measures that are derived from or incorporate net operating income (loss), including net operating income (loss) per common 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 net 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 net operating income (loss) have occurred in the past and could, and in some cases will, recur in the future. Net operating income (loss) and net operating income (loss) per common share on a basic and diluted basis are not substitutes for net income (loss) available to Genworths common stockholders or net income (loss) available to Genworths common stockholders per common share on a basic and diluted basis determined in accordance with GAAP. In addition, the companys definition of net operating income (loss) may differ from the definitions used by other companies. There were no infrequent or unusual non-operating items excluded from net operating income during the periods presented in this press release other than a $13 million after-tax expense recorded in the second quarter of 2013 related to restructuring costs. The tables at the end of this press release reflect net operating income (loss) as determined in accordance with accounting guidance related to segment reporting, and a reconciliation of net operating income (loss) of the companys segments and Corporate and Other activities to net income available to Genworths common stockholders for the three months ended September 30, 2013 and 2012.

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This press release includes the non-GAAP financial measure entitled core yield as a measure of investment yield. The company defines core yield as the investment yield adjusted for those items that are not recurring in nature. Management believes that analysis of core yield enhances understanding of the investment yield of the company. However, core yield as defined by the company should not be viewed as a substitute for GAAP investment yield. In addition, the companys definition of core yield may differ from the definitions used by other companies. A reconciliation of core yield to reported GAAP yield is included in a table at the end of this press release.

**Definition of Selected Operating Performance Measures**

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

Management regularly monitors and reports sales metrics as a measure of volume of new and renewal business generated in a period. Sales refer to: (1) annualized first-year premiums for term life and long term care insurance products; (2) annualized first-year deposits plus five percent of excess deposits for universal and term universal life insurance products; (3) 10 percent of premium deposits for linked-benefits products; (4) new and additional premiums/deposits for fixed annuities; (5) new insurance written for mortgage insurance; and (6) net written premiums for the lifestyle protection insurance business. Sales do not include renewal premiums on policies or contracts written during prior periods. The company considers annualized first-year premiums/deposits, premium equivalents, new premiums/deposits, written premiums and new insurance written to be a measure of the companys operating performance because they represent a measure of new sales of insurance policies or contracts during a specified period, rather than a measure of the companys revenues or profitability during that period.

Management regularly monitors and reports insurance in force and risk in force. Insurance in force for the life, international mortgage and U.S. mortgage insurance businesses is a measure of the aggregate face value of outstanding insurance policies as of the respective reporting date. For the risk in force in the international mortgage insurance business, the company has computed an effective risk in force amount, which recognizes that the loss on any particular loan will be reduced by the net proceeds received upon sale of the property. Effective risk in force has been calculated by applying to insurance in force a factor of 35 percent that represents the highest expected average per-claim payment for any one underwriting year over the life of the companys businesses in Canada and Australia. Risk in force for the U.S. mortgage insurance business is the obligation that is limited under contractual terms to the amounts less than 100 percent of the mortgage loan value. The company considers insurance in force and risk in force to be a measure of the companys

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operating performance because they represent a measure of the size of the business at a specific date which will generate revenues and profits in a future period, rather than a measure of the companys revenues or profitability during that period.

This press release also includes information related to loss mitigation activities for the U.S. mortgage insurance business. The company defines loss mitigation activities as rescissions, cancellations, borrower loan modifications, repayment plans, lender- and borrower-titled presales, claims administration and other loan workouts. Estimated savings related to rescissions are the reduction in carried loss reserves, net of premium refunds and reinstatement of prior rescissions. Estimated savings related to loan modifications and other cure related loss mitigation actions represent the reduction in carried loss reserves. Estimated savings related to claims mitigation activities represent amounts deducted or curtailed from claims due to acts or omissions by the insured or the servicer with respect to the servicing of an insured loan that is not in compliance with obligations under our master policy. For non-cure related actions, including presales, the estimated savings represent the difference between the full claim obligation and the actual amount paid. Loans subject to our loss mitigation actions, the results of which have been included in our reported estimated loss mitigation savings, are subject to re-default and may result in a potential claim in future periods, as well as potential future loss mitigation savings depending on the resolution of the re-defaulted loan. The company believes that this information helps to enhance the understanding of the operating performance of the U.S. mortgage insurance business as loss mitigation activities specifically impact current and future loss reserves and level of claim payments.

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

An assumed tax rate of 35% is utilized in the explanation of certain specific variances of operating performance and investment results.

These operating 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.

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**Cautionary Note Regarding Forward-Looking Statements**

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

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| --- | --- | --- | --- |
|  |  |  | *Risks relating to the companys businesses*, including downturns and volatility in global economies and equity and credit markets; downgrades or potential downgrades in the companys financial strength or credit ratings; interest rate fluctuations and levels; adverse capital and credit market conditions; the valuation of fixed maturity, equity and trading securities; defaults, downgrades or other events impacting the value of the companys fixed maturity securities portfolio; defaults on the companys commercial mortgage loans or the mortgage loans underlying our investments in commercial mortgage-backed securities and volatility in performance; goodwill impairments; defaults by counterparties to reinsurance arrangements or derivative instruments; an adverse change in risk-based capital and other regulatory requirements; insufficiency of reserves and required increases to reserve liabilities; legal constraints on dividend distributions by the companys subsidiaries; competition; availability, affordability and adequacy of reinsurance; loss of key distribution partners; regulatory restrictions on the companys operations and changes in applicable laws and regulations; legal or regulatory investigations or actions; the failure of or any compromise of the security of our computer systems and confidential information contained therein; the occurrence of natural or man-made disasters or a pandemic; the effect of the enactment of the Dodd-Frank Wall Street Reform and Consumer Protection Act; changes in accounting and reporting standards issued by the Financial Accounting Standards Board or other standard-setting bodies and insurance regulators; impairments of or valuation allowances against the companys deferred tax assets; changes in expected morbidity or mortality rates; accelerated amortization of deferred acquisition costs and present value of future profits; ability to increase premiums on certain in-force and future long-term care insurance products by enough or quickly enough, including the current rate actions and any future rate actions; medical advances, such as genetic research and diagnostic imaging, and related legislation; unexpected changes in persistency rates; ability to continue to implement actions to mitigate the impact of statutory reserve requirements; the failure of demand for long-term care insurance to increase; political and economic instability or changes in government policies; fluctuations in foreign exchange rates and international securities markets; unexpected changes in unemployment rates; unexpected increases in international mortgage insurance default rates or severity of defaults; the significant portion of high loan-to-value insured international mortgage loans which generally result in more and larger claims than lower loan-to-value ratios; competition with government-owned and government-sponsored enterprises (GSEs) offering mortgage insurance; changes in international regulations reducing demand for mortgage insurance; increases in U.S. mortgage insurance default rates; failure to meet, or have waived to the extent needed, the minimum statutory capital requirements and hazardous financial condition standards; uncertain results of continued investigations of insured U.S. mortgage loans; possible rescissions of coverage and the results of objections to the companys rescissions; the extent to which loan modifications and other similar programs may provide benefits to the company; unexpected changes in |

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|  | unemployment and underemployment rates in the United States; further deterioration in economic conditions or a further decline in home prices in the United States; problems associated with foreclosure process defects in the United States that may defer claim payments; changes to the role or structure of Federal National Mortgage Association (Fannie Mae) and Federal Home Loan Mortgage Corporation (Freddie Mac); competition with government-owned and government-sponsored enterprises offering U.S. mortgage insurance; changes in regulations that affect the companys U.S. mortgage insurance business; the influence of Fannie Mae, Freddie Mac and a small number of large mortgage lenders and investors; decreases in the volume of high loan-to-value mortgage originations or increases in mortgage insurance cancellations in the United States; increases in the use of alternatives to private mortgage insurance in the United States and reductions by lenders in the level of coverage they select; the impact of the use of reinsurance with reinsurance companies affiliated with the companys U.S. mortgage lending customers; legal actions under the Real Estate Settlement Procedures Act of 1974 (RESPA); potential liabilities in connection with the companys U.S. contract underwriting services; and the impact on the statutory capital and risk-to-capital ratios of the U.S. mortgage insurance business from variations in the valuation of affiliate investments; |

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|  |  |  | *Other risks*, including the risk that the companys strategy may not be successfully implemented; the companys Capital Plan may not achieve its anticipated benefits; adverse market or other conditions might delay or impede the minority sale of the companys mortgage insurance business in Australia; the possibility that in certain circumstances we will be obligated to make payments to General Electric Company (GE) under the tax matters agreement with GE even if the companys corresponding tax savings are never realized and payments could be accelerated in the event of certain changes in control; provisions of our certificate of incorporation and bylaws and the tax matters agreement with GE may discourage takeover attempts and business combinations that stockholders might consider in their best interests; and the impact of the expense reduction announced on June 6, 2013 is not as anticipated and the company may lose key personnel related to actions like this as well as general uncertainty in the timing of the companys turnaround; and |

|  |  |  |  |
| --- | --- | --- | --- |
|  |  |  | *Risks relating to the companys common stock,* including the suspension of dividends and stock price fluctuations. |

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

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**Contact Information**:

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**Condensed Consolidated Statements of Income**

**(Amounts in millions, except per share amounts)**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |
|  |  | **Three months  ended** **September 30,** | | | | | |  |
|  |  | **2013** | |  |  | **2012** | |  |
| Revenues: |  |  |  |  |  |  |  |  |
| Premiums |  | $ | 1,291 |  |  | $ | 1,313 |  |
| Net investment income |  |  | 801 |  |  |  | 825 |  |
| Net investment gains (losses) |  |  | (23 | ) |  |  | 9 |  |
| Insurance and investment product fees and other |  |  | 248 |  |  |  | 309 |  |
|  |  |  |  |  |  |  |  |  |
| Total revenues |  |  | 2,317 |  |  |  | 2,456 |  |
|  |  |  |  |  |  |  |  |  |
| Benefits and expenses: |  |  |  |  |  |  |  |  |
| Benefits and other changes in policy reserves |  |  | 1,169 |  |  |  | 1,363 |  |
| Interest credited |  |  | 184 |  |  |  | 193 |  |
| Acquisition and operating expenses, net of deferrals |  |  | 407 |  |  |  | 443 |  |
| Amortization of deferred acquisition costs and intangibles |  |  | 182 |  |  |  | 160 |  |
| Goodwill impairment |  |  |  |  |  |  | 89 |  |
| Interest expense |  |  | 124 |  |  |  | 126 |  |
|  |  |  |  |  |  |  |  |  |
| Total benefits and expenses |  |  | 2,066 |  |  |  | 2,374 |  |
|  |  |  |  |  |  |  |  |  |
| Income from continuing operations before income taxes |  |  | 251 |  |  |  | 82 |  |
| Provision for income taxes |  |  | 105 |  |  |  | 23 |  |
|  |  |  |  |  |  |  |  |  |
| Income from continuing operations |  |  | 146 |  |  |  | 59 |  |
| Income from discontinued operations, net of taxes |  |  | 2 |  |  |  | 12 |  |
|  |  |  |  |  |  |  |  |  |
| Net income |  |  | 148 |  |  |  | 71 |  |
| Less: net income attributable to noncontrolling interests |  |  | 40 |  |  |  | 36 |  |
|  |  |  |  |  |  |  |  |  |
| Net income available to Genworth Financial, Inc.s common stockholders |  | $ | 108 |  |  | $ | 35 |  |
|  |  |  |  |  |  |  |  |  |
|  |  | | | |  | | | |
| Income from continuing operations available to Genworth Financial, Inc.s common stockholders per common share: |  |  |  |  |  |  |  |  |
| Basic |  | $ | 0.21 |  |  | $ | 0.05 |  |
|  |  |  |  |  |  |  |  |  |
| Diluted |  | $ | 0.21 |  |  | $ | 0.05 |  |
|  |  |  |  |  |  |  |  |  |
| Net income available to Genworth Financial, Inc.s common stockholders per common share: |  |  |  |  |  |  |  |  |
| Basic |  | $ | 0.22 |  |  | $ | 0.07 |  |
|  |  |  |  |  |  |  |  |  |
| Diluted |  | $ | 0.22 |  |  | $ | 0.07 |  |
|  |  |  |  |  |  |  |  |  |
| Weighted-average shares outstanding: |  |  |  |  |  |  |  |  |
| Basic |  |  | 494.0 |  |  |  | 491.7 |  |
|  |  |  |  |  |  |  |  |  |
| Diluted |  |  | 499.3 |  |  |  | 493.9 |  |
|  |  |  |  |  |  |  |  |  |

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**Reconciliation of Net Operating Income to Net Income**

**(Amounts in millions, except per share amounts)**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |
|  |  | **Three months ended September 30,** | | | | | |  |
|  |  | **2013** | |  |  | **2012** | |  |
| Net operating income (loss): |  |  |  |  |  |  |  |  |
| U.S. Life Insurance Division |  |  |  |  |  |  |  |  |
| U.S. Life Insurance segment |  |  |  |  |  |  |  |  |
| Life Insurance |  | $ | 54 |  |  | $ | 22 |  |
| Long Term Care |  |  | 41 |  |  |  | 45 |  |
| Fixed Annuities |  |  | 16 |  |  |  | 19 |  |
|  |  |  |  |  |  |  |  |  |
| Total U.S. Life Insurance segment |  |  | 111 |  |  |  | 86 |  |
|  |  |  |  |  |  |  |  |  |
| Total U.S. Life Insurance Division |  |  | 111 |  |  |  | 86 |  |
|  |  |  |  |  |  |  |  |  |
| Global Mortgage Insurance Division |  |  |  |  |  |  |  |  |
| International Mortgage Insurance segment |  |  |  |  |  |  |  |  |
| Canada |  |  | 41 |  |  |  | 42 |  |
| Australia |  |  | 61 |  |  |  | 57 |  |
| Other Countries |  |  | (12 | ) |  |  | (5 | ) |
|  |  |  |  |  |  |  |  |  |
| Total International Mortgage Insurance segment |  |  | 90 |  |  |  | 94 |  |
| U.S. Mortgage Insurance segment |  |  | (3 | ) |  |  | (37 | ) |
|  |  |  |  |  |  |  |  |  |
| Total Global Mortgage Insurance Division |  |  | 87 |  |  |  | 57 |  |
|  |  |  |  |  |  |  |  |  |
| Corporate and Other Division |  |  |  |  |  |  |  |  |
| International Protection segment |  |  | 4 |  |  |  | 8 |  |
| Runoff segment |  |  | 25 |  |  |  | 9 |  |
| Corporate and Other |  |  | (108 | ) |  |  | (49 | ) |
|  |  |  |  |  |  |  |  |  |
| Total Corporate and Other Division |  |  | (79 | ) |  |  | (32 | ) |
|  |  |  |  |  |  |  |  |  |
| Net operating income |  |  | 119 |  |  |  | 111 |  |
| Adjustments to net operating income: |  |  |  |  |  |  |  |  |
| Net investment gains (losses), net of taxes and other adjustments |  |  | (13 | ) |  |  | (2 | ) |
| Goodwill impairment, net of taxes |  |  |  |  |  |  | (86 | ) |
| Income from discontinued operations, net of taxes |  |  | 2 |  |  |  | 12 |  |
|  |  |  |  |  |  |  |  |  |
| Net income available to Genworth Financial, Inc.s common stockholders |  |  | 108 |  |  |  | 35 |  |
| Add: net income attributable to noncontrolling interests |  |  | 40 |  |  |  | 36 |  |
|  |  |  |  |  |  |  |  |  |
| Net income |  | $ | 148 |  |  | $ | 71 |  |
|  |  |  |  |  |  |  |  |  |
|  |  | | | |  | | | |
| Net income available to Genworth Financial, Inc.s common stockholders per common share: |  |  |  |  |  |  |  |  |
| Basic |  | $ | 0.22 |  |  | $ | 0.07 |  |
|  |  |  |  |  |  |  |  |  |
| Diluted |  | $ | 0.22 |  |  | $ | 0.07 |  |
|  |  |  |  |  |  |  |  |  |
| Net operating income per common share: |  |  |  |  |  |  |  |  |
| Basic |  | $ | 0.24 |  |  | $ | 0.23 |  |
|  |  |  |  |  |  |  |  |  |
| Diluted |  | $ | 0.24 |  |  | $ | 0.22 |  |
|  |  |  |  |  |  |  |  |  |
| Weighted-average shares outstanding: |  |  |  |  |  |  |  |  |
| Basic |  |  | 494.0 |  |  |  | 491.7 |  |
|  |  |  |  |  |  |  |  |  |
| Diluted |  |  | 499.3 |  |  |  | 493.9 |  |
|  |  |  |  |  |  |  |  |  |

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**Condensed Consolidated Balance Sheets**

**(Amounts in millions)**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |
|  |  | **September 30, 2013** | |  |  | **December 31, 2012** | |  |
| Assets |  |  |  |  |  |  |  |  |
| Cash, cash equivalents and invested assets |  | $ | 73,758 |  |  | $ | 78,726 |  |
| Deferred acquisition costs |  |  | 5,256 |  |  |  | 5,036 |  |
| Intangible assets |  |  | 404 |  |  |  | 366 |  |
| Goodwill |  |  | 867 |  |  |  | 868 |  |
| Reinsurance recoverable |  |  | 17,224 |  |  |  | 17,230 |  |
| Other assets |  |  | 668 |  |  |  | 710 |  |
| Separate account assets |  |  | 9,957 |  |  |  | 9,937 |  |
| Assets associated with discontinued operations |  |  |  |  |  |  | 439 |  |
|  |  |  |  |  |  |  |  |  |
| Total assets |  | $ | 108,134 |  |  | $ | 113,312 |  |
|  |  |  |  |  |  |  |  |  |
| Liabilities and stockholders equity |  |  |  |  |  |  |  |  |
| Liabilities: |  |  |  |  |  |  |  |  |
| Future policy benefits |  | $ | 33,612 |  |  | $ | 33,505 |  |
| Policyholder account balances |  |  | 25,266 |  |  |  | 26,262 |  |
| Liability for policy and contract claims |  |  | 7,271 |  |  |  | 7,509 |  |
| Unearned premiums |  |  | 4,160 |  |  |  | 4,333 |  |
| Deferred tax and other liabilities |  |  | 4,900 |  |  |  | 6,746 |  |
| Borrowings related to securitization entities |  |  | 297 |  |  |  | 336 |  |
| Non-recourse funding obligations |  |  | 2,046 |  |  |  | 2,066 |  |
| Long-term borrowings |  |  | 4,780 |  |  |  | 4,776 |  |
| Separate account liabilities |  |  | 9,957 |  |  |  | 9,937 |  |
| Liabilities associated with discontinued operations |  |  |  |  |  |  | 61 |  |
|  |  |  |  |  |  |  |  |  |
| Total liabilities |  |  | 92,289 |  |  |  | 95,531 |  |
|  |  |  |  |  |  |  |  |  |
| Stockholders equity: |  |  |  |  |  |  |  |  |
| Common stock |  |  | 1 |  |  |  | 1 |  |
| Additional paid-in capital |  |  | 12,149 |  |  |  | 12,127 |  |
|  |  |  |  |  |  |  |  |  |
| Accumulated other comprehensive income (loss): |  |  |  |  |  |  |  |  |
| Net unrealized investment gains (losses): |  |  |  |  |  |  |  |  |
| Net unrealized gains (losses) on securities not other-than-temporarily impaired |  |  | 1,106 |  |  |  | 2,692 |  |
| Net unrealized gains (losses) on other-than-temporarily impaired securities |  |  | 3 |  |  |  | (54 | ) |
|  |  |  |  |  |  |  |  |  |
| Net unrealized investment gains (losses) |  |  | 1,109 |  |  |  | 2,638 |  |
|  |  |  |  |  |  |  |  |  |
| Derivatives qualifying as hedges |  |  | 1,442 |  |  |  | 1,909 |  |
| Foreign currency translation and other adjustments |  |  | 388 |  |  |  | 655 |  |
|  |  |  |  |  |  |  |  |  |
| Total accumulated other comprehensive income (loss) |  |  | 2,939 |  |  |  | 5,202 |  |
| Retained earnings |  |  | 2,215 |  |  |  | 1,863 |  |
| Treasury stock, at cost |  |  | (2,700 | ) |  |  | (2,700 | ) |
|  |  |  |  |  |  |  |  |  |
| Total Genworth Financial, Inc.s stockholders equity |  |  | 14,604 |  |  |  | 16,493 |  |
| Noncontrolling interests |  |  | 1,241 |  |  |  | 1,288 |  |
|  |  |  |  |  |  |  |  |  |
| Total stockholders equity |  |  | 15,845 |  |  |  | 17,781 |  |
|  |  |  |  |  |  |  |  |  |
| Total liabilities and stockholders equity |  | $ | 108,134 |  |  | $ | 113,312 |  |
|  |  |  |  |  |  |  |  |  |

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**Impact of Foreign Exchange on Operating Results**7

**Three months ended September 30, 2013**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |
|  |  | **Percentages Including Foreign Exchange** | |  |  | **Percentages Excluding Foreign Exchange**8 | |  |
| **Canada Mortgage Insurance (MI):** |  |  |  |  |  |  |  |  |
| Flow new insurance written |  |  | (17 | )% |  |  | (15 | )% |
| Flow new insurance written (3Q13 vs. 2Q13) |  |  | 28 | % |  |  | 30 | % |
|  |  | | | |  | | | |
| **Australia MI:** |  |  |  |  |  |  |  |  |
| Flow new insurance written |  |  | (9 | )% |  |  | 1 | % |
| Flow new insurance written (3Q13 vs. 2Q13) |  |  | (8 | )% |  |  | 2 | % |

|  |  |
| --- | --- |
| 7 | All percentages are comparing the third quarter of 2013 to the third quarter of 2012 unless otherwise stated. |

|  |  |
| --- | --- |
| 8 | The impact of foreign exchange was calculated using the comparable prior period exchange rates. |

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**Reconciliation of Net Investment Gains (Losses)**

**(Amounts in millions)**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |
|  |  | **Three months ended September 30,** | | | | | |  |
|  |  | **2013** | |  |  | **2012** | |  |
| Net investment gains (losses), gross |  | $ | (23 | ) |  | $ | 9 |  |
| Adjustments for: |  |  |  |  |  |  |  |  |
| Deferred acquisition costs and other intangible amortization and certain benefit reserves |  |  | 6 |  |  |  | (9 | ) |
| Net investment gains (losses) attributable to noncontrolling interests |  |  | (4 | ) |  |  | (2 | ) |
| Taxes |  |  | 8 |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |
| Net investment gains (losses), net of taxes and other adjustments |  | $ | (13 | ) |  | $ | (2 | ) |
|  |  |  |  |  |  |  |  |  |

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**Reconciliation of Core Yield to Reported Yield**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  |  |  |  |
| **(Assets - amounts in billions)** |  | **For the three months ended September 30, 2013** | |  |
| Reported Total Invested Assets and Cash |  | $ | 73.1 |  |
| Subtract: |  |  |  |  |
| Securities lending |  |  | 0.2 |  |
| Unrealized gains (losses) |  |  | 3.3 |  |
| Derivative counterparty collateral |  |  | 0.3 |  |
|  |  |  |  |  |
| Adjusted end of period invested assets |  | $ | 69.3 |  |
|  |  |  |  |  |
|  |  | | | |
| Average Invested Assets Used in Reported Yield Calculation |  | $ | 68.6 |  |
| Subtract: |  |  |  |  |
| Restricted commercial mortgage loans and other invested assets related to securitization entities9 |  |  | 0.3 |  |
|  |  |  |  |  |
| Average Invested Assets Used in Core Yield Calculation |  | $ | 68.3 |  |
|  |  |  |  |  |
|  |  | | | |
| **(Income - amounts in millions)** |  |  | |  |
| Reported Net Investment Income |  | $ | 801 |  |
| Subtract: |  |  |  |  |
| Bond calls and commercial mortgage loan prepayments |  |  | 15 |  |
| Reinsurance10 |  |  | 17 |  |
| Other non-core items11 |  |  | 4 |  |
| Restricted commercial mortgage loans and other invested assets related to securitization entities9 |  |  | 4 |  |
|  |  |  |  |  |
| Core Net Investment Income |  | $ | 761 |  |
|  |  |  |  |  |
|  |  | | | |
| Reported Yield |  |  | 4.67 | % |
|  |  |  |  |  |
| Core Yield |  |  | 4.46 | % |
|  |  |  |  |  |

|  |  |
| --- | --- |
| 9 | Represents the incremental assets and investment income related to restricted commercial mortgage loans and other invested assets. |

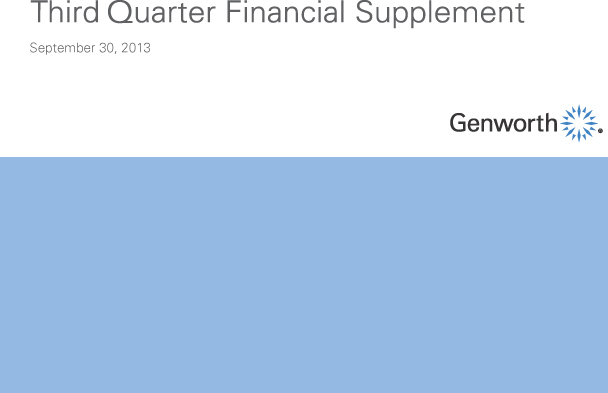
|  |  |
| --- | --- |
| 10 | Represents imputed investment income related to reinsurance agreements in the lifestyle protection insurance business. |

|  |  |
| --- | --- |
| 11 | Includes cost basis adjustments on structured securities, preferred stock income and various other immaterial items. |

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**EXHIBIT 99.2**



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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

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**Note:**

Unless otherwise noted, 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, book value and book value per common 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, book value available to Genworth Financial, Inc.s common stockholders and book value available to Genworth Financial, Inc.s common stockholders per share, respectively.

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

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Dear Investor,

Once again, thank you for your continued interest in Genworth Financial.

Please feel free to call with any questions or comments.

Regards,

Georgette Nicholas

Investor Relations

804 662.2248

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Use of Non-GAAP Measures**

This financial supplement includes the non-GAAP(1) financial measure entitled net operating income (loss). The chief operating decision maker evaluates segment performance and allocates resources on the basis of net operating income (loss). The company defines net operating income (loss) as income (loss) from continuing operations excluding the after-tax effects of income attributable to noncontrolling interests, net investment gains (losses), goodwill impairments, gains (losses) on the sale of businesses and infrequent or unusual non-operating items. The company excludes net investment gains (losses) and infrequent or unusual non-operating items because the company does not consider them to be related to the operating performance of the companys segments and Corporate and Other activities. A component of the companys net investment gains (losses) is the result of impairments, the size and timing of which can vary significantly depending on market credit cycles. In addition, the size and timing of other investment gains (losses) can be subject to the companys discretion and are influenced by market opportunities, as well as asset-liability matching considerations. Goodwill impairments and gains (losses) on the sale of businesses are also excluded from net operating income (loss) because in the companys opinion, they are not indicative of overall operating trends. Other non-operating items are also excluded from net operating income (loss) if, in the companys opinion, they are not indicative of overall operating trends.

There were no infrequent or unusual items excluded from net operating income (loss) during the periods presented other than a $13 million after-tax expense recorded in the second quarter of 2013 related to restructuring costs. In June 2013, the company announced an expense reduction plan as it continues to work on improving the operating performance of the businesses resulting in a pre-tax non-operating charge of $20 million reflecting severance, outplacement and other associated costs. This plan eliminated approximately 400 positions, including 150 open positions that will not be filled, and will reduce related information technology and program spend.

While some of these items may be significant components of net income (loss) available to Genworth Financial, Inc.s common stockholders in accordance with GAAP, the company believes that net operating income (loss) and measures that are derived from or incorporate net operating income (loss), including net operating income (loss) per common 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 net 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 net operating income (loss) have occurred in the past and could, and in some cases will, recur in the future. Net operating income (loss) and net operating income (loss) per common 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 common share on a basic and diluted basis determined in accordance with GAAP. In addition, the companys definition of net operating income (loss) may differ from the definitions used by other companies.

The table on page 8 of this financial supplement reflects net operating income (loss) as determined in accordance with accounting guidance related to segment reporting, and a reconciliation of net operating income (loss) of the companys segments and Corporate and Other activities to net income (loss) available to Genworth Financial, Inc.s common stockholders for the periods presented. The financial supplement includes other non-GAAP measures management believes enhances the understanding and comparability of performance by highlighting underlying business activity and profitability drivers. These additional non-GAAP measures are on pages 70 through 73 of this financial supplement.

**Selected Operating Performance Measures**

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

Management regularly monitors and reports sales metrics as a measure of volume of new and renewal business generated in a period. Sales refer to: (1) annualized first-year premiums for term life and long-term care insurance products; (2) annualized first-year deposits plus 5% of excess deposits for universal and term universal life insurance products; (3) 10% of premium deposits for linked-benefits products; (4) new and additional premiums/deposits for fixed annuities; (5) new insurance written for mortgage insurance; and (6) net premiums written for the lifestyle protection insurance business. Sales do not include renewal premiums on policies or contracts written during prior periods. The company considers annualized first-year premiums/ deposits, premium equivalents, new premiums/deposits, written premiums and new insurance written to be a measure of the companys operating performance because they represent a measure of new sales of insurance policies or contracts during a specified period, rather than a measure of the companys revenues or profitability during that period.

Management regularly monitors and reports insurance in-force and risk in-force. Insurance in-force for the life, international mortgage and U.S. mortgage insurance businesses is a measure of the aggregate face value of outstanding insurance policies as of the respective reporting date. For the risk in-force in the international mortgage insurance business, the company has computed an effective risk in-force amount, which recognizes that the loss on any particular loan will be reduced by the net proceeds received upon sale of the property. Effective risk in-force has been calculated by applying to insurance in-force a factor of 35% that represents the highest expected average per-claim payment for any one underwriting year over the life of the companys businesses in Canada and Australia. Risk in-force for the U.S. mortgage insurance business is the obligation that is limited under contractual terms to the amounts less than 100% of the mortgage loan value. The company considers insurance in-force and risk in-force to be a measure of the companys operating performance because they represent a measure of the size of the business at a specific date which will generate revenues and profits in a future period, rather than a measure of the companys revenues or profitability during that period.

This financial supplement also includes information related to loss mitigation activities for the U.S. mortgage insurance business. The company defines loss mitigation activities as rescissions, cancellations, borrower loan modifications, repayment plans, lender- and borrower-titled presales, claims administration and other loan workouts. Estimated savings related to rescissions are the reduction in carried loss reserves, net of premium refunds and reinstatement of prior rescissions. Estimated savings related to loan modifications and other cure related loss mitigation actions represent the reduction in carried loss reserves. Estimated savings related to claims mitigation activities represent amounts deducted or curtailed from claims due to acts or omissions by the insured or the servicer with respect to the servicing of an insured loan that is not in compliance with obligations under our master policy. For non-cure related actions, including presales, the estimated savings represent the difference between the full claim obligation and the actual amount paid. Loans subject to our loss mitigation actions, the results of which have been included in our reported estimated loss mitigations savings, are subject to re-default and may result in a potential claim in future periods as well as potential future loss mitigation savings depending on the resolution of the re-defaulted loan. The company believes that this information helps to enhance the understanding of the operating performance of the U.S. mortgage insurance business as loss mitigation activities specifically impact current and future loss reserves and level of claim payments.

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

These operating 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.

|  |  |
| --- | --- |
| (1) | U.S. Generally Accepted Accounting Principles |

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Financial Highlights**

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

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Balance Sheet Data** |  | **September 30, 2013** | |  |  | **June 30, 2013** | |  |  | **March 31, 2013** | |  |  | **December 31, 2012** | |  |  | **September 30, 2012** | |  |
| Total Genworth Financial, Inc.s stockholders equity, excluding accumulated other comprehensive income |  | $ | 11,665 |  |  | $ | 11,547 |  |  | $ | 11,398 |  |  | $ | 11,291 |  |  | $ | 11,158 |  |
| Total accumulated other comprehensive income |  |  | 2,939 |  |  |  | 3,142 |  |  |  | 4,824 |  |  |  | 5,202 |  |  |  | 5,223 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total Genworth Financial, Inc.s stockholders equity |  | $ | 14,604 |  |  | $ | 14,689 |  |  | $ | 16,222 |  |  | $ | 16,493 |  |  | $ | 16,381 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |
| Book value per common share |  | $ | 29.55 |  |  | $ | 29.76 |  |  | $ | 32.90 |  |  | $ | 33.53 |  |  | $ | 33.31 |  |
| Book value per common share, excluding accumulated other comprehensive income |  | $ | 23.60 |  |  | $ | 23.39 |  |  | $ | 23.11 |  |  | $ | 22.95 |  |  | $ | 22.69 |  |
| Common shares outstanding as of the balance sheet date |  |  | 494.2 |  |  |  | 493.6 |  |  |  | 493.1 |  |  |  | 491.9 |  |  |  | 491.8 |  |
|  |  | | | | | | | | | | | | | | | | | | | |
|  |  | **Twelve months ended** | | | | | | | | | | | | | | | | | |  |
| **Twelve Month Rolling Average ROE** |  | **September 30, 2013** | |  |  | **June 30, 2013** | |  |  | **March 31, 2013** | |  |  | **December 31, 2012** | |  |  | **September 30, 2012** | |  |
| GAAP Basis ROE |  |  | 4.6% |  |  |  | 4.0% |  |  |  | 3.4% |  |  |  | 2.9% |  |  |  | 2.7% |  |
| Operating ROE(1) |  |  | 4.9% |  |  |  | 4.9% |  |  |  | 4.4% |  |  |  | 3.2% |  |  |  | 2.8% |  |
|  |  | | | | | | | | | | | | | | | | | | | |
|  |  | **Three months ended** | | | | | | | | | | | | | | | | | |  |
| **Quarterly Average ROE** |  | **September 30, 2013** | |  |  | **June 30, 2013** | |  |  | **March 31, 2013** | |  |  | **December 31, 2012** | |  |  | **September 30, 2012** | |  |
| GAAP Basis ROE |  |  | 3.7% |  |  |  | 4.9% |  |  |  | 3.6% |  |  |  | 6.0% |  |  |  | 1.3% |  |
| Operating ROE(1) |  |  | 4.1% |  |  |  | 4.6% |  |  |  | 5.3% |  |  |  | 5.7% |  |  |  | 4.0% |  |

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |
| **Basic and Diluted Shares** |  | **Three months ended September 30, 2013** | |  |  | **Nine months ended September 30, 2013** | |  |
| Weighted-average shares used in basic earnings per common share calculations |  |  | 494.0 |  |  |  | 493.3 |  |
| Potentially dilutive securities: |  |  |  |  |  |  |  |  |
| Stock options, restricted stock units and stock appreciation rights |  |  | 5.3 |  |  |  | 4.6 |  |
|  |  |  |  |  |  |  |  |  |
| Weighted-average shares used in diluted earnings per common share calculations |  |  | 499.3 |  |  |  | 497.9 |  |
|  |  |  |  |  |  |  |  |  |

|  |  |
| --- | --- |
| (1) | See page 70 herein for a reconciliation of GAAP Basis ROE to Operating ROE. |

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**Third Quarter Results**

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Consolidated Net Income by Quarter**

**(amounts in millions, except per share amounts)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | **2013** | | | | | | | | | | | | | |  |  | **2012** | | | | | | | | | | | | | | | | | |  |
|  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |  | **4Q** | |  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |
| **REVENUES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Premiums |  | $ | 1,291 |  |  | $ | 1,286 |  |  | $ | 1,261 |  |  | $ | 3,838 |  |  | $ | 1,320 |  |  | $ | 1,313 |  |  | $ | 1,302 |  |  | $ | 1,106 |  |  | $ | 5,041 |  |
| Net investment income |  |  | 801 |  |  |  | 821 |  |  |  | 814 |  |  |  | 2,436 |  |  |  | 840 |  |  |  | 825 |  |  |  | 846 |  |  |  | 832 |  |  |  | 3,343 |  |
| Net investment gains (losses) |  |  | (23 | ) |  |  | 21 |  |  |  | (61 | ) |  |  | (63 | ) |  |  | 14 |  |  |  | 9 |  |  |  | (33 | ) |  |  | 37 |  |  |  | 27 |  |
| Insurance and investment product fees and other |  |  | 248 |  |  |  | 243 |  |  |  | 289 |  |  |  | 780 |  |  |  | 293 |  |  |  | 309 |  |  |  | 287 |  |  |  | 340 |  |  |  | 1,229 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total revenues |  |  | 2,317 |  |  |  | 2,371 |  |  |  | 2,303 |  |  |  | 6,991 |  |  |  | 2,467 |  |  |  | 2,456 |  |  |  | 2,402 |  |  |  | 2,315 |  |  |  | 9,640 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **BENEFITS AND EXPENSES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Benefits and other changes in policy reserves |  |  | 1,169 |  |  |  | 1,269 |  |  |  | 1,201 |  |  |  | 3,639 |  |  |  | 1,401 |  |  |  | 1,363 |  |  |  | 1,382 |  |  |  | 1,232 |  |  |  | 5,378 |  |
| Interest credited |  |  | 184 |  |  |  | 184 |  |  |  | 184 |  |  |  | 552 |  |  |  | 193 |  |  |  | 193 |  |  |  | 194 |  |  |  | 195 |  |  |  | 775 |  |
| Acquisition and operating expenses, net of deferrals |  |  | 407 |  |  |  | 413 |  |  |  | 433 |  |  |  | 1,253 |  |  |  | 272 |  |  |  | 443 |  |  |  | 439 |  |  |  | 440 |  |  |  | 1,594 |  |
| Amortization of deferred acquisition costs and intangibles |  |  | 182 |  |  |  | 137 |  |  |  | 122 |  |  |  | 441 |  |  |  | 144 |  |  |  | 160 |  |  |  | 147 |  |  |  | 271 |  |  |  | 722 |  |
| Goodwill impairment |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | 89 |  |  |  |  |  |  |  |  |  |  |  | 89 |  |
| Interest expense |  |  | 124 |  |  |  | 121 |  |  |  | 126 |  |  |  | 371 |  |  |  | 124 |  |  |  | 126 |  |  |  | 131 |  |  |  | 95 |  |  |  | 476 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total benefits and expenses |  |  | 2,066 |  |  |  | 2,124 |  |  |  | 2,066 |  |  |  | 6,256 |  |  |  | 2,134 |  |  |  | 2,374 |  |  |  | 2,293 |  |  |  | 2,233 |  |  |  | 9,034 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES** |  |  | 251 |  |  |  | 247 |  |  |  | 237 |  |  |  | 735 |  |  |  | 333 |  |  |  | 82 |  |  |  | 109 |  |  |  | 82 |  |  |  | 606 |  |
| Provision for income taxes |  |  | 105 |  |  |  | 73 |  |  |  | 76 |  |  |  | 254 |  |  |  | 73 |  |  |  | 23 |  |  |  | 27 |  |  |  | 15 |  |  |  | 138 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME FROM CONTINUING OPERATIONS** |  |  | 146 |  |  |  | 174 |  |  |  | 161 |  |  |  | 481 |  |  |  | 260 |  |  |  | 59 |  |  |  | 82 |  |  |  | 67 |  |  |  | 468 |  |
| Income (loss) from discontinued operations, net of taxes(1) |  |  | 2 |  |  |  | 6 |  |  |  | (20 | ) |  |  | (12 | ) |  |  | 6 |  |  |  | 12 |  |  |  | 27 |  |  |  | 12 |  |  |  | 57 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **NET INCOME** |  |  | 148 |  |  |  | 180 |  |  |  | 141 |  |  |  | 469 |  |  |  | 266 |  |  |  | 71 |  |  |  | 109 |  |  |  | 79 |  |  |  | 525 |  |
| Less: net income attributable to noncontrolling interests |  |  | 40 |  |  |  | 39 |  |  |  | 38 |  |  |  | 117 |  |  |  | 98 |  |  |  | 36 |  |  |  | 33 |  |  |  | 33 |  |  |  | 200 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **NET INCOME AVAILABLE TO GENWORTH FINANCIAL, INC.S COMMON STOCKHOLDERS** |  | $ | 108 |  |  | $ | 141 |  |  | $ | 103 |  |  | $ | 352 |  |  | $ | 168 |  |  | $ | 35 |  |  | $ | 76 |  |  | $ | 46 |  |  | $ | 325 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Earnings Per Share Data:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| Income from continuing operations available to Genworth Financial, Inc.s common stockholders per common share |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Basic |  | $ | 0.21 |  |  | $ | 0.27 |  |  | $ | 0.25 |  |  | $ | 0.74 |  |  | $ | 0.33 |  |  | $ | 0.05 |  |  | $ | 0.10 |  |  | $ | 0.07 |  |  | $ | 0.55 |  |
| Diluted |  | $ | 0.21 |  |  | $ | 0.27 |  |  | $ | 0.25 |  |  | $ | 0.73 |  |  | $ | 0.33 |  |  | $ | 0.05 |  |  | $ | 0.10 |  |  | $ | 0.07 |  |  | $ | 0.54 |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| Net income available to Genworth Financial, Inc.s common stockholders per common share |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Basic |  | $ | 0.22 |  |  | $ | 0.29 |  |  | $ | 0.21 |  |  | $ | 0.71 |  |  | $ | 0.34 |  |  | $ | 0.07 |  |  | $ | 0.16 |  |  | $ | 0.09 |  |  | $ | 0.66 |  |
| Diluted |  | $ | 0.22 |  |  | $ | 0.28 |  |  | $ | 0.21 |  |  | $ | 0.71 |  |  | $ | 0.34 |  |  | $ | 0.07 |  |  | $ | 0.16 |  |  | $ | 0.09 |  |  | $ | 0.66 |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| Weighted-average shares outstanding |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Basic |  |  | 494.0 |  |  |  | 493.4 |  |  |  | 492.5 |  |  |  | 493.3 |  |  |  | 491.9 |  |  |  | 491.7 |  |  |  | 491.5 |  |  |  | 491.2 |  |  |  | 491.6 |  |
| Diluted |  |  | 499.3 |  |  |  | 497.5 |  |  |  | 496.8 |  |  |  | 497.9 |  |  |  | 493.9 |  |  |  | 493.9 |  |  |  | 493.9 |  |  |  | 495.7 |  |  |  | 494.4 |  |

|  |  |
| --- | --- |
| (1) | Income from discontinued operations related to the wealth management business, which was sold on August 30, 2013. Refer to page 61 for operating results of discontinued operations. |

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Net Operating Income by Segment by Quarter**

**(amounts in millions, except per share amounts)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  | **2013** | | | | | | | | | | | | | |  |  | **2012** | | | | | | | | | | | | | | | | | |  |
|  |  |  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |  | **4Q** | |  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |
| **U.S. Life Insurance Division** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| U.S. Life Insurance segment: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Life Insurance |  |  |  | $ | 54 |  |  | $ | 27 |  |  | $ | 36 |  |  | $ | 117 |  |  | $ | 49 |  |  | $ | 22 |  |  | $ | 30 |  |  | $ | 6 |  |  | $ | 107 |  |
| Long-Term Care |  |  |  |  | 41 |  |  |  | 26 |  |  |  | 20 |  |  |  | 87 |  |  |  | 7 |  |  |  | 45 |  |  |  | 14 |  |  |  | 35 |  |  |  | 101 |  |
| Fixed Annuities |  |  |  |  | 16 |  |  |  | 26 |  |  |  | 29 |  |  |  | 71 |  |  |  | 20 |  |  |  | 19 |  |  |  | 20 |  |  |  | 23 |  |  |  | 82 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total U.S. Life Insurance segment |  |  |  |  | 111 |  |  |  | 79 |  |  |  | 85 |  |  |  | 275 |  |  |  | 76 |  |  |  | 86 |  |  |  | 64 |  |  |  | 64 |  |  |  | 290 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Total U.S. Life Insurance Division** |  |  |  |  | 111 |  |  |  | 79 |  |  |  | 85 |  |  |  | 275 |  |  |  | 76 |  |  |  | 86 |  |  |  | 64 |  |  |  | 64 |  |  |  | 290 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Global Mortgage Insurance Division** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| International Mortgage Insurance segment: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Canada |  |  |  |  | 41 |  |  |  | 43 |  |  |  | 42 |  |  |  | 126 |  |  |  | 114 |  |  |  | 42 |  |  |  | 41 |  |  |  | 37 |  |  |  | 234 |  |
| Australia |  |  |  |  | 61 |  |  |  | 55 |  |  |  | 46 |  |  |  | 162 |  |  |  | 62 |  |  |  | 57 |  |  |  | 44 |  |  |  | (21 | ) |  |  | 142 |  |
| Other Countries |  |  |  |  | (12 | ) |  |  | (9 | ) |  |  | (7 | ) |  |  | (28 | ) |  |  | (11 | ) |  |  | (5 | ) |  |  | (9 | ) |  |  | (9 | ) |  |  | (34 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total International Mortgage Insurance segment |  |  |  |  | 90 |  |  |  | 89 |  |  |  | 81 |  |  |  | 260 |  |  |  | 165 |  |  |  | 94 |  |  |  | 76 |  |  |  | 7 |  |  |  | 342 |  |
| U.S. Mortgage Insurance segment |  |  |  |  | (3 | ) |  |  | 13 |  |  |  | 21 |  |  |  | 31 |  |  |  | (32 | ) |  |  | (37 | ) |  |  | (25 | ) |  |  | (44 | ) |  |  | (138 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Total Global Mortgage Insurance Division** |  |  |  |  | 87 |  |  |  | 102 |  |  |  | 102 |  |  |  | 291 |  |  |  | 133 |  |  |  | 57 |  |  |  | 51 |  |  |  | (37 | ) |  |  | 204 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Corporate and Other Division** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| International Protection segment |  |  |  |  | 4 |  |  |  | 1 |  |  |  | 6 |  |  |  | 11 |  |  |  | 8 |  |  |  | 8 |  |  |  | 3 |  |  |  | 5 |  |  |  | 24 |  |
| Runoff segment |  |  |  |  | 25 |  |  |  | 6 |  |  |  | 16 |  |  |  | 47 |  |  |  | 8 |  |  |  | 9 |  |  |  | (6 | ) |  |  | 35 |  |  |  | 46 |  |
| Corporate and Other |  |  |  |  | (108 | ) |  |  | (55 | ) |  |  | (58 | ) |  |  | (221 | ) |  |  | (65 | ) |  |  | (49 | ) |  |  | (45 | ) |  |  | (50 | ) |  |  | (209 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Total Corporate and Other Division** |  |  |  |  | (79 | ) |  |  | (48 | ) |  |  | (36 | ) |  |  | (163 | ) |  |  | (49 | ) |  |  | (32 | ) |  |  | (48 | ) |  |  | (10 | ) |  |  | (139 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **NET OPERATING INCOME** |  |  |  |  | 119 |  |  |  | 133 |  |  |  | 151 |  |  |  | 403 |  |  |  | 160 |  |  |  | 111 |  |  |  | 67 |  |  |  | 17 |  |  |  | 355 |  |
|  |  | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **ADJUSTMENTS TO NET OPERATING INCOME:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Net investment gains (losses), net of taxes and other adjustments |  |  |  |  | (13 | ) |  |  | 15 |  |  |  | (28 | ) |  |  | (26 | ) |  |  | 2 |  |  |  | (2 | ) |  |  | (18 | ) |  |  | 17 |  |  |  | (1 | ) |
| Goodwill impairment, net of taxes |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | (86 | ) |  |  |  |  |  |  |  |  |  |  | (86 | ) |
| Expenses related to restructuring, net of taxes |  |  |  |  |  |  |  |  | (13 | ) |  |  |  |  |  |  | (13 | ) |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Income (loss) from discontinued operations, net of taxes |  |  |  |  | 2 |  |  |  | 6 |  |  |  | (20 | ) |  |  | (12 | ) |  |  | 6 |  |  |  | 12 |  |  |  | 27 |  |  |  | 12 |  |  |  | 57 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **NET INCOME AVAILABLE TO GENWORTH FINANCIAL, INC.S COMMON STOCKHOLDERS** |  |  |  |  | 108 |  |  |  | 141 |  |  |  | 103 |  |  |  | 352 |  |  |  | 168 |  |  |  | 35 |  |  |  | 76 |  |  |  | 46 |  |  |  | 325 |  |
| Add: net income attributable to noncontrolling interests |  |  |  |  | 40 |  |  |  | 39 |  |  |  | 38 |  |  |  | 117 |  |  |  | 98 |  |  |  | 36 |  |  |  | 33 |  |  |  | 33 |  |  |  | 200 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **NET INCOME** |  |  |  | $ | 148 |  |  | $ | 180 |  |  | $ | 141 |  |  | $ | 469 |  |  | $ | 266 |  |  | $ | 71 |  |  | $ | 109 |  |  | $ | 79 |  |  | $ | 525 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Earnings Per Share Data:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | |  | | | |  | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Net income available to Genworth Financial, Inc.s common stockholders per common share |  |  |  |  |  |  |  |  |  | | | | | | | | | | | | | | | | | | | | | | | | | | | | |  |
| Basic |  |  |  | $ | 0.22 |  |  | $ | 0.29 |  |  | $ | 0.21 |  |  | $ | 0.71 |  |  | $ | 0.34 |  |  | $ | 0.07 |  |  | $ | 0.16 |  |  | $ | 0.09 |  |  | $ | 0.66 |  |
| Diluted |  |  |  | $ | 0.22 |  |  | $ | 0.28 |  |  | $ | 0.21 |  |  | $ | 0.71 |  |  | $ | 0.34 |  |  | $ | 0.07 |  |  | $ | 0.16 |  |  | $ | 0.09 |  |  | $ | 0.66 |  |
|  |  | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| Net operating income per common share |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Basic |  |  |  | $ | 0.24 |  |  | $ | 0.27 |  |  | $ | 0.31 |  |  | $ | 0.82 |  |  | $ | 0.32 |  |  | $ | 0.23 |  |  | $ | 0.14 |  |  | $ | 0.03 |  |  | $ | 0.72 |  |
| Diluted |  |  |  | $ | 0.24 |  |  | $ | 0.27 |  |  | $ | 0.30 |  |  | $ | 0.81 |  |  | $ | 0.32 |  |  | $ | 0.22 |  |  | $ | 0.14 |  |  | $ | 0.03 |  |  | $ | 0.72 |  |
|  |  | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| Weighted-average shares outstanding |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Basic |  |  |  |  | 494.0 |  |  |  | 493.4 |  |  |  | 492.5 |  |  |  | 493.3 |  |  |  | 491.9 |  |  |  | 491.7 |  |  |  | 491.5 |  |  |  | 491.2 |  |  |  | 491.6 |  |
| Diluted |  |  |  |  | 499.3 |  |  |  | 497.5 |  |  |  | 496.8 |  |  |  | 497.9 |  |  |  | 493.9 |  |  |  | 493.9 |  |  |  | 493.9 |  |  |  | 495.7 |  |  |  | 494.4 |  |

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Consolidated Balance Sheets**

**(amounts in millions)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | **September 30, 2013** | |  |  | **June 30, 2013** | |  |  | **March 31, 2013** | |  |  | **December 31, 2012** | |  |  | **September 30, 2012** | |  |
| **ASSETS** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Investments: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Fixed maturity securities available-for-sale, at fair value |  | $ | 59,086 |  |  | $ | 58,008 |  |  | $ | 61,082 |  |  | $ | 62,161 |  |  | $ | 62,214 |  |
| Equity securities available-for-sale, at fair value |  |  | 379 |  |  |  | 411 |  |  |  | 490 |  |  |  | 518 |  |  |  | 524 |  |
| Commercial mortgage loans |  |  | 5,858 |  |  |  | 5,831 |  |  |  | 5,866 |  |  |  | 5,872 |  |  |  | 5,861 |  |
| Restricted commercial mortgage loans related to securitization entities |  |  | 290 |  |  |  | 309 |  |  |  | 324 |  |  |  | 341 |  |  |  | 359 |  |
| Policy loans |  |  | 1,668 |  |  |  | 1,671 |  |  |  | 1,606 |  |  |  | 1,601 |  |  |  | 1,626 |  |
| Other invested assets |  |  | 1,826 |  |  |  | 1,976 |  |  |  | 2,982 |  |  |  | 3,493 |  |  |  | 3,906 |  |
| Restricted other invested assets related to securitization entities |  |  | 392 |  |  |  | 392 |  |  |  | 399 |  |  |  | 393 |  |  |  | 393 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total investments |  |  | 69,499 |  |  |  | 68,598 |  |  |  | 72,749 |  |  |  | 74,379 |  |  |  | 74,883 |  |
| Cash and cash equivalents |  |  | 3,554 |  |  |  | 3,613 |  |  |  | 3,797 |  |  |  | 3,632 |  |  |  | 3,720 |  |
| Accrued investment income |  |  | 705 |  |  |  | 639 |  |  |  | 769 |  |  |  | 715 |  |  |  | 746 |  |
| Deferred acquisition costs |  |  | 5,256 |  |  |  | 5,237 |  |  |  | 5,050 |  |  |  | 5,036 |  |  |  | 5,020 |  |
| Intangible assets |  |  | 404 |  |  |  | 433 |  |  |  | 346 |  |  |  | 366 |  |  |  | 375 |  |
| Goodwill |  |  | 867 |  |  |  | 867 |  |  |  | 868 |  |  |  | 868 |  |  |  | 868 |  |
| Reinsurance recoverable |  |  | 17,224 |  |  |  | 17,236 |  |  |  | 17,211 |  |  |  | 17,230 |  |  |  | 17,195 |  |
| Other assets |  |  | 668 |  |  |  | 704 |  |  |  | 706 |  |  |  | 710 |  |  |  | 975 |  |
| Separate account assets |  |  | 9,957 |  |  |  | 9,806 |  |  |  | 10,140 |  |  |  | 9,937 |  |  |  | 10,166 |  |
| Assets associated with discontinued operations(1) |  |  |  |  |  |  | 443 |  |  |  | 439 |  |  |  | 439 |  |  |  | 439 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total assets |  | $ | 108,134 |  |  | $ | 107,576 |  |  | $ | 112,075 |  |  | $ | 113,312 |  |  | $ | 114,387 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

|  |  |
| --- | --- |
| (1) | The assets associated with discontinued operations prior to the sale on August 30, 2013 have been segregated in the consolidated balance sheets. The major assets categories for discontinued operations were as follows: |

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | September 30, 2013 | |  |  | June 30, 2013 | |  |  | March 31, 2013 | |  |  | December 31, 2012 | |  |  | September 30, 2012 | |  |
| ASSETS |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Other invested assets |  | $ |  |  |  | $ | 10 |  |  | $ | 10 |  |  | $ | 10 |  |  | $ | 10 |  |
| Cash and cash equivalents |  |  |  |  |  |  | 24 |  |  |  | 22 |  |  |  | 21 |  |  |  | 21 |  |
| Intangible assets |  |  |  |  |  |  | 118 |  |  |  | 116 |  |  |  | 115 |  |  |  | 113 |  |
| Goodwill |  |  |  |  |  |  | 247 |  |  |  | 247 |  |  |  | 260 |  |  |  | 260 |  |
| Other assets |  |  |  |  |  |  | 44 |  |  |  | 44 |  |  |  | 33 |  |  |  | 35 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Assets associated with discontinued operations |  | $ |  |  |  | $ | 443 |  |  | $ | 439 |  |  | $ | 439 |  |  | $ | 439 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Consolidated Balance Sheets**

**(amounts in millions)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | **September 30, 2013** | |  |  | **June 30, 2013** | |  |  | **March 31, 2013** | |  |  | **December 31, 2012** | |  |  | **September 30, 2012** | |  |
| **LIABILITIES AND STOCKHOLDERS EQUITY** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Liabilities: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Future policy benefits |  | $ | 33,612 |  |  | $ | 33,437 |  |  | $ | 33,601 |  |  | $ | 33,505 |  |  | $ | 33,221 |  |
| Policyholder account balances |  |  | 25,266 |  |  |  | 24,935 |  |  |  | 25,886 |  |  |  | 26,262 |  |  |  | 26,449 |  |
| Liability for policy and contract claims |  |  | 7,271 |  |  |  | 7,302 |  |  |  | 7,343 |  |  |  | 7,509 |  |  |  | 7,545 |  |
| Unearned premiums |  |  | 4,160 |  |  |  | 4,022 |  |  |  | 4,193 |  |  |  | 4,333 |  |  |  | 4,291 |  |
| Other liabilities |  |  | 4,607 |  |  |  | 4,629 |  |  |  | 5,028 |  |  |  | 5,239 |  |  |  | 6,094 |  |
| Borrowings related to securitization entities |  |  | 297 |  |  |  | 317 |  |  |  | 329 |  |  |  | 336 |  |  |  | 353 |  |
| Non-recourse funding obligations |  |  | 2,046 |  |  |  | 2,054 |  |  |  | 2,062 |  |  |  | 2,066 |  |  |  | 2,325 |  |
| Long-term borrowings |  |  | 4,780 |  |  |  | 4,720 |  |  |  | 4,766 |  |  |  | 4,776 |  |  |  | 4,880 |  |
| Deferred tax liability |  |  | 293 |  |  |  | 369 |  |  |  | 1,132 |  |  |  | 1,507 |  |  |  | 1,406 |  |
| Separate account liabilities |  |  | 9,957 |  |  |  | 9,806 |  |  |  | 10,140 |  |  |  | 9,937 |  |  |  | 10,166 |  |
| Liabilities associated with discontinued operations(1) |  |  |  |  |  |  | 83 |  |  |  | 86 |  |  |  | 61 |  |  |  | 56 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total liabilities |  |  | 92,289 |  |  |  | 91,674 |  |  |  | 94,566 |  |  |  | 95,531 |  |  |  | 96,786 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Stockholders equity: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Common stock |  |  | 1 |  |  |  | 1 |  |  |  | 1 |  |  |  | 1 |  |  |  | 1 |  |
| Additional paid-in capital |  |  | 12,149 |  |  |  | 12,139 |  |  |  | 12,131 |  |  |  | 12,127 |  |  |  | 12,162 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Accumulated other comprehensive income (loss): |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Net unrealized investment gains (losses): |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Net unrealized gains on securities not other-than-temporarily impaired |  |  | 1,106 |  |  |  | 1,296 |  |  |  | 2,471 |  |  |  | 2,692 |  |  |  | 2,641 |  |
| Net unrealized gains (losses) on other-than-temporarily impaired securities |  |  | 3 |  |  |  | (2 | ) |  |  | (28 | ) |  |  | (54 | ) |  |  | (88 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Net unrealized investment gains (losses) |  |  | 1,109 |  |  |  | 1,294 |  |  |  | 2,443 |  |  |  | 2,638 |  |  |  | 2,553 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Derivatives qualifying as hedges |  |  | 1,442 |  |  |  | 1,581 |  |  |  | 1,799 |  |  |  | 1,909 |  |  |  | 2,011 |  |
| Foreign currency translation and other adjustments |  |  | 388 |  |  |  | 267 |  |  |  | 582 |  |  |  | 655 |  |  |  | 659 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total accumulated other comprehensive income |  |  | 2,939 |  |  |  | 3,142 |  |  |  | 4,824 |  |  |  | 5,202 |  |  |  | 5,223 |  |
| Retained earnings |  |  | 2,215 |  |  |  | 2,107 |  |  |  | 1,966 |  |  |  | 1,863 |  |  |  | 1,695 |  |
| Treasury stock, at cost |  |  | (2,700 | ) |  |  | (2,700 | ) |  |  | (2,700 | ) |  |  | (2,700 | ) |  |  | (2,700 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total Genworth Financial, Inc.s stockholders equity |  |  | 14,604 |  |  |  | 14,689 |  |  |  | 16,222 |  |  |  | 16,493 |  |  |  | 16,381 |  |
| Noncontrolling interests |  |  | 1,241 |  |  |  | 1,213 |  |  |  | 1,287 |  |  |  | 1,288 |  |  |  | 1,220 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total stockholders equity |  |  | 15,845 |  |  |  | 15,902 |  |  |  | 17,509 |  |  |  | 17,781 |  |  |  | 17,601 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total liabilities and stockholders equity |  | $ | 108,134 |  |  | $ | 107,576 |  |  | $ | 112,075 |  |  | $ | 113,312 |  |  | $ | 114,387 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

|  |  |
| --- | --- |
| (1) | The liabilities associated with discontinued operations prior to the sale on August 30, 2013 have been segregated in the consolidated balance sheets. The major liability categories for discontinued operations were as follows: |

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | September 30, 2013 | |  |  | June 30, 2013 | |  |  | March 31, 2013 | |  |  | December 31, 2012 | |  |  | September 30, 2012 | |  |
| LIABILITIES |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Other liabilities |  | $ |  |  |  | $ | 67 |  |  | $ | 70 |  |  | $ | 48 |  |  | $ | 49 |  |
| Deferred tax liability |  |  |  |  |  |  | 16 |  |  |  | 16 |  |  |  | 13 |  |  |  | 7 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Liabilities associated with discontinued operations |  | $ |  |  |  | $ | 83 |  |  | $ | 86 |  |  | $ | 61 |  |  | $ | 56 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Consolidated Balance Sheet by Segment**

**(amounts in millions)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  | **September 30, 2013** | | | | | | | | | | | | | | | | | | | | | | | | |  |
|  |  | **U.S. Life Insurance** | |  |  | **International Mortgage Insurance** | |  |  | **U.S. Mortgage Insurance** | |  |  | **International Protection** | |  |  | **Runoff** | |  |  | **Corporate  and Other**(1) | |  |  | **Total** | |  |
| **ASSETS** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Cash and investments |  | $ | 54,853 |  |  | $ | 9,100 |  |  | $ | 1,922 |  |  | $ | 1,661 |  |  | $ | 2,846 |  |  | $ | 3,376 |  |  | $ | 73,758 |  |
| Deferred acquisition costs and intangible assets |  |  | 5,646 |  |  |  | 205 |  |  |  | 20 |  |  |  | 264 |  |  |  | 384 |  |  |  | 8 |  |  |  | 6,527 |  |
| Reinsurance recoverable |  |  | 16,227 |  |  |  | 20 |  |  |  | 58 |  |  |  | 29 |  |  |  | 890 |  |  |  |  |  |  |  | 17,224 |  |
| Deferred tax and other assets |  |  | 268 |  |  |  | 99 |  |  |  | 43 |  |  |  | 141 |  |  |  | 61 |  |  |  | 56 |  |  |  | 668 |  |
| Separate account assets |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | 9,957 |  |  |  |  |  |  |  | 9,957 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total assets |  | $ | 76,994 |  |  | $ | 9,424 |  |  | $ | 2,043 |  |  | $ | 2,095 |  |  | $ | 14,138 |  |  | $ | 3,440 |  |  | $ | 108,134 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **LIABILITIES AND STOCKHOLDERS EQUITY** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Liabilities: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Future policy benefits |  | $ | 33,607 |  |  | $ |  |  |  | $ |  |  |  | $ |  |  |  | $ | 5 |  |  | $ |  |  |  | $ | 33,612 |  |
| Policyholder account balances |  |  | 21,732 |  |  |  |  |  |  |  |  |  |  |  | 16 |  |  |  | 3,518 |  |  |  |  |  |  |  | 25,266 |  |
| Liability for policy and contract claims |  |  | 5,108 |  |  |  | 451 |  |  |  | 1,587 |  |  |  | 107 |  |  |  | 18 |  |  |  |  |  |  |  | 7,271 |  |
| Unearned premiums |  |  | 617 |  |  |  | 2,887 |  |  |  | 123 |  |  |  | 524 |  |  |  | 9 |  |  |  |  |  |  |  | 4,160 |  |
| Non-recourse funding obligations |  |  | 2,076 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | (30 | ) |  |  | 2,046 |  |
| Deferred tax and other liabilities |  |  | 4,250 |  |  |  | 334 |  |  |  | (829 | ) |  |  | 463 |  |  |  | (83 | ) |  |  | 765 |  |  |  | 4,900 |  |
| Borrowings and capital securities |  |  |  |  |  |  | 544 |  |  |  |  |  |  |  |  |  |  |  | 11 |  |  |  | 4,522 |  |  |  | 5,077 |  |
| Separate account liabilities |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | 9,957 |  |  |  |  |  |  |  | 9,957 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total liabilities |  |  | 67,390 |  |  |  | 4,216 |  |  |  | 881 |  |  |  | 1,110 |  |  |  | 13,435 |  |  |  | 5,257 |  |  |  | 92,289 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Stockholders equity: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Allocated equity, excluding accumulated other comprehensive income (loss) |  |  | 7,185 |  |  |  | 3,436 |  |  |  | 1,160 |  |  |  | 937 |  |  |  | 738 |  |  |  | (1,791 | ) |  |  | 11,665 |  |
| Allocated accumulated other comprehensive income (loss) |  |  | 2,419 |  |  |  | 531 |  |  |  | 2 |  |  |  | 48 |  |  |  | (35 | ) |  |  | (26 | ) |  |  | 2,939 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total Genworth Financial, Inc.s stockholders equity |  |  | 9,604 |  |  |  | 3,967 |  |  |  | 1,162 |  |  |  | 985 |  |  |  | 703 |  |  |  | (1,817 | ) |  |  | 14,604 |  |
| Noncontrolling interests |  |  |  |  |  |  | 1,241 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | 1,241 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total stockholders equity |  |  | 9,604 |  |  |  | 5,208 |  |  |  | 1,162 |  |  |  | 985 |  |  |  | 703 |  |  |  | (1,817 | ) |  |  | 15,845 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total liabilities and stockholders equity |  | $ | 76,994 |  |  | $ | 9,424 |  |  | $ | 2,043 |  |  | $ | 2,095 |  |  | $ | 14,138 |  |  | $ | 3,440 |  |  | $ | 108,134 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

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| --- | --- |
| (1) | Includes inter-segment eliminations and non-core products. |

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Consolidated Balance Sheet by Segment**

**(amounts in millions)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  | **June 30, 2013** | | | | | | | | | | | | | | | | | | | | | | | | |  |
|  |  | **U.S. Life Insurance** | |  |  | **International Mortgage Insurance** | |  |  | **U.S. Mortgage Insurance** | |  |  | **International Protection** | |  |  | **Runoff** | |  |  | **Corporate  and Other**(1) | |  |  | **Total** | |  |
| **ASSETS** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Cash and investments |  | $ | 54,416 |  |  | $ | 8,837 |  |  | $ | 2,028 |  |  | $ | 1,587 |  |  | $ | 2,962 |  |  | $ | 3,020 |  |  | $ | 72,850 |  |
| Deferred acquisition costs and intangible assets |  |  | 5,667 |  |  |  | 202 |  |  |  | 19 |  |  |  | 256 |  |  |  | 364 |  |  |  | 29 |  |  |  | 6,537 |  |
| Reinsurance recoverable |  |  | 16,226 |  |  |  | 18 |  |  |  | 64 |  |  |  | 28 |  |  |  | 900 |  |  |  |  |  |  |  | 17,236 |  |
| Deferred tax and other assets |  |  | 357 |  |  |  | 105 |  |  |  | 47 |  |  |  | 146 |  |  |  | 33 |  |  |  | 16 |  |  |  | 704 |  |
| Separate account assets |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | 9,806 |  |  |  |  |  |  |  | 9,806 |  |
| Assets associated with discontinued operations |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | 443 |  |  |  | 443 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total assets |  | $ | 76,666 |  |  | $ | 9,162 |  |  | $ | 2,158 |  |  | $ | 2,017 |  |  | $ | 14,065 |  |  | $ | 3,508 |  |  | $ | 107,576 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **LIABILITIES AND STOCKHOLDERS EQUITY** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Liabilities: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Future policy benefits |  | $ | 33,431 |  |  | $ |  |  |  | $ |  |  |  | $ |  |  |  | $ | 6 |  |  | $ |  |  |  | $ | 33,437 |  |
| Policyholder account balances |  |  | 21,323 |  |  |  |  |  |  |  |  |  |  |  | 15 |  |  |  | 3,597 |  |  |  |  |  |  |  | 24,935 |  |
| Liability for policy and contract claims |  |  | 5,042 |  |  |  | 442 |  |  |  | 1,696 |  |  |  | 103 |  |  |  | 19 |  |  |  |  |  |  |  | 7,302 |  |
| Unearned premiums |  |  | 603 |  |  |  | 2,780 |  |  |  | 120 |  |  |  | 509 |  |  |  | 10 |  |  |  |  |  |  |  | 4,022 |  |
| Non-recourse funding obligations |  |  | 2,084 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | (30 | ) |  |  | 2,054 |  |
| Deferred tax and other liabilities |  |  | 4,145 |  |  |  | 349 |  |  |  | (828 | ) |  |  | 435 |  |  |  | (79 | ) |  |  | 976 |  |  |  | 4,998 |  |
| Borrowings and capital securities |  |  |  |  |  |  | 532 |  |  |  |  |  |  |  |  |  |  |  | 10 |  |  |  | 4,495 |  |  |  | 5,037 |  |
| Separate account liabilities |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | 9,806 |  |  |  |  |  |  |  | 9,806 |  |
| Liabilities associated with discontinued operations |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | 83 |  |  |  | 83 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total liabilities |  |  | 66,628 |  |  |  | 4,103 |  |  |  | 988 |  |  |  | 1,062 |  |  |  | 13,369 |  |  |  | 5,524 |  |  |  | 91,674 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Stockholders equity: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Allocated equity, excluding accumulated other comprehensive income (loss) |  |  | 7,283 |  |  |  | 3,394 |  |  |  | 1,162 |  |  |  | 943 |  |  |  | 747 |  |  |  | (1,982 | ) |  |  | 11,547 |  |
| Allocated accumulated other comprehensive income (loss) |  |  | 2,755 |  |  |  | 452 |  |  |  | 8 |  |  |  | 12 |  |  |  | (51 | ) |  |  | (34 | ) |  |  | 3,142 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total Genworth Financial, Inc.s stockholders equity |  |  | 10,038 |  |  |  | 3,846 |  |  |  | 1,170 |  |  |  | 955 |  |  |  | 696 |  |  |  | (2,016 | ) |  |  | 14,689 |  |
| Noncontrolling interests |  |  |  |  |  |  | 1,213 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | 1,213 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total stockholders equity |  |  | 10,038 |  |  |  | 5,059 |  |  |  | 1,170 |  |  |  | 955 |  |  |  | 696 |  |  |  | (2,016 | ) |  |  | 15,902 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total liabilities and stockholders equity |  | $ | 76,666 |  |  | $ | 9,162 |  |  | $ | 2,158 |  |  | $ | 2,017 |  |  | $ | 14,065 |  |  | $ | 3,508 |  |  | $ | 107,576 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

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| (1) | Includes inter-segment eliminations and non-core products. |

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Deferred Acquisition Costs Rollforward**

**(amounts in millions)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | **U.S. Life Insurance** | |  |  | **International Mortgage Insurance** | |  |  | **U.S. Mortgage Insurance** | |  |  | **International Protection** | |  |  | **Runoff**(1) | |  |  | **Corporate and Other** | |  |  | **Total** | |  |
| Unamortized balance as of June 30, 2013 |  | $ | 4,707 |  |  | $ | 149 |  |  | $ | 11 |  |  | $ | 232 |  |  | $ | 344 |  |  | $ |  |  |  | $ | 5,443 |  |
| Costs deferred |  |  | 79 |  |  |  | 15 |  |  |  | 2 |  |  |  | 24 |  |  |  |  |  |  |  |  |  |  |  | 120 |  |
| Amortization, net of interest accretion |  |  | (97 | ) |  |  | (12 | ) |  |  | (1 | ) |  |  | (24 | ) |  |  | (1 | ) |  |  |  |  |  |  | (135 | ) |
| Impact of foreign currency translation |  |  |  |  |  |  | 4 |  |  |  |  |  |  |  | 7 |  |  |  |  |  |  |  |  |  |  |  | 11 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Unamortized balance as of September 30, 2013 |  |  | 4,689 |  |  |  | 156 |  |  |  | 12 |  |  |  | 239 |  |  |  | 343 |  |  |  |  |  |  |  | 5,439 |  |
| Effect of accumulated net unrealized investment (gains) losses |  |  | (182 | ) |  |  |  |  |  |  |  |  |  |  |  |  |  |  | (1 | ) |  |  |  |  |  |  | (183 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Balance as of September 30, 2013 |  | $ | 4,507 |  |  | $ | 156 |  |  | $ | 12 |  |  | $ | 239 |  |  | $ | 342 |  |  | $ |  |  |  | $ | 5,256 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

|  |  |
| --- | --- |
| (1) | Amortization, net of interest accretion, included $6 million of amortization related to net investment gains for the policyholder account balances. |

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**U.S. Life Insurance Division**

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Net Operating IncomeU.S. Life Insurance Division**

**(amounts in millions)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | **2013** | | | | | | | | | | | | | |  |  | **2012** | | | | | | | | | | | | | | | | | |  |
|  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |  | **4Q** | |  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |
| **REVENUES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Premiums |  | $ | 751 |  |  | $ | 738 |  |  | $ | 707 |  |  | $ | 2,196 |  |  | $ | 759 |  |  | $ | 754 |  |  | $ | 733 |  |  | $ | 543 |  |  | $ | 2,789 |  |
| Net investment income |  |  | 650 |  |  |  | 658 |  |  |  | 638 |  |  |  | 1,946 |  |  |  | 661 |  |  |  | 644 |  |  |  | 651 |  |  |  | 638 |  |  |  | 2,594 |  |
| Net investment gains (losses) |  |  | (6 | ) |  |  | 17 |  |  |  | (12 | ) |  |  | (1 | ) |  |  | 8 |  |  |  | 7 |  |  |  | (21 | ) |  |  | (2 | ) |  |  | (8 | ) |
| Insurance and investment product fees and other |  |  | 192 |  |  |  | 190 |  |  |  | 188 |  |  |  | 570 |  |  |  | 199 |  |  |  | 221 |  |  |  | 192 |  |  |  | 263 |  |  |  | 875 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total revenues |  |  | 1,587 |  |  |  | 1,603 |  |  |  | 1,521 |  |  |  | 4,711 |  |  |  | 1,627 |  |  |  | 1,626 |  |  |  | 1,555 |  |  |  | 1,442 |  |  |  | 6,250 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **BENEFITS AND EXPENSES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Benefits and other changes in policy reserves |  |  | 924 |  |  |  | 1,041 |  |  |  | 974 |  |  |  | 2,939 |  |  |  | 1,075 |  |  |  | 1,051 |  |  |  | 1,038 |  |  |  | 786 |  |  |  | 3,950 |  |
| Interest credited |  |  | 156 |  |  |  | 155 |  |  |  | 152 |  |  |  | 463 |  |  |  | 161 |  |  |  | 160 |  |  |  | 160 |  |  |  | 162 |  |  |  | 643 |  |
| Acquisition and operating expenses, net of deferrals |  |  | 154 |  |  |  | 177 |  |  |  | 163 |  |  |  | 494 |  |  |  | 169 |  |  |  | 170 |  |  |  | 169 |  |  |  | 169 |  |  |  | 677 |  |
| Amortization of deferred acquisition costs and intangibles |  |  | 139 |  |  |  | 80 |  |  |  | 87 |  |  |  | 306 |  |  |  | 78 |  |  |  | 94 |  |  |  | 82 |  |  |  | 223 |  |  |  | 477 |  |
| Interest expense |  |  | 25 |  |  |  | 24 |  |  |  | 23 |  |  |  | 72 |  |  |  | 26 |  |  |  | 24 |  |  |  | 24 |  |  |  | 12 |  |  |  | 86 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total benefits and expenses |  |  | 1,398 |  |  |  | 1,477 |  |  |  | 1,399 |  |  |  | 4,274 |  |  |  | 1,509 |  |  |  | 1,499 |  |  |  | 1,473 |  |  |  | 1,352 |  |  |  | 5,833 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES** |  |  | 189 |  |  |  | 126 |  |  |  | 122 |  |  |  | 437 |  |  |  | 118 |  |  |  | 127 |  |  |  | 82 |  |  |  | 90 |  |  |  | 417 |  |
| Provision for income taxes |  |  | 82 |  |  |  | 46 |  |  |  | 45 |  |  |  | 173 |  |  |  | 40 |  |  |  | 42 |  |  |  | 29 |  |  |  | 32 |  |  |  | 143 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME FROM CONTINUING OPERATIONS** |  |  | 107 |  |  |  | 80 |  |  |  | 77 |  |  |  | 264 |  |  |  | 78 |  |  |  | 85 |  |  |  | 53 |  |  |  | 58 |  |  |  | 274 |  |
| **ADJUSTMENTS TO INCOME FROM CONTINUING OPERATIONS:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Net investment (gains) losses, net of taxes and other adjustments |  |  | 4 |  |  |  | (10 | ) |  |  | 8 |  |  |  | 2 |  |  |  | (2 | ) |  |  | 1 |  |  |  | 11 |  |  |  | 6 |  |  |  | 16 |  |
| Expenses related to restructuring, net of taxes |  |  |  |  |  |  | 9 |  |  |  |  |  |  |  | 9 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **NET OPERATING INCOME** |  | $ | 111 |  |  | $ | 79 |  |  | $ | 85 |  |  | $ | 275 |  |  | $ | 76 |  |  | $ | 86 |  |  | $ | 64 |  |  | $ | 64 |  |  | $ | 290 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| *Effective tax rate (operating income)*(1) |  |  | *43.0* | *%* |  |  | *37.1* | *%* |  |  | *36.4* | *%* |  |  | *39.4* | *%* |  |  | *32.7* | *%* |  |  | *32.4* | *%* |  |  | *36.1* | *%* |  |  | *35.6* | *%* |  |  | *34.1* | *%* |

|  |  |
| --- | --- |
| (1) | The operating income (loss) effective tax rate for all pages in this financial supplement was calculated using whole dollars. As a result, the percentages shown may differ from an operating income (loss) effective tax rate calculated using the rounded numbers in this financial supplement. |

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Net Operating IncomeU.S. Life Insurance Division**

**(amounts in millions)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | **U.S. Life Insurance Segment** | | | | | | | | | | | | | |  |  |  | |  |
| **Three months ended September 30, 2013** |  | **Life Insurance** | |  |  | **Long-Term Care** | |  |  | **Fixed Annuities** | |  |  | **Total U.S. Life Insurance Segment** | |  |  | **Total** | |  |
| **REVENUES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Premiums |  | $ | 166 |  |  | $ | 564 |  |  | $ | 21 |  |  | $ | 751 |  |  | $ | 751 |  |
| Net investment income |  |  | 138 |  |  |  | 282 |  |  |  | 230 |  |  |  | 650 |  |  |  | 650 |  |
| Net investment gains (losses) |  |  |  |  |  |  | (2 | ) |  |  | (4 | ) |  |  | (6 | ) |  |  | (6 | ) |
| Insurance and investment product fees and other |  |  | 188 |  |  |  | 2 |  |  |  | 2 |  |  |  | 192 |  |  |  | 192 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total revenues |  |  | 492 |  |  |  | 846 |  |  |  | 249 |  |  |  | 1,587 |  |  |  | 1,587 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **BENEFITS AND EXPENSES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Benefits and other changes in policy reserves |  |  | 160 |  |  |  | 659 |  |  |  | 105 |  |  |  | 924 |  |  |  | 924 |  |
| Interest credited |  |  | 68 |  |  |  |  |  |  |  | 88 |  |  |  | 156 |  |  |  | 156 |  |
| Acquisition and operating expenses, net of deferrals |  |  | 47 |  |  |  | 90 |  |  |  | 17 |  |  |  | 154 |  |  |  | 154 |  |
| Amortization of deferred acquisition costs and intangibles |  |  | 88 |  |  |  | 31 |  |  |  | 20 |  |  |  | 139 |  |  |  | 139 |  |
| Interest expense |  |  | 25 |  |  |  |  |  |  |  |  |  |  |  | 25 |  |  |  | 25 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total benefits and expenses |  |  | 388 |  |  |  | 780 |  |  |  | 230 |  |  |  | 1,398 |  |  |  | 1,398 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES** |  |  | 104 |  |  |  | 66 |  |  |  | 19 |  |  |  | 189 |  |  |  | 189 |  |
| Provision for income taxes |  |  | 50 |  |  |  | 26 |  |  |  | 6 |  |  |  | 82 |  |  |  | 82 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME FROM CONTINUING OPERATIONS** |  |  | 54 |  |  |  | 40 |  |  |  | 13 |  |  |  | 107 |  |  |  | 107 |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |
| **ADJUSTMENT TO INCOME FROM CONTINUING OPERATIONS:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Net investment (gains) losses, net of taxes and other adjustments |  |  |  |  |  |  | 1 |  |  |  | 3 |  |  |  | 4 |  |  |  | 4 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **NET OPERATING INCOME** |  | $ | 54 |  |  | $ | 41 |  |  | $ | 16 |  |  | $ | 111 |  |  | $ | 111 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |
| *Effective tax rate (operating income)* |  |  | *47.5* | *%* |  |  | *38.6* | *%* |  |  | *35.4* | *%* |  |  | *43.0* | *%* |  |  | *43.0* | *%* |

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | | | | | | | | | | | | | | | |  | | | |
|  |  | **U.S. Life Insurance Segment** | | | | | | | | | | | | | |  |  |  | |  |
| **Three months ended September 30, 2012** |  | **Life Insurance** | |  |  | **Long-Term Care** | |  |  | **Fixed Annuities** | |  |  | **Total U.S. Life Insurance Segment** | |  |  | **Total** | |  |
| **REVENUES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Premiums |  | $ | 187 |  |  | $ | 541 |  |  | $ | 26 |  |  | $ | 754 |  |  | $ | 754 |  |
| Net investment income |  |  | 129 |  |  |  | 266 |  |  |  | 249 |  |  |  | 644 |  |  |  | 644 |  |
| Net investment gains (losses) |  |  | (2 | ) |  |  | 1 |  |  |  | 8 |  |  |  | 7 |  |  |  | 7 |  |
| Insurance and investment product fees and other |  |  | 219 |  |  |  | 1 |  |  |  | 1 |  |  |  | 221 |  |  |  | 221 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total revenues |  |  | 533 |  |  |  | 809 |  |  |  | 284 |  |  |  | 1,626 |  |  |  | 1,626 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **BENEFITS AND EXPENSES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Benefits and other changes in policy reserves |  |  | 313 |  |  |  | 625 |  |  |  | 113 |  |  |  | 1,051 |  |  |  | 1,051 |  |
| Interest credited |  |  | 66 |  |  |  |  |  |  |  | 94 |  |  |  | 160 |  |  |  | 160 |  |
| Acquisition and operating expenses, net of deferrals |  |  | 51 |  |  |  | 100 |  |  |  | 19 |  |  |  | 170 |  |  |  | 170 |  |
| Amortization of deferred acquisition costs and intangibles |  |  | 49 |  |  |  | 19 |  |  |  | 26 |  |  |  | 94 |  |  |  | 94 |  |
| Interest expense |  |  | 24 |  |  |  |  |  |  |  |  |  |  |  | 24 |  |  |  | 24 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total benefits and expenses |  |  | 503 |  |  |  | 744 |  |  |  | 252 |  |  |  | 1,499 |  |  |  | 1,499 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES** |  |  | 30 |  |  |  | 65 |  |  |  | 32 |  |  |  | 127 |  |  |  | 127 |  |
| Provision for income taxes |  |  | 10 |  |  |  | 20 |  |  |  | 12 |  |  |  | 42 |  |  |  | 42 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME FROM CONTINUING OPERATIONS** |  |  | 20 |  |  |  | 45 |  |  |  | 20 |  |  |  | 85 |  |  |  | 85 |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |
| **ADJUSTMENT TO INCOME FROM CONTINUING OPERATIONS:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Net investment (gains) losses, net of taxes and other adjustments |  |  | 2 |  |  |  |  |  |  |  | (1 | ) |  |  | 1 |  |  |  | 1 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **NET OPERATING INCOME** |  | $ | 22 |  |  | $ | 45 |  |  | $ | 19 |  |  | $ | 86 |  |  | $ | 86 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |
| *Effective tax rate (operating income)* |  |  | *32.8* | *%* |  |  | *30.9* | *%* |  |  | *35.4* | *%* |  |  | *32.4* | *%* |  |  | *32.4* | *%* |

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Net Operating IncomeU.S. Life Insurance Division**

**(amounts in millions)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | **U.S. Life Insurance Segment** | | | | | | | | | | | | | |  |  |  | |  |
| **Nine months ended September 30, 2013** |  | **Life Insurance** | |  |  | **Long-Term Care** | |  |  | **Fixed Annuities** | |  |  | **Total U.S. Life Insurance Segment** | |  |  | **Total** | |  |
| **REVENUES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Premiums |  | $ | 520 |  |  | $ | 1,627 |  |  | $ | 49 |  |  | $ | 2,196 |  |  | $ | 2,196 |  |
| Net investment income |  |  | 402 |  |  |  | 823 |  |  |  | 721 |  |  |  | 1,946 |  |  |  | 1,946 |  |
| Net investment gains (losses) |  |  | 5 |  |  |  | (7 | ) |  |  | 1 |  |  |  | (1 | ) |  |  | (1 | ) |
| Insurance and investment product fees and other |  |  | 561 |  |  |  | 4 |  |  |  | 5 |  |  |  | 570 |  |  |  | 570 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total revenues |  |  | 1,488 |  |  |  | 2,447 |  |  |  | 776 |  |  |  | 4,711 |  |  |  | 4,711 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **BENEFITS AND EXPENSES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Benefits and other changes in policy reserves |  |  | 704 |  |  |  | 1,950 |  |  |  | 285 |  |  |  | 2,939 |  |  |  | 2,939 |  |
| Interest credited |  |  | 200 |  |  |  |  |  |  |  | 263 |  |  |  | 463 |  |  |  | 463 |  |
| Acquisition and operating expenses, net of deferrals |  |  | 147 |  |  |  | 291 |  |  |  | 56 |  |  |  | 494 |  |  |  | 494 |  |
| Amortization of deferred acquisition costs and intangibles |  |  | 161 |  |  |  | 80 |  |  |  | 65 |  |  |  | 306 |  |  |  | 306 |  |
| Interest expense |  |  | 72 |  |  |  |  |  |  |  |  |  |  |  | 72 |  |  |  | 72 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total benefits and expenses |  |  | 1,284 |  |  |  | 2,321 |  |  |  | 669 |  |  |  | 4,274 |  |  |  | 4,274 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES** |  |  | 204 |  |  |  | 126 |  |  |  | 107 |  |  |  | 437 |  |  |  | 437 |  |
| Provision for income taxes |  |  | 86 |  |  |  | 49 |  |  |  | 38 |  |  |  | 173 |  |  |  | 173 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME FROM CONTINUING OPERATIONS** |  |  | 118 |  |  |  | 77 |  |  |  | 69 |  |  |  | 264 |  |  |  | 264 |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |
| **ADJUSTMENTS TO INCOME FROM CONTINUING OPERATIONS:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Net investment (gains) losses, net of taxes and other adjustments |  |  | (3 | ) |  |  | 4 |  |  |  | 1 |  |  |  | 2 |  |  |  | 2 |  |
| Expenses related to restructuring, net of taxes |  |  | 2 |  |  |  | 6 |  |  |  | 1 |  |  |  | 9 |  |  |  | 9 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **NET OPERATING INCOME** |  | $ | 117 |  |  | $ | 87 |  |  | $ | 71 |  |  | $ | 275 |  |  | $ | 275 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |
| *Effective tax rate (operating income)* |  |  | *42.0* | *%* |  |  | *38.4* | *%* |  |  | *35.8* | *%* |  |  | *39.4* | *%* |  |  | *39.4* | *%* |

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | | | | | | | | | | | | | | | |  | | | |
|  |  | **U.S. Life Insurance Segment** | | | | | | | | | | | | | |  |  |  | |  |
| **Nine months ended September 30, 2012** |  | **Life Insurance** | |  |  | **Long-Term Care** | |  |  | **Fixed Annuities** | |  |  | **Total U.S. Life Insurance Segment** | |  |  | **Total** | |  |
| **REVENUES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Premiums |  | $ | 365 |  |  | $ | 1,591 |  |  | $ | 74 |  |  | $ | 2,030 |  |  | $ | 2,030 |  |
| Net investment income |  |  | 388 |  |  |  | 787 |  |  |  | 758 |  |  |  | 1,933 |  |  |  | 1,933 |  |
| Net investment gains (losses) |  |  | (16 | ) |  |  | (1 | ) |  |  | 1 |  |  |  | (16 | ) |  |  | (16 | ) |
| Insurance and investment product fees and other |  |  | 667 |  |  |  | 4 |  |  |  | 5 |  |  |  | 676 |  |  |  | 676 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total revenues |  |  | 1,404 |  |  |  | 2,381 |  |  |  | 838 |  |  |  | 4,623 |  |  |  | 4,623 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **BENEFITS AND EXPENSES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Benefits and other changes in policy reserves |  |  | 659 |  |  |  | 1,880 |  |  |  | 336 |  |  |  | 2,875 |  |  |  | 2,875 |  |
| Interest credited |  |  | 196 |  |  |  |  |  |  |  | 286 |  |  |  | 482 |  |  |  | 482 |  |
| Acquisition and operating expenses, net of deferrals |  |  | 161 |  |  |  | 294 |  |  |  | 53 |  |  |  | 508 |  |  |  | 508 |  |
| Amortization of deferred acquisition costs and intangibles |  |  | 258 |  |  |  | 65 |  |  |  | 76 |  |  |  | 399 |  |  |  | 399 |  |
| Interest expense |  |  | 59 |  |  |  | 1 |  |  |  |  |  |  |  | 60 |  |  |  | 60 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total benefits and expenses |  |  | 1,333 |  |  |  | 2,240 |  |  |  | 751 |  |  |  | 4,324 |  |  |  | 4,324 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES** |  |  | 71 |  |  |  | 141 |  |  |  | 87 |  |  |  | 299 |  |  |  | 299 |  |
| Provision for income taxes |  |  | 24 |  |  |  | 48 |  |  |  | 31 |  |  |  | 103 |  |  |  | 103 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME FROM CONTINUING OPERATIONS** |  |  | 47 |  |  |  | 93 |  |  |  | 56 |  |  |  | 196 |  |  |  | 196 |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |
| **ADJUSTMENT TO INCOME FROM CONTINUING OPERATIONS:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Net investment (gains) losses, net of taxes and other adjustments |  |  | 11 |  |  |  | 1 |  |  |  | 6 |  |  |  | 18 |  |  |  | 18 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **NET OPERATING INCOME** |  | $ | 58 |  |  | $ | 94 |  |  | $ | 62 |  |  | $ | 214 |  |  | $ | 214 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |
| *Effective tax rate (operating income)* |  |  | *34.0* | *%* |  |  | *34.3* | *%* |  |  | *35.4* | *%* |  |  | *34.5* | *%* |  |  | *34.5* | *%* |

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**U.S. Life Insurance Segment**

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Net Operating Income and SalesU.S. Life Insurance SegmentLife Insurance**

**(amounts in millions)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | **2013** | | | | | | | | | | | | | |  |  | **2012** | | | | | | | | | | | | | | | | | |  |
|  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |  | **4Q** | |  |  | **3Q**(1) | |  |  | **2Q** | |  |  | **1Q**(2) | |  |  | **Total** | |  |
| **REVENUES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Premiums |  | $ | 166 |  |  | $ | 173 |  |  | $ | 181 |  |  | $ | 520 |  |  | $ | 177 |  |  | $ | 187 |  |  | $ | 189 |  |  | $ | (11 | ) |  | $ | 542 |  |
| Net investment income |  |  | 138 |  |  |  | 133 |  |  |  | 131 |  |  |  | 402 |  |  |  | 137 |  |  |  | 129 |  |  |  | 130 |  |  |  | 129 |  |  |  | 525 |  |
| Net investment gains (losses) |  |  |  |  |  |  | 9 |  |  |  | (4 | ) |  |  | 5 |  |  |  | 10 |  |  |  | (2 | ) |  |  | (9 | ) |  |  | (5 | ) |  |  | (6 | ) |
| Insurance and investment product fees and other |  |  | 188 |  |  |  | 187 |  |  |  | 186 |  |  |  | 561 |  |  |  | 198 |  |  |  | 219 |  |  |  | 188 |  |  |  | 260 |  |  |  | 865 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total revenues |  |  | 492 |  |  |  | 502 |  |  |  | 494 |  |  |  | 1,488 |  |  |  | 522 |  |  |  | 533 |  |  |  | 498 |  |  |  | 373 |  |  |  | 1,926 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **BENEFITS AND EXPENSES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Benefits and other changes in policy reserves |  |  | 160 |  |  |  | 280 |  |  |  | 264 |  |  |  | 704 |  |  |  | 264 |  |  |  | 313 |  |  |  | 281 |  |  |  | 65 |  |  |  | 923 |  |
| Interest credited |  |  | 68 |  |  |  | 68 |  |  |  | 64 |  |  |  | 200 |  |  |  | 69 |  |  |  | 66 |  |  |  | 65 |  |  |  | 65 |  |  |  | 265 |  |
| Acquisition and operating expenses, net of deferrals |  |  | 47 |  |  |  | 50 |  |  |  | 50 |  |  |  | 147 |  |  |  | 44 |  |  |  | 51 |  |  |  | 55 |  |  |  | 55 |  |  |  | 205 |  |
| Amortization of deferred acquisition costs and intangibles |  |  | 88 |  |  |  | 33 |  |  |  | 40 |  |  |  | 161 |  |  |  | 35 |  |  |  | 49 |  |  |  | 37 |  |  |  | 172 |  |  |  | 293 |  |
| Interest expense |  |  | 25 |  |  |  | 24 |  |  |  | 23 |  |  |  | 72 |  |  |  | 25 |  |  |  | 24 |  |  |  | 23 |  |  |  | 12 |  |  |  | 84 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total benefits and expenses |  |  | 388 |  |  |  | 455 |  |  |  | 441 |  |  |  | 1,284 |  |  |  | 437 |  |  |  | 503 |  |  |  | 461 |  |  |  | 369 |  |  |  | 1,770 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES** |  |  | 104 |  |  |  | 47 |  |  |  | 53 |  |  |  | 204 |  |  |  | 85 |  |  |  | 30 |  |  |  | 37 |  |  |  | 4 |  |  |  | 156 |  |
| Provision for income taxes |  |  | 50 |  |  |  | 16 |  |  |  | 20 |  |  |  | 86 |  |  |  | 30 |  |  |  | 10 |  |  |  | 13 |  |  |  | 1 |  |  |  | 54 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME FROM CONTINUING OPERATIONS** |  |  | 54 |  |  |  | 31 |  |  |  | 33 |  |  |  | 118 |  |  |  | 55 |  |  |  | 20 |  |  |  | 24 |  |  |  | 3 |  |  |  | 102 |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **ADJUSTMENTS TO INCOME FROM CONTINUING OPERATIONS:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Net investment (gains) losses, net of taxes and other adjustments |  |  |  |  |  |  | (6 | ) |  |  | 3 |  |  |  | (3 | ) |  |  | (6 | ) |  |  | 2 |  |  |  | 6 |  |  |  | 3 |  |  |  | 5 |  |
| Expenses related to restructuring, net of taxes |  |  |  |  |  |  | 2 |  |  |  |  |  |  |  | 2 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **NET OPERATING INCOME** |  | $ | 54 |  |  | $ | 27 |  |  | $ | 36 |  |  | $ | 117 |  |  | $ | 49 |  |  | $ | 22 |  |  | $ | 30 |  |  | $ | 6 |  |  | $ | 107 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| *Effective tax rate (operating income)* |  |  | *47.5* | *%* |  |  | *34.4* | *%* |  |  | *37.6* | *%* |  |  | *42.0* | *%* |  |  | *34.9* | *%* |  |  | *32.8* | *%* |  |  | *35.7* | *%* |  |  | *30.3* | *%* |  |  | *34.4* | *%* |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **SALES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Sales by Product:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Term Life |  | $ | 5 |  |  | $ | 4 |  |  | $ | 4 |  |  | $ | 13 |  |  | $ |  |  |  | $ | 1 |  |  | $ |  |  |  | $ |  |  |  | $ | 1 |  |
| Term Universal Life |  |  |  |  |  |  |  |  |  |  | 1 |  |  |  | 1 |  |  |  | 11 |  |  |  | 19 |  |  |  | 32 |  |  |  | 31 |  |  |  | 93 |  |
| Universal Life |  |  | 5 |  |  |  | 5 |  |  |  | 9 |  |  |  | 19 |  |  |  | 17 |  |  |  | 15 |  |  |  | 19 |  |  |  | 16 |  |  |  | 67 |  |
| Linked-Benefits |  |  | 2 |  |  |  | 3 |  |  |  | 2 |  |  |  | 7 |  |  |  | 3 |  |  |  | 3 |  |  |  | 3 |  |  |  | 3 |  |  |  | 12 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Total Sales** |  | $ | 12 |  |  | $ | 12 |  |  | $ | 16 |  |  | $ | 40 |  |  | $ | 31 |  |  | $ | 38 |  |  | $ | 54 |  |  | $ | 50 |  |  | $ | 173 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Sales by Distribution Channel:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Financial Intermediaries |  | $ |  |  |  | $ | 1 |  |  | $ | 1 |  |  | $ | 2 |  |  | $ | 1 |  |  | $ | 2 |  |  | $ | 1 |  |  | $ | 2 |  |  | $ | 6 |  |
| Independent Producers |  |  | 12 |  |  |  | 10 |  |  |  | 15 |  |  |  | 37 |  |  |  | 30 |  |  |  | 35 |  |  |  | 52 |  |  |  | 48 |  |  |  | 165 |  |
| Dedicated Sales Specialist |  |  |  |  |  |  | 1 |  |  |  |  |  |  |  | 1 |  |  |  |  |  |  |  | 1 |  |  |  | 1 |  |  |  |  |  |  |  | 2 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Total Sales** |  | $ | 12 |  |  | $ | 12 |  |  | $ | 16 |  |  | $ | 40 |  |  | $ | 31 |  |  | $ | 38 |  |  | $ | 54 |  |  | $ | 50 |  |  | $ | 173 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

|  |  |
| --- | --- |
| (1) | In the third quarter of 2012, as part of a life block transaction, the company repurchased $270 million of non-recourse funding obligations resulting in a U.S. GAAP after-tax gain of approximately $21 million. The company also recorded higher after-tax deferred acquisition costs (DAC) amortization of approximately $25 million reflecting loss recognition associated with a third-party reinsurance treaty plus additional expenses. The combined transactions resulted in a U.S. GAAP after-tax loss of $6 million. |

|  |  |
| --- | --- |
| (2) | In January 2012, as part of a life block transaction, the company repurchased $475 million of non-recourse funding obligations resulting in a U.S. GAAP after-tax gain of approximately $52 million and then ceded certain term life insurance policies to a third-party reinsurer resulting in a U.S. GAAP after-tax loss, net of DAC, of $93 million. The combined transactions resulted in a U.S. GAAP after-tax loss of approximately $41 million. |

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Life Insurance In-Force**

**(amounts in millions)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | **2013** | | | | | | | | | |  |  | **2012** | | | | | | | | | | | | | |  |
|  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **4Q** | |  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |
| **Term and Whole Life Insurance** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Life insurance in-force, net of reinsurance |  | $ | 335,039 |  |  | $ | 336,008 |  |  | $ | 338,014 |  |  | $ | 340,394 |  |  | $ | 382,735 |  |  | $ | 387,333 |  |  | $ | 391,870 |  |
| Life insurance in-force before reinsurance |  | $ | 525,171 |  |  | $ | 528,874 |  |  | $ | 534,194 |  |  | $ | 539,317 |  |  | $ | 546,829 |  |  | $ | 554,019 |  |  | $ | 561,186 |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **Term Universal Life Insurance** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Life insurance in-force, net of reinsurance |  | $ | 133,500 |  |  | $ | 134,868 |  |  | $ | 136,222 |  |  | $ | 137,359 |  |  | $ | 133,846 |  |  | $ | 119,687 |  |  | $ | 112,906 |  |
| Life insurance in-force before reinsurance |  | $ | 134,555 |  |  | $ | 135,937 |  |  | $ | 137,297 |  |  | $ | 138,436 |  |  | $ | 134,921 |  |  | $ | 127,640 |  |  | $ | 113,737 |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **Universal Life Insurance** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Life insurance in-force, net of reinsurance |  | $ | 43,447 |  |  | $ | 43,773 |  |  | $ | 44,051 |  |  | $ | 44,129 |  |  | $ | 43,523 |  |  | $ | 43,232 |  |  | $ | 42,734 |  |
| Life insurance in-force before reinsurance |  | $ | 50,203 |  |  | $ | 50,558 |  |  | $ | 50,906 |  |  | $ | 50,954 |  |  | $ | 50,364 |  |  | $ | 50,083 |  |  | $ | 49,527 |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **Total Life Insurance** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Life insurance in-force, net of reinsurance |  | $ | 511,986 |  |  | $ | 514,649 |  |  | $ | 518,287 |  |  | $ | 521,882 |  |  | $ | 560,104 |  |  | $ | 550,252 |  |  | $ | 547,510 |  |
| Life insurance in-force before reinsurance |  | $ | 709,929 |  |  | $ | 715,369 |  |  | $ | 722,397 |  |  | $ | 728,707 |  |  | $ | 732,114 |  |  | $ | 731,742 |  |  | $ | 724,450 |  |

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Net Operating Income and SalesU.S. Life Insurance SegmentLong-Term Care**

**(amounts in millions)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | **2013** | | | | | | | | | | | | | |  |  | **2012** | | | | | | | | | | | | | | | | | |  |
|  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |  | **4Q** | |  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |
| **REVENUES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Premiums |  | $ | 564 |  |  | $ | 550 |  |  | $ | 513 |  |  | $ | 1,627 |  |  | $ | 552 |  |  | $ | 541 |  |  | $ | 529 |  |  | $ | 521 |  |  | $ | 2,143 |  |
| Net investment income |  |  | 282 |  |  |  | 277 |  |  |  | 264 |  |  |  | 823 |  |  |  | 273 |  |  |  | 266 |  |  |  | 266 |  |  |  | 255 |  |  |  | 1,060 |  |
| Net investment gains (losses) |  |  | (2 | ) |  |  | (2 | ) |  |  | (3 | ) |  |  | (7 | ) |  |  | 1 |  |  |  | 1 |  |  |  |  |  |  |  | (2 | ) |  |  |  |  |
| Insurance and investment product fees and other |  |  | 2 |  |  |  | 1 |  |  |  | 1 |  |  |  | 4 |  |  |  |  |  |  |  | 1 |  |  |  | 2 |  |  |  | 1 |  |  |  | 4 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total revenues |  |  | 846 |  |  |  | 826 |  |  |  | 775 |  |  |  | 2,447 |  |  |  | 826 |  |  |  | 809 |  |  |  | 797 |  |  |  | 775 |  |  |  | 3,207 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **BENEFITS AND EXPENSES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Benefits and other changes in policy reserves |  |  | 659 |  |  |  | 663 |  |  |  | 628 |  |  |  | 1,950 |  |  |  | 694 |  |  |  | 625 |  |  |  | 654 |  |  |  | 601 |  |  |  | 2,574 |  |
| Interest credited |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Acquisition and operating expenses, net of deferrals |  |  | 90 |  |  |  | 107 |  |  |  | 94 |  |  |  | 291 |  |  |  | 105 |  |  |  | 100 |  |  |  | 96 |  |  |  | 98 |  |  |  | 399 |  |
| Amortization of deferred acquisition costs and intangibles |  |  | 31 |  |  |  | 24 |  |  |  | 25 |  |  |  | 80 |  |  |  | 17 |  |  |  | 19 |  |  |  | 24 |  |  |  | 22 |  |  |  | 82 |  |
| Interest expense |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | 1 |  |  |  |  |  |  |  | 1 |  |  |  |  |  |  |  | 2 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total benefits and expenses |  |  | 780 |  |  |  | 794 |  |  |  | 747 |  |  |  | 2,321 |  |  |  | 817 |  |  |  | 744 |  |  |  | 775 |  |  |  | 721 |  |  |  | 3,057 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES** |  |  | 66 |  |  |  | 32 |  |  |  | 28 |  |  |  | 126 |  |  |  | 9 |  |  |  | 65 |  |  |  | 22 |  |  |  | 54 |  |  |  | 150 |  |
| Provision for income taxes |  |  | 26 |  |  |  | 13 |  |  |  | 10 |  |  |  | 49 |  |  |  | 1 |  |  |  | 20 |  |  |  | 8 |  |  |  | 20 |  |  |  | 49 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME FROM CONTINUING OPERATIONS** |  |  | 40 |  |  |  | 19 |  |  |  | 18 |  |  |  | 77 |  |  |  | 8 |  |  |  | 45 |  |  |  | 14 |  |  |  | 34 |  |  |  | 101 |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **ADJUSTMENTS TO INCOME FROM CONTINUING OPERATIONS:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Net investment (gains) losses, net of taxes and other adjustments |  |  | 1 |  |  |  | 1 |  |  |  | 2 |  |  |  | 4 |  |  |  | (1 | ) |  |  |  |  |  |  |  |  |  |  | 1 |  |  |  |  |  |
| Expenses related to reorganization, net of taxes |  |  |  |  |  |  | 6 |  |  |  |  |  |  |  | 6 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **NET OPERATING INCOME** |  | $ | 41 |  |  | $ | 26 |  |  | $ | 20 |  |  | $ | 87 |  |  | $ | 7 |  |  | $ | 45 |  |  | $ | 14 |  |  | $ | 35 |  |  | $ | 101 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| *Effective tax rate (operating income)* |  |  | *38.6* | *%* |  |  | *40.2* | *%* |  |  | *35.4* | *%* |  |  | *38.4* | *%* |  |  | *2.1* | *%* |  |  | *30.9* | *%* |  |  | *38.4* | *%* |  |  | *36.5* | *%* |  |  | *32.6* | *%* |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **SALES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Sales by Distribution Channel:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Financial Intermediaries |  | $ | 4 |  |  | $ | 3 |  |  | $ | 4 |  |  | $ | 11 |  |  | $ | 6 |  |  | $ | 5 |  |  | $ | 5 |  |  | $ | 5 |  |  | $ | 21 |  |
| Independent Producers |  |  | 20 |  |  |  | 23 |  |  |  | 21 |  |  |  | 64 |  |  |  | 41 |  |  |  | 46 |  |  |  | 35 |  |  |  | 28 |  |  |  | 150 |  |
| Dedicated Sales Specialist |  |  | 13 |  |  |  | 12 |  |  |  | 10 |  |  |  | 35 |  |  |  | 13 |  |  |  | 12 |  |  |  | 13 |  |  |  | 12 |  |  |  | 50 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total Individual Long-Term Care |  |  | 37 |  |  |  | 38 |  |  |  | 35 |  |  |  | 110 |  |  |  | 60 |  |  |  | 63 |  |  |  | 53 |  |  |  | 45 |  |  |  | 221 |  |
| Group Long-Term Care |  |  | 3 |  |  |  | 5 |  |  |  | 5 |  |  |  | 13 |  |  |  | 4 |  |  |  | 6 |  |  |  | 7 |  |  |  | 3 |  |  |  | 20 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Total Sales** |  | $ | 40 |  |  | $ | 43 |  |  | $ | 40 |  |  | $ | 123 |  |  | $ | 64 |  |  | $ | 69 |  |  | $ | 60 |  |  | $ | 48 |  |  | $ | 241 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **RATIOS:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Loss Ratio(1) |  |  | 63.7 | % |  |  | 66.6 | % |  |  | 66.2 | % |  |  | 65.5 | % |  |  | 73.2 | % |  |  | 62.8 | % |  |  | 71.2 | % |  |  | 63.4 | % |  |  | 67.7 | % |
| Gross Benefits Ratio(2) |  |  | 116.8 | % |  |  | 120.3 | % |  |  | 122.8 | % |  |  | 119.9 | % |  |  | 126.4 | % |  |  | 115.0 | % |  |  | 124.1 | % |  |  | 115.1 | % |  |  | 120.2 | % |

|  |  |
| --- | --- |
| (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 the benefits and other changes in policy reserves by net earned premiums. |

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Net Operating Income and SalesU.S. Life Insurance SegmentFixed Annuities**

**(amounts in millions)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | **2013** | | | | | | | | | | | | | |  |  | **2012** | | | | | | | | | | | | | | | | | |  |
|  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |  | **4Q** | |  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |
| **REVENUES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Premiums |  | $ | 21 |  |  | $ | 15 |  |  | $ | 13 |  |  | $ | 49 |  |  | $ | 30 |  |  | $ | 26 |  |  | $ | 15 |  |  | $ | 33 |  |  | $ | 104 |  |
| Net investment income |  |  | 230 |  |  |  | 248 |  |  |  | 243 |  |  |  | 721 |  |  |  | 251 |  |  |  | 249 |  |  |  | 255 |  |  |  | 254 |  |  |  | 1,009 |  |
| Net investment gains (losses) |  |  | (4 | ) |  |  | 10 |  |  |  | (5 | ) |  |  | 1 |  |  |  | (3 | ) |  |  | 8 |  |  |  | (12 | ) |  |  | 5 |  |  |  | (2 | ) |
| Insurance and investment product fees and other |  |  | 2 |  |  |  | 2 |  |  |  | 1 |  |  |  | 5 |  |  |  | 1 |  |  |  | 1 |  |  |  | 2 |  |  |  | 2 |  |  |  | 6 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total revenues |  |  | 249 |  |  |  | 275 |  |  |  | 252 |  |  |  | 776 |  |  |  | 279 |  |  |  | 284 |  |  |  | 260 |  |  |  | 294 |  |  |  | 1,117 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **BENEFITS AND EXPENSES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Benefits and other changes in policy reserves |  |  | 105 |  |  |  | 98 |  |  |  | 82 |  |  |  | 285 |  |  |  | 117 |  |  |  | 113 |  |  |  | 103 |  |  |  | 120 |  |  |  | 453 |  |
| Interest credited |  |  | 88 |  |  |  | 87 |  |  |  | 88 |  |  |  | 263 |  |  |  | 92 |  |  |  | 94 |  |  |  | 95 |  |  |  | 97 |  |  |  | 378 |  |
| Acquisition and operating expenses, net of deferrals |  |  | 17 |  |  |  | 20 |  |  |  | 19 |  |  |  | 56 |  |  |  | 20 |  |  |  | 19 |  |  |  | 18 |  |  |  | 16 |  |  |  | 73 |  |
| Amortization of deferred acquisition costs and intangibles |  |  | 20 |  |  |  | 23 |  |  |  | 22 |  |  |  | 65 |  |  |  | 26 |  |  |  | 26 |  |  |  | 21 |  |  |  | 29 |  |  |  | 102 |  |
| Interest expense |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total benefits and expenses |  |  | 230 |  |  |  | 228 |  |  |  | 211 |  |  |  | 669 |  |  |  | 255 |  |  |  | 252 |  |  |  | 237 |  |  |  | 262 |  |  |  | 1,006 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES** |  |  | 19 |  |  |  | 47 |  |  |  | 41 |  |  |  | 107 |  |  |  | 24 |  |  |  | 32 |  |  |  | 23 |  |  |  | 32 |  |  |  | 111 |  |
| Provision for income taxes |  |  | 6 |  |  |  | 17 |  |  |  | 15 |  |  |  | 38 |  |  |  | 9 |  |  |  | 12 |  |  |  | 8 |  |  |  | 11 |  |  |  | 40 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME FROM CONTINUING OPERATIONS** |  |  | 13 |  |  |  | 30 |  |  |  | 26 |  |  |  | 69 |  |  |  | 15 |  |  |  | 20 |  |  |  | 15 |  |  |  | 21 |  |  |  | 71 |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **ADJUSTMENTS TO INCOME FROM CONTINUING OPERATIONS:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Net investment (gains) losses, net of taxes and other adjustments |  |  | 3 |  |  |  | (5 | ) |  |  | 3 |  |  |  | 1 |  |  |  | 5 |  |  |  | (1 | ) |  |  | 5 |  |  |  | 2 |  |  |  | 11 |  |
| Expenses related to restructuring, net of taxes |  |  |  |  |  |  | 1 |  |  |  |  |  |  |  | 1 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **NET OPERATING INCOME** |  | $ | 16 |  |  | $ | 26 |  |  | $ | 29 |  |  | $ | 71 |  |  | $ | 20 |  |  | $ | 19 |  |  | $ | 20 |  |  | $ | 23 |  |  | $ | 82 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| *Effective tax rate (operating income)* |  |  | *35.4* | *%* |  |  | *36.3* | *%* |  |  | *35.5* | *%* |  |  | *35.8* | *%* |  |  | *35.1* | *%* |  |  | *35.4* | *%* |  |  | *35.3* | *%* |  |  | *35.6* | *%* |  |  | *35.3* | *%* |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **SALES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Sales by Product:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Single Premium Immediate Annuities |  | $ | 53 |  |  | $ | 48 |  |  | $ | 40 |  |  | $ | 141 |  |  | $ | 69 |  |  | $ | 63 |  |  | $ | 51 |  |  | $ | 74 |  |  | $ | 257 |  |
| Single Premium Deferred Annuities |  |  | 707 |  |  |  | 164 |  |  |  | 67 |  |  |  | 938 |  |  |  | 179 |  |  |  | 424 |  |  |  | 285 |  |  |  | 262 |  |  |  | 1,150 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Total Sales** |  | $ | 760 |  |  | $ | 212 |  |  | $ | 107 |  |  | $ | 1,079 |  |  | $ | 248 |  |  | $ | 487 |  |  | $ | 336 |  |  | $ | 336 |  |  | $ | 1,407 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Sales by Distribution Channel:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Financial Intermediaries |  | $ | 528 |  |  | $ | 134 |  |  | $ | 47 |  |  | $ | 709 |  |  | $ | 120 |  |  | $ | 336 |  |  | $ | 242 |  |  | $ | 216 |  |  | $ | 914 |  |
| Independent Producers |  |  | 226 |  |  |  | 71 |  |  |  | 56 |  |  |  | 353 |  |  |  | 118 |  |  |  | 145 |  |  |  | 90 |  |  |  | 116 |  |  |  | 469 |  |
| Dedicated Sales Specialists |  |  | 6 |  |  |  | 7 |  |  |  | 4 |  |  |  | 17 |  |  |  | 10 |  |  |  | 6 |  |  |  | 4 |  |  |  | 4 |  |  |  | 24 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Total Sales** |  | $ | 760 |  |  | $ | 212 |  |  | $ | 107 |  |  | $ | 1,079 |  |  | $ | 248 |  |  | $ | 487 |  |  | $ | 336 |  |  | $ | 336 |  |  | $ | 1,407 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Selected Operating Performance MeasuresU.S. Life Insurance SegmentFixed Annuities**

**(amounts in millions)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | **2013** | | | | | | | | | | | | | |  |  | **2012** | | | | | | | | | | | | | | | | | |  |
|  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |  | **4Q** | |  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |
| **Single Premium Deferred Annuities** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Account value, beginning of the period |  | $ | 10,842 |  |  | $ | 10,881 |  |  | $ | 11,038 |  |  | $ | 11,038 |  |  | $ | 11,104 |  |  | $ | 10,904 |  |  | $ | 10,849 |  |  | $ | 10,831 |  |  | $ | 10,831 |  |
| Deposits |  |  | 714 |  |  |  | 166 |  |  |  | 68 |  |  |  | 948 |  |  |  | 184 |  |  |  | 427 |  |  |  | 286 |  |  |  | 264 |  |  |  | 1,161 |  |
| Surrenders, benefits and product charges |  |  | (293 | ) |  |  | (281 | ) |  |  | (302 | ) |  |  | (876 | ) |  |  | (331 | ) |  |  | (310 | ) |  |  | (314 | ) |  |  | (330 | ) |  |  | (1,285 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Net flows |  |  | 421 |  |  |  | (115 | ) |  |  | (234 | ) |  |  | 72 |  |  |  | (147 | ) |  |  | 117 |  |  |  | (28 | ) |  |  | (66 | ) |  |  | (124 | ) |
| Interest credited |  |  | 78 |  |  |  | 76 |  |  |  | 77 |  |  |  | 231 |  |  |  | 81 |  |  |  | 83 |  |  |  | 83 |  |  |  | 84 |  |  |  | 331 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Account value, end of the period |  |  | 11,341 |  |  |  | 10,842 |  |  |  | 10,881 |  |  |  | 11,341 |  |  |  | 11,038 |  |  |  | 11,104 |  |  |  | 10,904 |  |  |  | 10,849 |  |  |  | 11,038 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **Single Premium Immediate Annuities** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Account value, beginning of the period |  |  | 6,010 |  |  |  | 6,319 |  |  |  | 6,442 |  |  |  | 6,442 |  |  |  | 6,469 |  |  |  | 6,427 |  |  |  | 6,404 |  |  |  | 6,433 |  |  |  | 6,433 |  |
| Premiums and deposits |  |  | 80 |  |  |  | 71 |  |  |  | 65 |  |  |  | 216 |  |  |  | 93 |  |  |  | 90 |  |  |  | 81 |  |  |  | 106 |  |  |  | 370 |  |
| Surrenders, benefits and product charges |  |  | (214 | ) |  |  | (228 | ) |  |  | (235 | ) |  |  | (677 | ) |  |  | (235 | ) |  |  | (222 | ) |  |  | (235 | ) |  |  | (237 | ) |  |  | (929 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Net flows |  |  | (134 | ) |  |  | (157 | ) |  |  | (170 | ) |  |  | (461 | ) |  |  | (142 | ) |  |  | (132 | ) |  |  | (154 | ) |  |  | (131 | ) |  |  | (559 | ) |
| Interest credited |  |  | 71 |  |  |  | 72 |  |  |  | 73 |  |  |  | 216 |  |  |  | 75 |  |  |  | 75 |  |  |  | 77 |  |  |  | 78 |  |  |  | 305 |  |
| Effect of accumulated net unrealized investment gains (losses) |  |  | (16 | ) |  |  | (224 | ) |  |  | (26 | ) |  |  | (266 | ) |  |  | 40 |  |  |  | 99 |  |  |  | 100 |  |  |  | 24 |  |  |  | 263 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Account value, end of the period |  |  | 5,931 |  |  |  | 6,010 |  |  |  | 6,319 |  |  |  | 5,931 |  |  |  | 6,442 |  |  |  | 6,469 |  |  |  | 6,427 |  |  |  | 6,404 |  |  |  | 6,442 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **Structured Settlements** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Account value, net of reinsurance, beginning of the period |  |  | 1,097 |  |  |  | 1,101 |  |  |  | 1,101 |  |  |  | 1,101 |  |  |  | 1,104 |  |  |  | 1,106 |  |  |  | 1,107 |  |  |  | 1,107 |  |  |  | 1,107 |  |
| Surrenders, benefits and product charges |  |  | (17 | ) |  |  | (18 | ) |  |  | (15 | ) |  |  | (50 | ) |  |  | (17 | ) |  |  | (17 | ) |  |  | (16 | ) |  |  | (14 | ) |  |  | (64 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Net flows |  |  | (17 | ) |  |  | (18 | ) |  |  | (15 | ) |  |  | (50 | ) |  |  | (17 | ) |  |  | (17 | ) |  |  | (16 | ) |  |  | (14 | ) |  |  | (64 | ) |
| Interest credited |  |  | 15 |  |  |  | 14 |  |  |  | 15 |  |  |  | 44 |  |  |  | 14 |  |  |  | 15 |  |  |  | 15 |  |  |  | 14 |  |  |  | 58 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Account value, net of reinsurance, end of the period |  |  | 1,095 |  |  |  | 1,097 |  |  |  | 1,101 |  |  |  | 1,095 |  |  |  | 1,101 |  |  |  | 1,104 |  |  |  | 1,106 |  |  |  | 1,107 |  |  |  | 1,101 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Total Fixed Annuities** |  | $ | 18,367 |  |  | $ | 17,949 |  |  | $ | 18,301 |  |  | $ | 18,367 |  |  | $ | 18,581 |  |  | $ | 18,677 |  |  | $ | 18,437 |  |  | $ | 18,360 |  |  | $ | 18,581 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

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**Global Mortgage Insurance Division**

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Net Operating Income (Loss)Global Mortgage Insurance Division**

**(amounts in millions)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | **2013** | | | | | | | | | | | | | |  |  | **2012** | | | | | | | | | | | | | | | | | |  |
|  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |  | **4Q** | |  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |
| **REVENUES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Premiums |  | $ | 380 |  |  | $ | 392 |  |  | $ | 388 |  |  | $ | 1,160 |  |  | $ | 395 |  |  | $ | 394 |  |  | $ | 393 |  |  | $ | 383 |  |  | $ | 1,565 |  |
| Net investment income |  |  | 98 |  |  |  | 95 |  |  |  | 107 |  |  |  | 300 |  |  |  | 104 |  |  |  | 112 |  |  |  | 107 |  |  |  | 120 |  |  |  | 443 |  |
| Net investment gains (losses) |  |  | 7 |  |  |  | 13 |  |  |  | 3 |  |  |  | 23 |  |  |  | 12 |  |  |  |  |  |  |  | 11 |  |  |  | 29 |  |  |  | 52 |  |
| Insurance and investment product fees and other |  |  |  |  |  |  |  |  |  |  | 1 |  |  |  | 1 |  |  |  | 2 |  |  |  |  |  |  |  | 20 |  |  |  | 2 |  |  |  | 24 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total revenues |  |  | 485 |  |  |  | 500 |  |  |  | 499 |  |  |  | 1,484 |  |  |  | 513 |  |  |  | 506 |  |  |  | 531 |  |  |  | 534 |  |  |  | 2,084 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **BENEFITS AND EXPENSES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Benefits and other changes in policy reserves |  |  | 196 |  |  |  | 177 |  |  |  | 184 |  |  |  | 557 |  |  |  | 275 |  |  |  | 273 |  |  |  | 289 |  |  |  | 404 |  |  |  | 1,241 |  |
| Acquisition and operating expenses, net of deferrals |  |  | 91 |  |  |  | 96 |  |  |  | 91 |  |  |  | 278 |  |  |  | (91 | ) |  |  | 102 |  |  |  | 94 |  |  |  | 93 |  |  |  | 198 |  |
| Amortization of deferred acquisition costs and intangibles |  |  | 15 |  |  |  | 19 |  |  |  | 17 |  |  |  | 51 |  |  |  | 15 |  |  |  | 18 |  |  |  | 18 |  |  |  | 18 |  |  |  | 69 |  |
| Interest expense |  |  | 9 |  |  |  | 8 |  |  |  | 9 |  |  |  | 26 |  |  |  | 9 |  |  |  | 9 |  |  |  | 8 |  |  |  | 10 |  |  |  | 36 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total benefits and expenses |  |  | 311 |  |  |  | 300 |  |  |  | 301 |  |  |  | 912 |  |  |  | 208 |  |  |  | 402 |  |  |  | 409 |  |  |  | 525 |  |  |  | 1,544 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES** |  |  | 174 |  |  |  | 200 |  |  |  | 198 |  |  |  | 572 |  |  |  | 305 |  |  |  | 104 |  |  |  | 122 |  |  |  | 9 |  |  |  | 540 |  |
| Provision (benefit) for income taxes |  |  | 45 |  |  |  | 55 |  |  |  | 57 |  |  |  | 157 |  |  |  | 66 |  |  |  | 12 |  |  |  | 31 |  |  |  | (4 | ) |  |  | 105 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME FROM CONTINUING OPERATIONS** |  |  | 129 |  |  |  | 145 |  |  |  | 141 |  |  |  | 415 |  |  |  | 239 |  |  |  | 92 |  |  |  | 91 |  |  |  | 13 |  |  |  | 435 |  |
| Less: net income attributable to noncontrolling interests |  |  | 40 |  |  |  | 39 |  |  |  | 38 |  |  |  | 117 |  |  |  | 98 |  |  |  | 36 |  |  |  | 33 |  |  |  | 33 |  |  |  | 200 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME (LOSS) FROM CONTINUING OPERATIONS AVAILABLE TO GENWORTH FINANCIAL, INC.S COMMON STOCKHOLDERS** |  |  | 89 |  |  |  | 106 |  |  |  | 103 |  |  |  | 298 |  |  |  | 141 |  |  |  | 56 |  |  |  | 58 |  |  |  | (20 | ) |  |  | 235 |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **ADJUSTMENTS TO INCOME (LOSS) FROM CONTINUING OPERATIONS AVAILABLE TO GENWORTH FINANCIAL, INC.S COMMON STOCKHOLDERS:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Net investment (gains) losses, net of taxes and other adjustments |  |  | (2 | ) |  |  | (5 | ) |  |  | (1 | ) |  |  | (8 | ) |  |  | (8 | ) |  |  | 1 |  |  |  | (7 | ) |  |  | (17 | ) |  |  | (31 | ) |
| Expenses related to restructuring, net of taxes |  |  |  |  |  |  | 1 |  |  |  |  |  |  |  | 1 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **NET OPERATING INCOME (LOSS)**(1) |  | $ | 87 |  |  | $ | 102 |  |  | $ | 102 |  |  | $ | 291 |  |  | $ | 133 |  |  | $ | 57 |  |  | $ | 51 |  |  | $ | (37 | ) |  | $ | 204 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| *Effective tax rate (operating income (loss))* |  |  | *25.2* | *%* |  |  | *27.2* | *%* |  |  | *29.9* | *%* |  |  | *27.6* | *%* |  |  | *19.6* | *%* |  |  | *-1.8* | *%* |  |  | *21.6* | *%* |  |  | *41.5* | *%* |  |  | *8.5* | *%* |

|  |  |
| --- | --- |
| (1) | Net operating income (loss) adjusted for foreign exchange as compared to the prior year period for the Global Mortgage Insurance Division was $96 million and $302 million for the three and nine months ended September 30, 2013, respectively. |

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Net Operating Income (Loss)Global Mortgage Insurance Division**

**(amounts in millions)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | **International Mortgage Insurance Segment** | | | | | | | | | | | | | |  |  |  | |  |  |  | |  |
| **Three months ended September 30, 2013** |  | **Canada** | |  |  | **Australia** | |  |  | **Other Countries** | |  |  | **Total International Mortgage Insurance Segment** | |  |  | **U.S. Mortgage Insurance Segment** | |  |  | **Total** | |  |
| **REVENUES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Premiums |  | $ | 138 |  |  | $ | 98 |  |  | $ | 7 |  |  | $ | 243 |  |  | $ | 137 |  |  | $ | 380 |  |
| Net investment income |  |  | 43 |  |  |  | 36 |  |  |  | 1 |  |  |  | 80 |  |  |  | 18 |  |  |  | 98 |  |
| Net investment gains (losses) |  |  | 9 |  |  |  | (2 | ) |  |  |  |  |  |  | 7 |  |  |  |  |  |  |  | 7 |  |
| Insurance and investment product fees and other |  |  |  |  |  |  | (1 | ) |  |  |  |  |  |  | (1 | ) |  |  | 1 |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total revenues |  |  | 190 |  |  |  | 131 |  |  |  | 8 |  |  |  | 329 |  |  |  | 156 |  |  |  | 485 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **BENEFITS AND EXPENSES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Benefits and other changes in policy reserves |  |  | 30 |  |  |  | 29 |  |  |  | 14 |  |  |  | 73 |  |  |  | 123 |  |  |  | 196 |  |
| Acquisition and operating expenses, net of deferrals |  |  | 23 |  |  |  | 25 |  |  |  | 8 |  |  |  | 56 |  |  |  | 35 |  |  |  | 91 |  |
| Amortization of deferred acquisition costs and intangibles |  |  | 9 |  |  |  | 5 |  |  |  | (1 | ) |  |  | 13 |  |  |  | 2 |  |  |  | 15 |  |
| Interest expense |  |  | 6 |  |  |  | 3 |  |  |  |  |  |  |  | 9 |  |  |  |  |  |  |  | 9 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total benefits and expenses |  |  | 68 |  |  |  | 62 |  |  |  | 21 |  |  |  | 151 |  |  |  | 160 |  |  |  | 311 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES** |  |  | 122 |  |  |  | 69 |  |  |  | (13 | ) |  |  | 178 |  |  |  | (4 | ) |  |  | 174 |  |
| Provision (benefit) for income taxes |  |  | 38 |  |  |  | 9 |  |  |  | (1 | ) |  |  | 46 |  |  |  | (1 | ) |  |  | 45 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME (LOSS) FROM CONTINUING OPERATIONS** |  |  | 84 |  |  |  | 60 |  |  |  | (12 | ) |  |  | 132 |  |  |  | (3 | ) |  |  | 129 |  |
| Less: net income attributable to noncontrolling interests |  |  | 40 |  |  |  |  |  |  |  |  |  |  |  | 40 |  |  |  |  |  |  |  | 40 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME (LOSS) FROM CONTINUING OPERATIONS AVAILABLE TO GENWORTH FINANCIAL, INC.S COMMON**  **STOCKHOLDERS** |  |  | 44 |  |  |  | 60 |  |  |  | (12 | ) |  |  | 92 |  |  |  | (3 | ) |  |  | 89 |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **ADJUSTMENT TO INCOME (LOSS) FROM CONTINUING OPERATIONS AVAILABLE TO GENWORTH FINANCIAL, INC.S COMMON STOCKHOLDERS:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Net investment (gains) losses, net of taxes and other adjustments |  |  | (3 | ) |  |  | 1 |  |  |  |  |  |  |  | (2 | ) |  |  |  |  |  |  | (2 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **NET OPERATING INCOME (LOSS)** |  | $ | 41 |  |  | $ | 61 |  |  | $ | (12 | ) |  | $ | 90 |  |  | $ | (3 | ) |  | $ | 87 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| *Effective tax rate (operating income (loss))* |  |  | *35.0* | *%* |  |  | *13.6* | *%* |  |  | *11.2* | *%* |  |  | *24.9* | *%* |  |  | *14.0* | *%* |  |  | *25.2* | *%* |
|  |  | | | | | | | | | | | | | | | |  | | | |  | | | |
|  |  | **International Mortgage Insurance Segment** | | | | | | | | | | | | | |  |  |  | |  |  |  | |  |
| **Three months ended September 30, 2012** |  | **Canada** | |  |  | **Australia** | |  |  | **Other Countries** | |  |  | **Total International Mortgage Insurance Segment** | |  |  | **U.S. Mortgage Insurance Segment** | |  |  | **Total** | |  |
| **REVENUES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Premiums |  | $ | 147 |  |  | $ | 98 |  |  | $ | 11 |  |  | $ | 256 |  |  | $ | 138 |  |  | $ | 394 |  |
| Net investment income |  |  | 46 |  |  |  | 44 |  |  |  | 2 |  |  |  | 92 |  |  |  | 20 |  |  |  | 112 |  |
| Net investment gains (losses) |  |  | 4 |  |  |  | (2 | ) |  |  |  |  |  |  | 2 |  |  |  | (2 | ) |  |  |  |  |
| Insurance and investment product fees and other |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total revenues |  |  | 197 |  |  |  | 140 |  |  |  | 13 |  |  |  | 350 |  |  |  | 156 |  |  |  | 506 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **BENEFITS AND EXPENSES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Benefits and other changes in policy reserves |  |  | 44 |  |  |  | 46 |  |  |  | 9 |  |  |  | 99 |  |  |  | 174 |  |  |  | 273 |  |
| Acquisition and operating expenses, net of deferrals |  |  | 28 |  |  |  | 26 |  |  |  | 8 |  |  |  | 62 |  |  |  | 40 |  |  |  | 102 |  |
| Amortization of deferred acquisition costs and intangibles |  |  | 10 |  |  |  | 6 |  |  |  | 1 |  |  |  | 17 |  |  |  | 1 |  |  |  | 18 |  |
| Interest expense |  |  | 6 |  |  |  | 3 |  |  |  |  |  |  |  | 9 |  |  |  |  |  |  |  | 9 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total benefits and expenses |  |  | 88 |  |  |  | 81 |  |  |  | 18 |  |  |  | 187 |  |  |  | 215 |  |  |  | 402 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES** |  |  | 109 |  |  |  | 59 |  |  |  | (5 | ) |  |  | 163 |  |  |  | (59 | ) |  |  | 104 |  |
| Provision (benefit) for income taxes |  |  | 29 |  |  |  | 4 |  |  |  | 1 |  |  |  | 34 |  |  |  | (22 | ) |  |  | 12 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME (LOSS) FROM CONTINUING OPERATIONS** |  |  | 80 |  |  |  | 55 |  |  |  | (6 | ) |  |  | 129 |  |  |  | (37 | ) |  |  | 92 |  |
| Less: net income attributable to noncontrolling interests |  |  | 36 |  |  |  |  |  |  |  |  |  |  |  | 36 |  |  |  |  |  |  |  | 36 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME (LOSS) FROM CONTINUING OPERATIONS AVAILABLE TO GENWORTH FINANCIAL, INC.S COMMON**  **STOCKHOLDERS** |  |  | 44 |  |  |  | 55 |  |  |  | (6 | ) |  |  | 93 |  |  |  | (37 | ) |  |  | 56 |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **ADJUSTMENT TO INCOME (LOSS) FROM CONTINUING OPERATIONS AVAILABLE TO GENWORTH FINANCIAL, INC.S COMMON STOCKHOLDERS:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Net investment (gains) losses, net of taxes and other adjustments |  |  | (2 | ) |  |  | 2 |  |  |  | 1 |  |  |  | 1 |  |  |  |  |  |  |  | 1 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **NET OPERATING INCOME (LOSS)** |  | $ | 42 |  |  | $ | 57 |  |  | $ | (5 | ) |  | $ | 94 |  |  | $ | (37 | ) |  | $ | 57 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| *Effective tax rate (operating income (loss))* |  |  | *25.6* | *%* |  |  | *8.2* | *%* |  |  | *-0.6* | *%* |  |  | *17.6* | *%* |  |  | *36.8* | *%* |  |  | *-1.8* | *%* |

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Net Operating Income (Loss)Global Mortgage Insurance Division**

**(amounts in millions)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | **International Mortgage Insurance Segment** | | | | | | | | | | | | | |  |  |  | |  |  |  | |  |
| **Nine months ended September 30, 2013** |  | **Canada** | |  |  | **Australia** | |  |  | **Other Countries** | |  |  | **Total International Mortgage Insurance Segment** | |  |  | **U.S. Mortgage Insurance Segment** | |  |  | **Total** | |  |
| **REVENUES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Premiums |  | $ | 423 |  |  | $ | 300 |  |  | $ | 25 |  |  | $ | 748 |  |  | $ | 412 |  |  | $ | 1,160 |  |
| Net investment income |  |  | 129 |  |  |  | 121 |  |  |  | 3 |  |  |  | 253 |  |  |  | 47 |  |  |  | 300 |  |
| Net investment gains (losses) |  |  | 25 |  |  |  | (2 | ) |  |  |  |  |  |  | 23 |  |  |  |  |  |  |  | 23 |  |
| Insurance and investment product fees and other |  |  | (1 | ) |  |  | (1 | ) |  |  | 1 |  |  |  | (1 | ) |  |  | 2 |  |  |  | 1 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total revenues |  |  | 576 |  |  |  | 418 |  |  |  | 29 |  |  |  | 1,023 |  |  |  | 461 |  |  |  | 1,484 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **BENEFITS AND EXPENSES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Benefits and other changes in policy reserves |  |  | 109 |  |  |  | 113 |  |  |  | 31 |  |  |  | 253 |  |  |  | 304 |  |  |  | 557 |  |
| Acquisition and operating expenses, net of deferrals |  |  | 64 |  |  |  | 76 |  |  |  | 29 |  |  |  | 169 |  |  |  | 109 |  |  |  | 278 |  |
| Amortization of deferred acquisition costs and intangibles |  |  | 29 |  |  |  | 17 |  |  |  |  |  |  |  | 46 |  |  |  | 5 |  |  |  | 51 |  |
| Interest expense |  |  | 17 |  |  |  | 9 |  |  |  |  |  |  |  | 26 |  |  |  |  |  |  |  | 26 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total benefits and expenses |  |  | 219 |  |  |  | 215 |  |  |  | 60 |  |  |  | 494 |  |  |  | 418 |  |  |  | 912 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES** |  |  | 357 |  |  |  | 203 |  |  |  | (31 | ) |  |  | 529 |  |  |  | 43 |  |  |  | 572 |  |
| Provision (benefit) for income taxes |  |  | 105 |  |  |  | 42 |  |  |  | (2 | ) |  |  | 145 |  |  |  | 12 |  |  |  | 157 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME (LOSS) FROM CONTINUING OPERATIONS** |  |  | 252 |  |  |  | 161 |  |  |  | (29 | ) |  |  | 384 |  |  |  | 31 |  |  |  | 415 |  |
| Less: net income attributable to noncontrolling interests |  |  | 117 |  |  |  |  |  |  |  |  |  |  |  | 117 |  |  |  |  |  |  |  | 117 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME (LOSS) FROM CONTINUING OPERATIONS AVAILABLE TO GENWORTH FINANCIAL, INC.S COMMON**  **STOCKHOLDERS** |  |  | 135 |  |  |  | 161 |  |  |  | (29 | ) |  |  | 267 |  |  |  | 31 |  |  |  | 298 |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **ADJUSTMENTS TO INCOME (LOSS) FROM CONTINUING OPERATIONS AVAILABLE TO GENWORTH FINANCIAL,**  **INC.S COMMON STOCKHOLDERS:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Net investment (gains) losses, net of taxes and other adjustments |  |  | (9 | ) |  |  | 1 |  |  |  |  |  |  |  | (8 | ) |  |  |  |  |  |  | (8 | ) |
| Expenses related to restructuring, net of taxes |  |  |  |  |  |  |  |  |  |  | 1 |  |  |  | 1 |  |  |  |  |  |  |  | 1 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **NET OPERATING INCOME (LOSS)** |  | $ | 126 |  |  | $ | 162 |  |  | $ | (28 | ) |  | $ | 260 |  |  | $ | 31 |  |  | $ | 291 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| *Effective tax rate (operating income (loss))* |  |  | *31.6* | *%* |  |  | *21.0* | *%* |  |  | *7.8* | *%* |  |  | *27.5* | *%* |  |  | *28.5* | *%* |  |  | *27.6* | *%* |
|  |  | | | | | | | | | | | | | | | |  | | | |  | | | |
|  |  | **International Mortgage Insurance Segment** | | | | | | | | | | | | | |  |  |  | |  |  |  | |  |
| **Nine months ended September 30, 2012** |  | **Canada** | |  |  | **Australia** | |  |  | **Other Countries** | |  |  | **Total International Mortgage Insurance Segment** | |  |  | **U.S. Mortgage Insurance Segment** | |  |  | **Total** | |  |
| **REVENUES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Premiums |  | $ | 440 |  |  | $ | 287 |  |  | $ | 32 |  |  | $ | 759 |  |  | $ | 411 |  |  | $ | 1,170 |  |
| Net investment income |  |  | 140 |  |  |  | 137 |  |  |  | 6 |  |  |  | 283 |  |  |  | 56 |  |  |  | 339 |  |
| Net investment gains (losses) |  |  | 11 |  |  |  | (3 | ) |  |  | 7 |  |  |  | 15 |  |  |  | 25 |  |  |  | 40 |  |
| Insurance and investment product fees and other |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | 22 |  |  |  | 22 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total revenues |  |  | 591 |  |  |  | 421 |  |  |  | 45 |  |  |  | 1,057 |  |  |  | 514 |  |  |  | 1,571 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **BENEFITS AND EXPENSES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Benefits and other changes in policy reserves |  |  | 147 |  |  |  | 237 |  |  |  | 37 |  |  |  | 421 |  |  |  | 545 |  |  |  | 966 |  |
| Acquisition and operating expenses, net of deferrals |  |  | 83 |  |  |  | 72 |  |  |  | 27 |  |  |  | 182 |  |  |  | 107 |  |  |  | 289 |  |
| Amortization of deferred acquisition costs and intangibles |  |  | 30 |  |  |  | 19 |  |  |  | 1 |  |  |  | 50 |  |  |  | 4 |  |  |  | 54 |  |
| Interest expense |  |  | 17 |  |  |  | 10 |  |  |  |  |  |  |  | 27 |  |  |  |  |  |  |  | 27 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total benefits and expenses |  |  | 277 |  |  |  | 338 |  |  |  | 65 |  |  |  | 680 |  |  |  | 656 |  |  |  | 1,336 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES** |  |  | 314 |  |  |  | 83 |  |  |  | (20 | ) |  |  | 377 |  |  |  | (142 | ) |  |  | 235 |  |
| Provision (benefit) for income taxes |  |  | 88 |  |  |  | 5 |  |  |  | (1 | ) |  |  | 92 |  |  |  | (53 | ) |  |  | 39 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME (LOSS) FROM CONTINUING OPERATIONS** |  |  | 226 |  |  |  | 78 |  |  |  | (19 | ) |  |  | 285 |  |  |  | (89 | ) |  |  | 196 |  |
| Less: net income attributable to noncontrolling interests |  |  | 102 |  |  |  |  |  |  |  |  |  |  |  | 102 |  |  |  |  |  |  |  | 102 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME (LOSS) FROM CONTINUING OPERATIONS AVAILABLE TO GENWORTH FINANCIAL, INC.S COMMON**  **STOCKHOLDERS** |  |  | 124 |  |  |  | 78 |  |  |  | (19 | ) |  |  | 183 |  |  |  | (89 | ) |  |  | 94 |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **ADJUSTMENT TO INCOME (LOSS) FROM CONTINUING OPERATIONS AVAILABLE TO GENWORTH FINANCIAL,**  **INC.S COMMON STOCKHOLDERS:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Net investment (gains) losses, net of taxes and other adjustments |  |  | (4 | ) |  |  | 2 |  |  |  | (4 | ) |  |  | (6 | ) |  |  | (17 | ) |  |  | (23 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **NET OPERATING INCOME (LOSS)** |  | $ | 120 |  |  | $ | 80 |  |  | $ | (23 | ) |  | $ | 177 |  |  | $ | (106 | ) |  | $ | 71 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| *Effective tax rate (operating income (loss))* |  |  | *28.2* | *%* |  |  | *6.8* | *%* |  |  | *14.2* | *%* |  |  | *21.8* | *%* |  |  | *37.2* | *%* |  |  | *-23.2* | *%* |

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**International Mortgage Insurance Segment**

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Net Operating IncomeInternational Mortgage Insurance Segment**

**(amounts in millions)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  | **2013** | | | | | | | | | | | | | |  |  | **2012** | | | | | | | | | | | | | | | | | |  |
|  |  |  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |  | **4Q** | |  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |
| **REVENUES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Premiums |  |  |  | $ | 243 |  |  | $ | 251 |  |  | $ | 254 |  |  | $ | 748 |  |  | $ | 257 |  |  | $ | 256 |  |  | $ | 256 |  |  | $ | 247 |  |  | $ | 1,016 |  |
| Net investment income |  |  |  |  | 80 |  |  |  | 85 |  |  |  | 88 |  |  |  | 253 |  |  |  | 92 |  |  |  | 92 |  |  |  | 94 |  |  |  | 97 |  |  |  | 375 |  |
| Net investment gains (losses) |  |  |  |  | 7 |  |  |  | 13 |  |  |  | 3 |  |  |  | 23 |  |  |  | 1 |  |  |  | 2 |  |  |  | 11 |  |  |  | 2 |  |  |  | 16 |  |
| Insurance and investment product fees and other |  |  |  |  | (1 | ) |  |  |  |  |  |  |  |  |  |  | (1 | ) |  |  | 1 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | 1 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total revenues |  |  |  |  | 329 |  |  |  | 349 |  |  |  | 345 |  |  |  | 1,023 |  |  |  | 351 |  |  |  | 350 |  |  |  | 361 |  |  |  | 346 |  |  |  | 1,408 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **BENEFITS AND EXPENSES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Benefits and other changes in policy reserves |  |  |  |  | 73 |  |  |  | 80 |  |  |  | 100 |  |  |  | 253 |  |  |  | 95 |  |  |  | 99 |  |  |  | 115 |  |  |  | 207 |  |  |  | 516 |  |
| Acquisition and operating expenses, net of deferrals |  |  |  |  | 56 |  |  |  | 61 |  |  |  | 52 |  |  |  | 169 |  |  |  | (127 | ) |  |  | 62 |  |  |  | 61 |  |  |  | 59 |  |  |  | 55 |  |
| Amortization of deferred acquisition costs and intangibles |  |  |  |  | 13 |  |  |  | 17 |  |  |  | 16 |  |  |  | 46 |  |  |  | 14 |  |  |  | 17 |  |  |  | 16 |  |  |  | 17 |  |  |  | 64 |  |
| Interest expense |  |  |  |  | 9 |  |  |  | 8 |  |  |  | 9 |  |  |  | 26 |  |  |  | 9 |  |  |  | 9 |  |  |  | 8 |  |  |  | 10 |  |  |  | 36 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total benefits and expenses |  |  |  |  | 151 |  |  |  | 166 |  |  |  | 177 |  |  |  | 494 |  |  |  | (9 | ) |  |  | 187 |  |  |  | 200 |  |  |  | 293 |  |  |  | 671 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES** |  |  |  |  | 178 |  |  |  | 183 |  |  |  | 168 |  |  |  | 529 |  |  |  | 360 |  |  |  | 163 |  |  |  | 161 |  |  |  | 53 |  |  |  | 737 |  |
| Provision for income taxes |  |  |  |  | 46 |  |  |  | 51 |  |  |  | 48 |  |  |  | 145 |  |  |  | 96 |  |  |  | 34 |  |  |  | 45 |  |  |  | 13 |  |  |  | 188 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME FROM CONTINUING OPERATIONS** |  |  |  |  | 132 |  |  |  | 132 |  |  |  | 120 |  |  |  | 384 |  |  |  | 264 |  |  |  | 129 |  |  |  | 116 |  |  |  | 40 |  |  |  | 549 |  |
| Less: net income attributable to noncontrolling interests |  |  |  |  | 40 |  |  |  | 39 |  |  |  | 38 |  |  |  | 117 |  |  |  | 98 |  |  |  | 36 |  |  |  | 33 |  |  |  | 33 |  |  |  | 200 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME FROM CONTINUING OPERATIONS AVAILABLE TO GENWORTH FINANCIAL, INC.S COMMON STOCKHOLDERS** |  |  |  |  | 92 |  |  |  | 93 |  |  |  | 82 |  |  |  | 267 |  |  |  | 166 |  |  |  | 93 |  |  |  | 83 |  |  |  | 7 |  |  |  | 349 |  |
|  |  | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **ADJUSTMENTS TO INCOME FROM CONTINUING OPERATIONS AVAILABLE TO GENWORTH FINANCIAL, INC.S COMMON STOCKHOLDERS:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Net investment (gains) losses, net of taxes and other adjustments |  |  |  |  | (2 | ) |  |  | (5 | ) |  |  | (1 | ) |  |  | (8 | ) |  |  | (1 | ) |  |  | 1 |  |  |  | (7 | ) |  |  |  |  |  |  | (7 | ) |
| Expenses related to restructuring, net of taxes |  |  |  |  |  |  |  |  | 1 |  |  |  |  |  |  |  | 1 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **NET OPERATING INCOME**(1) |  |  |  | $ | 90 |  |  | $ | 89 |  |  | $ | 81 |  |  | $ | 260 |  |  | $ | 165 |  |  | $ | 94 |  |  | $ | 76 |  |  | $ | 7 |  |  | $ | 342 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| *Effective tax rate (operating income)* |  |  |  |  | *24.9* | *%* |  |  | *27.8* | *%* |  |  | *29.9* | *%* |  |  | *27.5* | *%* |  |  | *28.5* | *%* |  |  | *17.6* | *%* |  |  | *27.4* | *%* |  |  | *6.8* | *%* |  |  | *25.1* | *%* |

|  |  |
| --- | --- |
| (1) | Net operating income adjusted for foreign exchange as compared to the prior year period for the International Mortgage Insurance segment was $99 million and $271 million for the three and nine months ended September 30, 2013, respectively. |

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Net Operating Income and SalesInternational Mortgage Insurance SegmentCanada**

**(amounts in millions)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | **2013** | | | | | | | | | | | | | |  |  | **2012** | | | | | | | | | | | | | | | | | |  |
|  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |  | **4Q**(1) | |  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |
| **REVENUES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Premiums |  | $ | 138 |  |  | $ | 141 |  |  | $ | 144 |  |  | $ | 423 |  |  | $ | 147 |  |  | $ | 147 |  |  | $ | 148 |  |  | $ | 145 |  |  | $ | 587 |  |
| Net investment income |  |  | 43 |  |  |  | 42 |  |  |  | 44 |  |  |  | 129 |  |  |  | 47 |  |  |  | 46 |  |  |  | 47 |  |  |  | 47 |  |  |  | 187 |  |
| Net investment gains (losses) |  |  | 9 |  |  |  | 12 |  |  |  | 4 |  |  |  | 25 |  |  |  | 1 |  |  |  | 4 |  |  |  | 1 |  |  |  | 6 |  |  |  | 12 |  |
| Insurance and investment product fees and other |  |  |  |  |  |  | (1 | ) |  |  |  |  |  |  | (1 | ) |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total revenues |  |  | 190 |  |  |  | 194 |  |  |  | 192 |  |  |  | 576 |  |  |  | 195 |  |  |  | 197 |  |  |  | 196 |  |  |  | 198 |  |  |  | 786 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **BENEFITS AND EXPENSES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Benefits and other changes in policy reserves |  |  | 30 |  |  |  | 35 |  |  |  | 44 |  |  |  | 109 |  |  |  | 46 |  |  |  | 44 |  |  |  | 48 |  |  |  | 55 |  |  |  | 193 |  |
| Acquisition and operating expenses, net of deferrals |  |  | 23 |  |  |  | 22 |  |  |  | 19 |  |  |  | 64 |  |  |  | (163 | ) |  |  | 28 |  |  |  | 29 |  |  |  | 26 |  |  |  | (80 | ) |
| Amortization of deferred acquisition costs and intangibles |  |  | 9 |  |  |  | 10 |  |  |  | 10 |  |  |  | 29 |  |  |  | 9 |  |  |  | 10 |  |  |  | 10 |  |  |  | 10 |  |  |  | 39 |  |
| Interest expense |  |  | 6 |  |  |  | 5 |  |  |  | 6 |  |  |  | 17 |  |  |  | 6 |  |  |  | 6 |  |  |  | 5 |  |  |  | 6 |  |  |  | 23 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total benefits and expenses |  |  | 68 |  |  |  | 72 |  |  |  | 79 |  |  |  | 219 |  |  |  | (102 | ) |  |  | 88 |  |  |  | 92 |  |  |  | 97 |  |  |  | 175 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES** |  |  | 122 |  |  |  | 122 |  |  |  | 113 |  |  |  | 357 |  |  |  | 297 |  |  |  | 109 |  |  |  | 104 |  |  |  | 101 |  |  |  | 611 |  |
| Provision for income taxes |  |  | 38 |  |  |  | 35 |  |  |  | 32 |  |  |  | 105 |  |  |  | 84 |  |  |  | 29 |  |  |  | 30 |  |  |  | 29 |  |  |  | 172 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME FROM CONTINUING OPERATIONS** |  |  | 84 |  |  |  | 87 |  |  |  | 81 |  |  |  | 252 |  |  |  | 213 |  |  |  | 80 |  |  |  | 74 |  |  |  | 72 |  |  |  | 439 |  |
| Less: net income attributable to noncontrolling interests |  |  | 40 |  |  |  | 39 |  |  |  | 38 |  |  |  | 117 |  |  |  | 98 |  |  |  | 36 |  |  |  | 33 |  |  |  | 33 |  |  |  | 200 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME FROM CONTINUING OPERATIONS AVAILABLE TO GENWORTH FINANCIAL, INC.S COMMON STOCKHOLDERS** |  |  | 44 |  |  |  | 48 |  |  |  | 43 |  |  |  | 135 |  |  |  | 115 |  |  |  | 44 |  |  |  | 41 |  |  |  | 39 |  |  |  | 239 |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **ADJUSTMENT TO INCOME FROM CONTINUING OPERATIONS AVAILABLE TO GENWORTH FINANCIAL, INC.S COMMON STOCKHOLDERS:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Net investment (gains) losses, net of taxes and other adjustments |  |  | (3 | ) |  |  | (5 | ) |  |  | (1 | ) |  |  | (9 | ) |  |  | (1 | ) |  |  | (2 | ) |  |  |  |  |  |  | (2 | ) |  |  | (5 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **NET OPERATING INCOME**(2) |  | $ | 41 |  |  | $ | 43 |  |  | $ | 42 |  |  | $ | 126 |  |  | $ | 114 |  |  | $ | 42 |  |  | $ | 41 |  |  | $ | 37 |  |  | $ | 234 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| *Effective tax rate (operating income)* |  |  | *35.0* | *%* |  |  | *29.3* | *%* |  |  | *30.2* | *%* |  |  | *31.6* | *%* |  |  | *31.6* | *%* |  |  | *25.6* | *%* |  |  | *30.0* | *%* |  |  | *29.3* | *%* |  |  | *29.9* | *%* |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **SALES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **New Insurance Written (NIW)** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Flow |  | $ | 6,000 |  |  | $ | 4,700 |  |  | $ | 3,300 |  |  | $ | 14,000 |  |  | $ | 4,400 |  |  | $ | 7,200 |  |  | $ | 5,700 |  |  | $ | 3,500 |  |  | $ | 20,800 |  |
| Bulk |  |  | 3,900 |  |  |  | 6,400 |  |  |  | 2,400 |  |  |  | 12,700 |  |  |  | 4,100 |  |  |  | 2,600 |  |  |  | 13,100 |  |  |  | 500 |  |  |  | 20,300 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Total Canada NIW**(3) |  | $ | 9,900 |  |  | $ | 11,100 |  |  | $ | 5,700 |  |  | $ | 26,700 |  |  | $ | 8,500 |  |  | $ | 9,800 |  |  | $ | 18,800 |  |  | $ | 4,000 |  |  | $ | 41,100 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

|  |  |
| --- | --- |
| (1) | Effective January 1, 2013, the Government Guarantee Agreement and all obligations under it, including the requirement for a government guarantee fund and payment of exit fees related to it, was terminated. As a result, in the fourth quarter of 2012, acquisition and operating expenses, net of deferrals, for the Canadian platform included a favorable adjustment of $186 million associated with the reversal of the accrued liability for exit fees. This adjustment impacted net income available to Genworth Financial, Inc.s common stockholders by $78 million, net of taxes, and net income attributable to noncontrolling interests by $58 million, net of taxes. |

|  |  |
| --- | --- |
| (2) | Net operating income for the Canadian platform adjusted for foreign exchange as compared to the prior year period was $42 million and $128 million for the three and nine months ended September 30, 2013, respectively. |

|  |  |
| --- | --- |
| (3) | New insurance written for the Canadian platform adjusted for foreign exchange as compared to the prior year period was $10,100 million and $27,100 million for the three and nine months ended September 30, 2013, respectively. |

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Net Operating Income (Loss) and SalesInternational Mortgage Insurance SegmentAustralia**

**(amounts in millions)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  | **2013** | | | | | | | | | | | | | |  |  | **2012** | | | | | | | | | | | | | | | | | |  |
|  |  |  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |  | **4Q** | |  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |
| **REVENUES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Premiums |  |  |  | $ | 98 |  |  | $ | 101 |  |  | $ | 101 |  |  | $ | 300 |  |  | $ | 101 |  |  | $ | 98 |  |  | $ | 98 |  |  | $ | 91 |  |  | $ | 388 |  |
| Net investment income |  |  |  |  | 36 |  |  |  | 42 |  |  |  | 43 |  |  |  | 121 |  |  |  | 44 |  |  |  | 44 |  |  |  | 46 |  |  |  | 47 |  |  |  | 181 |  |
| Net investment gains (losses) |  |  |  |  | (2 | ) |  |  | 1 |  |  |  | (1 | ) |  |  | (2 | ) |  |  | 1 |  |  |  | (2 | ) |  |  | 4 |  |  |  | (5 | ) |  |  | (2 | ) |
| Insurance and investment product fees and other |  |  |  |  | (1 | ) |  |  |  |  |  |  |  |  |  |  | (1 | ) |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total revenues |  |  |  |  | 131 |  |  |  | 144 |  |  |  | 143 |  |  |  | 418 |  |  |  | 146 |  |  |  | 140 |  |  |  | 148 |  |  |  | 133 |  |  |  | 567 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **BENEFITS AND EXPENSES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Benefits and other changes in policy reserves |  |  |  |  | 29 |  |  |  | 36 |  |  |  | 48 |  |  |  | 113 |  |  |  | 37 |  |  |  | 46 |  |  |  | 53 |  |  |  | 138 |  |  |  | 274 |  |
| Acquisition and operating expenses, net of deferrals |  |  |  |  | 25 |  |  |  | 27 |  |  |  | 24 |  |  |  | 76 |  |  |  | 27 |  |  |  | 26 |  |  |  | 23 |  |  |  | 23 |  |  |  | 99 |  |
| Amortization of deferred acquisition costs and intangibles |  |  |  |  | 5 |  |  |  | 6 |  |  |  | 6 |  |  |  | 17 |  |  |  | 5 |  |  |  | 6 |  |  |  | 6 |  |  |  | 7 |  |  |  | 24 |  |
| Interest expense |  |  |  |  | 3 |  |  |  | 3 |  |  |  | 3 |  |  |  | 9 |  |  |  | 3 |  |  |  | 3 |  |  |  | 3 |  |  |  | 4 |  |  |  | 13 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total benefits and expenses |  |  |  |  | 62 |  |  |  | 72 |  |  |  | 81 |  |  |  | 215 |  |  |  | 72 |  |  |  | 81 |  |  |  | 85 |  |  |  | 172 |  |  |  | 410 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES** |  |  |  |  | 69 |  |  |  | 72 |  |  |  | 62 |  |  |  | 203 |  |  |  | 74 |  |  |  | 59 |  |  |  | 63 |  |  |  | (39 | ) |  |  | 157 |  |
| Provision (benefit) for income taxes |  |  |  |  | 9 |  |  |  | 17 |  |  |  | 16 |  |  |  | 42 |  |  |  | 12 |  |  |  | 4 |  |  |  | 16 |  |  |  | (15 | ) |  |  | 17 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME (LOSS) FROM CONTINUING OPERATIONS** |  |  |  |  | 60 |  |  |  | 55 |  |  |  | 46 |  |  |  | 161 |  |  |  | 62 |  |  |  | 55 |  |  |  | 47 |  |  |  | (24 | ) |  |  | 140 |  |
| Less: net income attributable to noncontrolling interests |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME (LOSS) FROM CONTINUING OPERATIONS AVAILABLE TO GENWORTH FINANCIAL, INC.S COMMON STOCKHOLDERS** |  |  |  |  | 60 |  |  |  | 55 |  |  |  | 46 |  |  |  | 161 |  |  |  | 62 |  |  |  | 55 |  |  |  | 47 |  |  |  | (24 | ) |  |  | 140 |  |
|  |  | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **ADJUSTMENT TO INCOME (LOSS) FROM CONTINUING OPERATIONS AVAILABLE TO GENWORTH FINANCIAL, INC.S COMMON STOCKHOLDERS:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Net investment (gains) losses, net of taxes and other adjustments |  |  |  |  | 1 |  |  |  |  |  |  |  |  |  |  |  | 1 |  |  |  |  |  |  |  | 2 |  |  |  | (3 | ) |  |  | 3 |  |  |  | 2 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **NET OPERATING INCOME (LOSS)**(1) |  |  |  | $ | 61 |  |  | $ | 55 |  |  | $ | 46 |  |  | $ | 162 |  |  | $ | 62 |  |  | $ | 57 |  |  | $ | 44 |  |  | $ | (21 | ) |  | $ | 142 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| *Effective tax rate (operating income (loss))* |  |  |  |  | *13.6* | *%* |  |  | *23.5* | *%* |  |  | *26.6* | *%* |  |  | *21.0* | *%* |  |  | *16.5* | *%* |  |  | *8.2* | *%* |  |  | *24.8* | *%* |  |  | *39.9* | *%* |  |  | *11.3* | *%* |
|  |  | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **SALES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **New Insurance Written (NIW)** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Flow |  |  |  | $ | 8,000 |  |  | $ | 8,700 |  |  | $ | 7,900 |  |  | $ | 24,600 |  |  | $ | 9,600 |  |  | $ | 8,800 |  |  | $ | 8,200 |  |  | $ | 7,700 |  |  | $ | 34,300 |  |
| Bulk |  |  |  |  | 100 |  |  |  | 900 |  |  |  |  |  |  |  | 1,000 |  |  |  |  |  |  |  |  |  |  |  | 300 |  |  |  | 300 |  |  |  | 600 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Total Australia NIW**(2) |  |  |  | $ | 8,100 |  |  | $ | 9,600 |  |  | $ | 7,900 |  |  | $ | 25,600 |  |  | $ | 9,600 |  |  | $ | 8,800 |  |  | $ | 8,500 |  |  | $ | 8,000 |  |  | $ | 34,900 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

|  |  |
| --- | --- |
| (1) | Net operating income for the Australian platform adjusted for foreign exchange as compared to the prior year period was $69 million and $170 million for the three and nine months ended September 30, 2013, respectively. |

|  |  |
| --- | --- |
| (2) | New insurance written for the Australian platform adjusted for foreign exchange as compared to the prior year period was $9,000 million and $26,600 million for the three and nine months ended September 30, 2013, respectively. |

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Net Operating Loss and SalesInternational Mortgage Insurance SegmentOther Countries**

**(amounts in millions)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | **2013** | | | | | | | | | | | | | |  |  | **2012** | | | | | | | | | | | | | | | | | |  |
|  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |  | **4Q** | |  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |
| **REVENUES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Premiums |  | $ | 7 |  |  | $ | 9 |  |  | $ | 9 |  |  | $ | 25 |  |  | $ | 9 |  |  | $ | 11 |  |  | $ | 10 |  |  | $ | 11 |  |  | $ | 41 |  |
| Net investment income |  |  | 1 |  |  |  | 1 |  |  |  | 1 |  |  |  | 3 |  |  |  | 1 |  |  |  | 2 |  |  |  | 1 |  |  |  | 3 |  |  |  | 7 |  |
| Net investment gains (losses) |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | (1 | ) |  |  |  |  |  |  | 6 |  |  |  | 1 |  |  |  | 6 |  |
| Insurance and investment product fees and other |  |  |  |  |  |  | 1 |  |  |  |  |  |  |  | 1 |  |  |  | 1 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | 1 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total revenues |  |  | 8 |  |  |  | 11 |  |  |  | 10 |  |  |  | 29 |  |  |  | 10 |  |  |  | 13 |  |  |  | 17 |  |  |  | 15 |  |  |  | 55 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **BENEFITS AND EXPENSES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Benefits and other changes in policy reserves |  |  | 14 |  |  |  | 9 |  |  |  | 8 |  |  |  | 31 |  |  |  | 12 |  |  |  | 9 |  |  |  | 14 |  |  |  | 14 |  |  |  | 49 |  |
| Acquisition and operating expenses, net of deferrals |  |  | 8 |  |  |  | 12 |  |  |  | 9 |  |  |  | 29 |  |  |  | 9 |  |  |  | 8 |  |  |  | 9 |  |  |  | 10 |  |  |  | 36 |  |
| Amortization of deferred acquisition costs and intangibles |  |  | (1 | ) |  |  | 1 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | 1 |  |  |  |  |  |  |  |  |  |  |  | 1 |  |
| Interest expense |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total benefits and expenses |  |  | 21 |  |  |  | 22 |  |  |  | 17 |  |  |  | 60 |  |  |  | 21 |  |  |  | 18 |  |  |  | 23 |  |  |  | 24 |  |  |  | 86 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **LOSS FROM CONTINUING OPERATIONS BEFORE INCOME TAXES** |  |  | (13 | ) |  |  | (11 | ) |  |  | (7 | ) |  |  | (31 | ) |  |  | (11 | ) |  |  | (5 | ) |  |  | (6 | ) |  |  | (9 | ) |  |  | (31 | ) |
| Provision (benefit) for income taxes |  |  | (1 | ) |  |  | (1 | ) |  |  |  |  |  |  | (2 | ) |  |  |  |  |  |  | 1 |  |  |  | (1 | ) |  |  | (1 | ) |  |  | (1 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **LOSS FROM CONTINUING OPERATIONS** |  |  | (12 | ) |  |  | (10 | ) |  |  | (7 | ) |  |  | (29 | ) |  |  | (11 | ) |  |  | (6 | ) |  |  | (5 | ) |  |  | (8 | ) |  |  | (30 | ) |
| Less: net income attributable to noncontrolling interests |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **LOSS FROM CONTINUING OPERATIONS AVAILABLE TO GENWORTH FINANCIAL, INC.S COMMON STOCKHOLDERS** |  |  | (12 | ) |  |  | (10 | ) |  |  | (7 | ) |  |  | (29 | ) |  |  | (11 | ) |  |  | (6 | ) |  |  | (5 | ) |  |  | (8 | ) |  |  | (30 | ) |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **ADJUSTMENTS TO LOSS FROM CONTINUING OPERATIONS AVAILABLE TO GENWORTH FINANCIAL, INC.S COMMON STOCKHOLDERS:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Net investment (gains) losses, net of taxes and other adjustments |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | 1 |  |  |  | (4 | ) |  |  | (1 | ) |  |  | (4 | ) |
| Expenses related to restructuring, net of taxes |  |  |  |  |  |  | 1 |  |  |  |  |  |  |  | 1 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **NET OPERATING LOSS**(1) |  | $ | (12 | ) |  | $ | (9 | ) |  | $ | (7 | ) |  | $ | (28 | ) |  | $ | (11 | ) |  | $ | (5 | ) |  | $ | (9 | ) |  | $ | (9 | ) |  | $ | (34 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| *Effective tax rate (operating loss)* |  |  | *11.2* | *%* |  |  | *5.7* | *%* |  |  | *4.9* | *%* |  |  | *7.8* | *%* |  |  | *-5.6* | *%* |  |  | *-0.6* | *%* |  |  | *26.7* | *%* |  |  | *10.1* | *%* |  |  | *8.8* | *%* |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **SALES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **New Insurance Written (NIW)** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Flow |  | $ | 500 |  |  | $ | 400 |  |  | $ | 400 |  |  | $ | 1,300 |  |  | $ | 500 |  |  | $ | 400 |  |  | $ | 500 |  |  | $ | 300 |  |  | $ | 1,700 |  |
| Bulk |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Total Other Countries NIW**(2) |  | $ | 500 |  |  | $ | 400 |  |  | $ | 400 |  |  | $ | 1,300 |  |  | $ | 500 |  |  | $ | 400 |  |  | $ | 500 |  |  | $ | 300 |  |  | $ | 1,700 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

|  |  |
| --- | --- |
| (1) | Net operating loss for the Other Countries platform adjusted for foreign exchange as compared to the prior year period was $(12) million and $(27) million for the three and nine months ended September 30, 2013, respectively. |

|  |  |
| --- | --- |
| (2) | New insurance written for the Other Countries platform adjusted for foreign exchange as compared to the prior year period was $500 million and $1,300 million for the three and nine months ended September 30, 2013, respectively. |

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Selected Key Performance MeasuresInternational Mortgage Insurance Segment**

**(amounts in millions)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | **2013** | | | | | | | | | | | | | |  |  | **2012** | | | | | | | | | | | | | | | | | |  |
|  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |  | **4Q** | |  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |
| **Net Premiums Written** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Canada |  | $ | 156 |  |  | $ | 134 |  |  | $ | 84 |  |  | $ | 374 |  |  | $ | 118 |  |  | $ | 176 |  |  | $ | 175 |  |  | $ | 79 |  |  | $ | 548 |  |
| Australia |  |  | 123 |  |  |  | 132 |  |  |  | 117 |  |  |  | 372 |  |  |  | 157 |  |  |  | 131 |  |  |  | 103 |  |  |  | 102 |  |  |  | 493 |  |
| Other Countries(1) |  |  | 6 |  |  |  | 7 |  |  |  | 5 |  |  |  | 18 |  |  |  |  |  |  |  | 7 |  |  |  | 7 |  |  |  | 6 |  |  |  | 20 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total International Net Premiums Written |  | $ | 285 |  |  | $ | 273 |  |  | $ | 206 |  |  | $ | 764 |  |  | $ | 275 |  |  | $ | 314 |  |  | $ | 285 |  |  | $ | 187 |  |  | $ | 1,061 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Loss Ratio**(2) |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Canada |  |  | 22 | % |  |  | 25 | % |  |  | 31 | % |  |  | 26 | % |  |  | 31 | % |  |  | 30 | % |  |  | 32 | % |  |  | 38 | % |  |  | 33 | % |
| Australia |  |  | 31 | % |  |  | 35 | % |  |  | 47 | % |  |  | 38 | % |  |  | 36 | % |  |  | 47 | % |  |  | 54 | % |  |  | 154 | % |  |  | 70 | % |
| Other Countries |  |  | 170 | % |  |  | 110 | % |  |  | 90 | % |  |  | 122 | % |  |  | 133 | % |  |  | 97 | % |  |  | 129 | % |  |  | 128 | % |  |  | 122 | % |
| Total International Loss Ratio |  |  | 31 | % |  |  | 32 | % |  |  | 39 | % |  |  | 34 | % |  |  | 37 | % |  |  | 39 | % |  |  | 45 | % |  |  | 84 | % |  |  | 51 | % |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **GAAP Basis Expense Ratio**(3) |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Canada(4) |  |  | 23 | % |  |  | 22 | % |  |  | 20 | % |  |  | 22 | % |  |  | -103 | % |  |  | 26 | % |  |  | 26 | % |  |  | 25 | % |  |  | -7 | % |
| Australia |  |  | 30 | % |  |  | 32 | % |  |  | 31 | % |  |  | 31 | % |  |  | 32 | % |  |  | 32 | % |  |  | 30 | % |  |  | 33 | % |  |  | 32 | % |
| Other Countries(1) |  |  | 106 | % |  |  | 129 | % |  |  | 113 | % |  |  | 116 | % |  |  | 103 | % |  |  | 85 | % |  |  | 82 | % |  |  | 94 | % |  |  | 90 | % |
| Total International GAAP Basis Expense Ratio(4) |  |  | 29 | % |  |  | 30 | % |  |  | 27 | % |  |  | 29 | % |  |  | -43 | % |  |  | 30 | % |  |  | 30 | % |  |  | 31 | % |  |  | 12 | % |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **Adjusted Expense Ratio**(5) |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Canada(4) |  |  | 20 | % |  |  | 23 | % |  |  | 35 | % |  |  | 25 | % |  |  | -130 | % |  |  | 21 | % |  |  | 22 | % |  |  | 46 | % |  |  | -7 | % |
| Australia |  |  | 24 | % |  |  | 25 | % |  |  | 27 | % |  |  | 25 | % |  |  | 21 | % |  |  | 24 | % |  |  | 29 | % |  |  | 29 | % |  |  | 25 | % |
| Other Countries(1) |  |  | 136 | % |  |  | 177 | % |  |  | 174 | % |  |  | 162 | % |  |  | NM | (6) |  |  | 118 | % |  |  | 131 | % |  |  | 162 | % |  |  | 185 | % |
| Total International Adjusted Expense Ratio(4) |  |  | 24 | % |  |  | 28 | % |  |  | 34 | % |  |  | 28 | % |  |  | -41 | % |  |  | 25 | % |  |  | 27 | % |  |  | 41 | % |  |  | 11 | % |

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) | Includes the impact of settlements and cancelled insurance contracts, primarily with lenders in Europe. Primary flow risk in-force excludes $285 million, $250 million, $225 million, $213 million, $183 million, $154 million and $134 million of risk in-force in Europe ceded under quota share reinsurance agreements as of September 30, 2013, June 30, 2013, March 31, 2013, December 31, 2012, September 30, 2012, June 30, 2012 and March 31, 2012, respectively. |

|  |  |
| --- | --- |
| (2) | The ratio of incurred losses and loss adjustment expense to net earned premiums. In determining the pricing of the mortgage insurance products, the company develops a pricing loss ratio which uses industry and company loss experience over a number of years, which incorporate both favorable and unfavorable economic environments, differing coverage levels and varying capital requirements. Actual results may vary from pricing loss ratios for a number of reasons, which include differing economic conditions and actual individual product and lender performance. |

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

|  |  |
| --- | --- |
| (4) | Effective January 1, 2013, the Government Guarantee Agreement and all obligations under it, including the requirement for a government guarantee fund and payment of exit fees related to it, was terminated. As a result, in the fourth quarter of 2012, acquisition and operating expenses, net of deferrals, for the Canadian platform included a favorable adjustment of $186 million associated with the reversal of the accrued liability for exit fees. For the three and twelve months ended December 31, 2012, excluding the exit fee adjustment, the GAAP basis expense ratios for the Canadian platform were 22% and 25%, respectively, and the adjusted expense ratios for the Canadian platform were 28% and 27%, respectively. For the three and twelve months ended December 31, 2012, excluding the exit fee adjustment, the GAAP basis expense ratios for the International Mortgage Insurance segment were 29% and 30%, respectively, and the adjusted expense ratios for the International Mortgage Insurance segment were 27% and 29%, respectively. |

|  |  |
| --- | --- |
| (5) | The ratio of an insurers general expenses to net premiums written. In the business, general expenses consist of acquisition and operating expenses, net of deferrals, and amortization of DAC and intangibles. |

|  |  |
| --- | --- |
| (6) | NM is defined as not meaningful for percentages greater than 200%. |

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Selected Key Performance MeasuresInternational Mortgage Insurance Segment**

**(amounts in millions)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
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|  |  | **2013** | | | | | | | | | |  |  | **2012** | | | | | | | | | | | | | |  |
|  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **4Q** | |  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |
| **Primary Insurance In-Force** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Canada |  | $ | 300,700 |  |  | $ | 285,200 | (1) |  | $ | 284,700 | (1) |  | $ | 303,400 | (1) |  | $ | 299,600 |  |  | $ | 281,700 |  |  | $ | 269,100 |  |
| Australia |  |  | 275,500 |  |  |  | 266,500 |  |  |  | 299,000 |  |  |  | 295,600 |  |  |  | 291,500 |  |  |  | 286,200 |  |  |  | 287,100 |  |
| Other Countries |  |  | 32,500 |  |  |  | 31,300 |  |  |  | 31,400 |  |  |  | 32,200 |  |  |  | 31,900 |  |  |  | 31,400 |  |  |  | 33,600 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total International Primary Insurance In-Force |  | $ | 608,700 |  |  | $ | 583,000 |  |  | $ | 615,100 |  |  | $ | 631,200 |  |  | $ | 623,000 |  |  | $ | 599,300 |  |  | $ | 589,800 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Primary Risk In-Force**(2) |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Canada |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Flow |  | $ | 83,400 |  |  | $ | 79,700 |  |  | $ | 80,900 |  |  | $ | 81,900 |  |  | $ | 81,300 |  |  | $ | 76,600 |  |  | $ | 76,200 |  |
| Bulk |  |  | 21,900 |  |  |  | 20,100 |  |  |  | 18,800 |  |  |  | 24,300 |  |  |  | 23,500 |  |  |  | 22,000 |  |  |  | 18,000 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total Canada |  |  | 105,300 |  |  |  | 99,800 |  |  |  | 99,700 |  |  |  | 106,200 |  |  |  | 104,800 |  |  |  | 98,600 |  |  |  | 94,200 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Australia |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Flow |  |  | 88,800 |  |  |  | 85,700 |  |  |  | 96,100 |  |  |  | 94,800 |  |  |  | 93,100 |  |  |  | 90,600 |  |  |  | 90,600 |  |
| Bulk |  |  | 7,600 |  |  |  | 7,600 |  |  |  | 8,500 |  |  |  | 8,700 |  |  |  | 9,000 |  |  |  | 9,600 |  |  |  | 9,900 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total Australia |  |  | 96,400 |  |  |  | 93,300 |  |  |  | 104,600 |  |  |  | 103,500 |  |  |  | 102,100 |  |  |  | 100,200 |  |  |  | 100,500 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Other Countries |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Flow(3) |  |  | 4,000 |  |  |  | 3,900 |  |  |  | 3,900 |  |  |  | 4,000 |  |  |  | 3,900 |  |  |  | 3,900 |  |  |  | 4,200 |  |
| Bulk |  |  | 300 |  |  |  | 300 |  |  |  | 300 |  |  |  | 300 |  |  |  | 400 |  |  |  | 400 |  |  |  | 400 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total Other Countries |  |  | 4,300 |  |  |  | 4,200 |  |  |  | 4,200 |  |  |  | 4,300 |  |  |  | 4,300 |  |  |  | 4,300 |  |  |  | 4,600 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total International Primary Risk In-Force |  | $ | 206,000 |  |  | $ | 197,300 |  |  | $ | 208,500 |  |  | $ | 214,000 |  |  | $ | 211,200 |  |  | $ | 203,100 |  |  | $ | 199,300 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
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| --- | --- |
| (1) | As part of an ongoing effort to improve the estimate of outstanding insurance exposure, the company surveyed its largest customers and obtained updated outstanding balances in Canada. As a result, the company estimates that the outstanding balance of insured mortgages was approximately $155.0 billion as of June 30, 2013 and $150.0 billion as of March 31, 2013 and December 31, 2012. This is based on the extrapolation of the amounts reported by lenders surveyed to the entire insured population. |

|  |  |
| --- | --- |
| (2) | The businesses in Australia and Canada currently provide 100% coverage on the majority of the loans the company insures in those markets. For the purpose of representing the risk in-force, the company has computed an effective risk in-force amount which recognizes that the loss on any particular loan will be reduced by the net proceeds received upon sale of the property. Effective risk in-force has been calculated by applying to insurance in-force a factor that represents the highest expected average per-claim payment for any one underwriting year over the life of the businesses in Australia and Canada. This factor was 35% for all periods presented. |

|  |  |
| --- | --- |
| (3) | Includes the impact of settlements and cancelled insurance contracts, primarily with lenders in Europe. Primary flow risk in-force excludes $285 million, $250 million, $225 million, $213 million, $183 million, $154 million and $134 million of risk in-force in Europe ceded under quota share reinsurance agreements as of September 30, 2013, June 30, 2013, March 31, 2013, December 31, 2012, September 30, 2012, June 30, 2012 and March 31, 2012, respectively. |

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Selected Key Performance MeasuresInternational Mortgage Insurance SegmentCanada**

**(dollar amounts in millions)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **Primary Insurance** |  | **September 30, 2013** | |  |  | **June 30, 2013** | |  |  | **March 31, 2013** | |  |  | **December 31, 2012** | |  |  | **September 30, 2012** | |  |  |  | |  |
| Insured loans in-force(1) |  |  | 1,501,139 |  |  |  | 1,464,060 |  |  |  | 1,428,163 |  |  |  | 1,502,858 |  |  |  | 1,483,111 |  |  |  |  |  |
| Insured delinquent loans |  |  | 1,778 |  |  |  | 1,778 |  |  |  | 1,963 |  |  |  | 2,153 |  |  |  | 2,183 |  |  |  |  |  |
| Insured delinquency rate(2) |  |  | 0.12 | % |  |  | 0.12 | % |  |  | 0.14 | % |  |  | 0.14 | % |  |  | 0.15 | % |  |  |  |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| Flow loans in-force(1) |  |  | 1,171,486 |  |  |  | 1,151,957 |  |  |  | 1,136,321 |  |  |  | 1,126,468 |  |  |  | 1,112,910 |  |  |  |  |  |
| Flow delinquent loans |  |  | 1,566 |  |  |  | 1,562 |  |  |  | 1,726 |  |  |  | 1,924 |  |  |  | 1,943 |  |  |  |  |  |
| Flow delinquency rate(2) |  |  | 0.13 | % |  |  | 0.14 | % |  |  | 0.15 | % |  |  | 0.17 | % |  |  | 0.17 | % |  |  |  |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| Bulk loans in-force(1) |  |  | 329,653 |  |  |  | 312,103 |  |  |  | 291,842 |  |  |  | 376,390 |  |  |  | 370,201 |  |  |  |  |  |
| Bulk delinquent loans |  |  | 212 |  |  |  | 216 |  |  |  | 237 |  |  |  | 229 |  |  |  | 240 |  |  |  |  |  |
| Bulk delinquency rate(2) |  |  | 0.06 | % |  |  | 0.07 | % |  |  | 0.08 | % |  |  | 0.06 | % |  |  | 0.06 | % |  |  |  |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **Loss Metrics** |  | **September 30, 2013** | |  |  | **June 30, 2013** | |  |  | **March 31, 2013** | |  |  | **December 31, 2012** | |  |  | **September 30, 2012** | |  |  |  | |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **Beginning Reserves** |  | $ | 112 |  |  | $ | 118 |  |  | $ | 130 |  |  | $ | 136 |  |  | $ | 141 |  |  |  |  |  |
| Paid claims(3) |  |  | (33 | ) |  |  | (39 | ) |  |  | (53 | ) |  |  | (52 | ) |  |  | (54 | ) |  |  |  |  |
| Increase in reserves |  |  | 27 |  |  |  | 36 |  |  |  | 44 |  |  |  | 40 |  |  |  | 44 |  |  |  |  |  |
| Impact of changes in foreign exchange rates |  |  | 2 |  |  |  | (3 | ) |  |  | (3 | ) |  |  | 6 |  |  |  | 5 |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Ending Reserves** |  | $ | 108 |  |  | $ | 112 |  |  | $ | 118 |  |  | $ | 130 |  |  | $ | 136 |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | | | | | | | |  | | | | | | | |  | | | | | | | |
|  |  | **September 30, 2013** | | | | | |  |  | **June 30, 2013** | | | | | |  |  | **September 30, 2012** | | | | | |  |
| **Province and Territory** |  | **% of Primary Risk In-Force** | |  |  | **Primary Delinquency Rate** | |  |  | **% of Primary Risk In-Force** | |  |  | **Primary Delinquency Rate** | |  |  | **% of Primary Risk In-Force** | |  |  | **Primary Delinquency Rate** | |  |
| Ontario |  |  | 47 | % |  |  | 0.07 | % |  |  | 47 | % |  |  | 0.07 | % |  |  | 46 | % |  |  | 0.09% |  |
| British Columbia |  |  | 15 |  |  |  | 0.18 | % |  |  | 15 |  |  |  | 0.18 | % |  |  | 16 |  |  |  | 0.18% |  |
| Alberta |  |  | 16 |  |  |  | 0.14 | % |  |  | 16 |  |  |  | 0.15 | % |  |  | 16 |  |  |  | 0.24% |  |
| Quebec |  |  | 14 |  |  |  | 0.17 | % |  |  | 14 |  |  |  | 0.17 | % |  |  | 14 |  |  |  | 0.20% |  |
| Nova Scotia |  |  | 2 |  |  |  | 0.21 | % |  |  | 2 |  |  |  | 0.20 | % |  |  | 2 |  |  |  | 0.18% |  |
| Saskatchewan |  |  | 2 |  |  |  | 0.12 | % |  |  | 2 |  |  |  | 0.14 | % |  |  | 2 |  |  |  | 0.13% |  |
| Manitoba |  |  | 2 |  |  |  | 0.08 | % |  |  | 2 |  |  |  | 0.09 | % |  |  | 2 |  |  |  | 0.07% |  |
| New Brunswick |  |  | 1 |  |  |  | 0.21 | % |  |  | 1 |  |  |  | 0.20 | % |  |  | 1 |  |  |  | 0.22% |  |
| All Other |  |  | 1 |  |  |  | 0.12 | % |  |  | 1 |  |  |  | 0.10 | % |  |  | 1 |  |  |  | 0.12% |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total |  |  | 100 | % |  |  | 0.12 | % |  |  | 100 | % |  |  | 0.12 | % |  |  | 100 | % |  |  | 0.15% |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **By Policy Year** |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |
| 2005 and prior |  |  | 27 | % |  |  | 0.03 | % |  |  | 29 | % |  |  | 0.03 | % |  |  | 30 | % |  |  | 0.04% |  |
| 2006 |  |  | 8 |  |  |  | 0.11 | % |  |  | 8 |  |  |  | 0.10 | % |  |  | 8 |  |  |  | 0.18% |  |
| 2007 |  |  | 10 |  |  |  | 0.24 | % |  |  | 10 |  |  |  | 0.26 | % |  |  | 16 |  |  |  | 0.26% |  |
| 2008 |  |  | 8 |  |  |  | 0.28 | % |  |  | 9 |  |  |  | 0.28 | % |  |  | 10 |  |  |  | 0.35% |  |
| 2009 |  |  | 6 |  |  |  | 0.23 | % |  |  | 6 |  |  |  | 0.23 | % |  |  | 6 |  |  |  | 0.30% |  |
| 2010 |  |  | 9 |  |  |  | 0.24 | % |  |  | 9 |  |  |  | 0.26 | % |  |  | 10 |  |  |  | 0.27% |  |
| 2011 |  |  | 9 |  |  |  | 0.25 | % |  |  | 9 |  |  |  | 0.23 | % |  |  | 9 |  |  |  | 0.14% |  |
| 2012 |  |  | 13 |  |  |  | 0.07 | % |  |  | 14 |  |  |  | 0.06 | % |  |  | 11 |  |  |  | 0.01% |  |
| 2013 |  |  | 10 |  |  |  | 0.01 | % |  |  | 6 |  |  |  |  | % |  |  |  |  |  |  |   % |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total |  |  | 100 | % |  |  | 0.12 | % |  |  | 100 | % |  |  | 0.12 | % |  |  | 100 | % |  |  | 0.15% |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

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

|  |  |
| --- | --- |
| (2) | Delinquent rates are based on insured loans in-force. |

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| (3) | Paid claims exclude adjustments for expected recoveries related to loss reserves. |

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Selected Key Performance MeasuresInternational Mortgage Insurance SegmentCanada**

**(Canadian dollar amounts in millions)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  | **2013** | | | | | | | | | | | | | |  |  | **2012** | | | | | | | | | | | | | | | | | |  |
|  |  |  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |  | **4Q** | |  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |
| **Paid Claims**(1) |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Flow |  |  |  | $ | 32 |  |  | $ | 39 |  |  | $ | 51 |  |  | $ | 122 |  |  | $ | 49 |  |  | $ | 52 |  |  | $ | 52 |  |  | $ | 62 |  |  | $ | 215 |  |
| Bulk |  |  |  |  | 2 |  |  |  | 1 |  |  |  | 2 |  |  |  | 5 |  |  |  | 2 |  |  |  | 2 |  |  |  | 2 |  |  |  | 2 |  |  |  | 8 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Total Paid Claims** |  |  |  | $ | 34 |  |  | $ | 40 |  |  | $ | 53 |  |  | $ | 127 |  |  | $ | 51 |  |  | $ | 54 |  |  | $ | 54 |  |  | $ | 64 |  |  | $ | 223 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **Average Paid Claim (in thousands)** |  |  |  | $ | 69.4 |  |  | $ | 73.1 |  |  | $ | 84.9 |  |  |  |  |  |  | $ | 84.6 |  |  | $ | 80.9 |  |  | $ | 76.7 |  |  | $ | 73.0 |  |  |  |  |  |
|  |  | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **Average Reserve Per Delinquency (in thousands)** |  |  |  | $ | 62.5 |  |  | $ | 66.1 |  |  | $ | 61.3 |  |  |  |  |  |  | $ | 60.1 |  |  | $ | 61.1 |  |  | $ | 59.4 |  |  | $ | 56.6 |  |  |  |  |  |
|  |  | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **Loss Metrics** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **Beginning Reserves** |  |  |  | $ | 118 |  |  | $ | 120 |  |  | $ | 129 |  |  |  |  |  |  | $ | 134 |  |  | $ | 143 |  |  | $ | 148 |  |  | $ | 164 |  |  |  |  |  |
| Paid claims |  |  |  |  | (34 | ) |  |  | (40 | ) |  |  | (53 | ) |  |  |  |  |  |  | (51 | ) |  |  | (54 | ) |  |  | (54 | ) |  |  | (64 | ) |  |  |  |  |
| Increase in reserves |  |  |  |  | 27 |  |  |  | 38 |  |  |  | 44 |  |  |  |  |  |  |  | 46 |  |  |  | 45 |  |  |  | 49 |  |  |  | 48 |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Ending Reserves** |  |  |  | $ | 111 |  |  | $ | 118 |  |  | $ | 120 |  |  |  |  |  |  | $ | 129 |  |  | $ | 134 |  |  | $ | 143 |  |  | $ | 148 |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Loan Amount** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Over $550K |  |  |  |  | 5 | % |  |  | 5 | % |  |  | 5 | % |  |  |  |  |  |  | 5 | % |  |  | 5 | % |  |  | 5 | % |  |  | 5 | % |  |  |  |  |
| $400K to $550K |  |  |  |  | 10 |  |  |  | 10 |  |  |  | 10 |  |  |  |  |  |  |  | 9 |  |  |  | 9 |  |  |  | 9 |  |  |  | 8 |  |  |  |  |  |
| $250K to $400K |  |  |  |  | 32 |  |  |  | 32 |  |  |  | 31 |  |  |  |  |  |  |  | 31 |  |  |  | 30 |  |  |  | 30 |  |  |  | 30 |  |  |  |  |  |
| $100K to $250K |  |  |  |  | 48 |  |  |  | 48 |  |  |  | 49 |  |  |  |  |  |  |  | 49 |  |  |  | 50 |  |  |  | 50 |  |  |  | 51 |  |  |  |  |  |
| $100K or Less |  |  |  |  | 5 |  |  |  | 5 |  |  |  | 5 |  |  |  |  |  |  |  | 6 |  |  |  | 6 |  |  |  | 6 |  |  |  | 6 |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total |  |  |  |  | 100 | % |  |  | 100 | % |  |  | 100 | % |  |  |  |  |  |  | 100 | % |  |  | 100 | % |  |  | 100 | % |  |  | 100 | % |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Average Primary Loan Size (in thousands)** |  |  |  | $ | 206 |  |  | $ | 205 |  |  | $ | 203 |  |  |  |  |  |  | $ | 201 |  |  | $ | 199 |  |  | $ | 197 |  |  | $ | 196 |  |  |  |  |  |
|  |  | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **Average Effective Loan-To-Value Ratios By Policy Year**(2) |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| 2006 and prior |  |  |  |  | 36 | % |  |  | 38 | % |  |  | 39 | % |  |  |  |  |  |  | 40 | % |  |  | 40 | % |  |  | 41 | % |  |  | 42 | % |  |  |  |  |
| 2007 |  |  |  |  | 64 | % |  |  | 66 | % |  |  | 68 | % |  |  |  |  |  |  | 68 | % |  |  | 69 | % |  |  | 69 | % |  |  | 71 | % |  |  |  |  |
| 2008 |  |  |  |  | 69 | % |  |  | 71 | % |  |  | 72 | % |  |  |  |  |  |  | 73 | % |  |  | 73 | % |  |  | 74 | % |  |  | 76 | % |  |  |  |  |
| 2009 |  |  |  |  | 71 | % |  |  | 73 | % |  |  | 74 | % |  |  |  |  |  |  | 75 | % |  |  | 75 | % |  |  | 76 | % |  |  | 78 | % |  |  |  |  |
| 2010 |  |  |  |  | 77 | % |  |  | 80 | % |  |  | 81 | % |  |  |  |  |  |  | 82 | % |  |  | 82 | % |  |  | 83 | % |  |  | 85 | % |  |  |  |  |
| 2011 |  |  |  |  | 83 | % |  |  | 86 | % |  |  | 87 | % |  |  |  |  |  |  | 88 | % |  |  | 88 | % |  |  | 88 | % |  |  | 91 | % |  |  |  |  |
| 2012 |  |  |  |  | 87 | % |  |  | 90 | % |  |  | 91 | % |  |  |  |  |  |  | 92 | % |  |  | 91 | % |  |  | 91 | % |  |  |  | % |  |  |  |  |
| 2013 |  |  |  |  | 91 | % |  |  | 92 | % |  |  |  | % |  |  |  |  |  |  |  | % |  |  |  | % |  |  |  | % |  |  |  | % |  |  |  |  |
| Total Flow |  |  |  |  | 55 | % |  |  | 56 | % |  |  | 56 | % |  |  |  |  |  |  | 56 | % |  |  | 56 | % |  |  | 56 | % |  |  | 57 | % |  |  |  |  |
|  |  | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| Total Bulk |  |  |  |  | 34 | % |  |  | 31 | % |  |  | 31 | % |  |  |  |  |  |  | 29 | % |  |  | 29 | % |  |  | 26 | % |  |  | 28 | % |  |  |  |  |
|  |  | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| Total |  |  |  |  | 51 | % |  |  | 50 | % |  |  | 50 | % |  |  |  |  |  |  | 50 | % |  |  | 50 | % |  |  | 50 | % |  |  | 51 | % |  |  |  |  |

All amounts presented in Canadian dollars.

|  |  |
| --- | --- |
| (1) | Paid claims exclude adjustments for expected recoveries related to loss reserves. |

|  |  |
| --- | --- |
| (2) | Loan amounts (including capitalized premiums) reflect interest rates at time of loan origination and estimated scheduled principal repayments since loan origination. Home price estimates based on regional home price appreciation/depreciation data from the Canadian Real Estate Association. All data used in the effective loan-to-value ratio calculation reflects conditions as of the end of the previous quarter. |

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Selected Key Performance MeasuresInternational Mortgage Insurance SegmentAustralia**

**(dollar amounts in millions)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Primary Insurance** |  | **September 30, 2013** | |  |  | **June 30, 2013** | |  |  | **March 31, 2013** | |  |  | **December 31, 2012** | |  |  | **September 30, 2012** | |  |  |  | |  |
| Insured loans in-force |  |  | 1,463,148 |  |  |  | 1,459,376 |  |  |  | 1,448,090 |  |  |  | 1,440,719 |  |  |  | 1,440,397 |  |  |  |  |  |
| Insured delinquent loans |  |  | 5,454 |  |  |  | 5,820 |  |  |  | 5,868 |  |  |  | 5,851 |  |  |  | 6,791 |  |  |  |  |  |
| Insured delinquency rate |  |  | 0.37 | % |  |  | 0.40 | % |  |  | 0.41 | % |  |  | 0.41 | % |  |  | 0.47 | % |  |  |  |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| Flow loans in-force |  |  | 1,336,901 |  |  |  | 1,330,157 |  |  |  | 1,320,701 |  |  |  | 1,311,052 |  |  |  | 1,306,316 |  |  |  |  |  |
| Flow delinquent loans |  |  | 5,192 |  |  |  | 5,513 |  |  |  | 5,567 |  |  |  | 5,567 |  |  |  | 6,475 |  |  |  |  |  |
| Flow delinquency rate |  |  | 0.39 | % |  |  | 0.41 | % |  |  | 0.42 | % |  |  | 0.42 | % |  |  | 0.50 | % |  |  |  |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| Bulk loans in-force |  |  | 126,247 |  |  |  | 129,219 |  |  |  | 127,389 |  |  |  | 129,667 |  |  |  | 134,081 |  |  |  |  |  |
| Bulk delinquent loans |  |  | 262 |  |  |  | 307 |  |  |  | 301 |  |  |  | 284 |  |  |  | 316 |  |  |  |  |  |
| Bulk delinquency rate |  |  | 0.21 | % |  |  | 0.24 | % |  |  | 0.24 | % |  |  | 0.22 | % |  |  | 0.24 | % |  |  |  |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **Loss Metrics** |  | **September 30, 2013** | |  |  | **June 30, 2013** | |  |  | **March 31, 2013** | |  |  | **December 31, 2012** | |  |  | **September 30, 2012** | |  |  |  | |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **Beginning Reserves** |  | $ | 200 |  |  | $ | 238 |  |  | $ | 251 |  |  | $ | 287 |  |  | $ | 320 |  |  |  |  |  |
| Paid claims |  |  | (37 | ) |  |  | (45 | ) |  |  | (61 | ) |  |  | (73 | ) |  |  | (83 | ) |  |  |  |  |
| Increase in reserves |  |  | 30 |  |  |  | 35 |  |  |  | 48 |  |  |  | 37 |  |  |  | 46 |  |  |  |  |  |
| Impact of changes in foreign exchange rates |  |  | 5 |  |  |  | (28 | ) |  |  |  |  |  |  |  |  |  |  | 4 |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Ending Reserves** |  | $ | 198 |  |  | $ | 200 |  |  | $ | 238 |  |  | $ | 251 |  |  | $ | 287 |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | | | | | | | |  | | | | | | | |  | | | | | | | |
|  |  | **September 30, 2013** | | | | | |  |  | **June 30, 2013** | | | | | |  |  | **September 30, 2012** | | | | | |  |
| **State and Territory** |  | **% of Primary Risk In-Force** | |  |  | **Primary Delinquency Rate** | |  |  | **% of Primary Risk In-Force** | |  |  | **Primary Delinquency Rate** | |  |  | **% of Primary Risk In-Force** | |  |  | **Primary Delinquency Rate** | |  |
| New South Wales |  |  | 30 | % |  |  | 0.35 | % |  |  | 30 | % |  |  | 0.38 | % |  |  | 30 | % |  |  | 0.45% |  |
| Victoria |  |  | 23 |  |  |  | 0.31 | % |  |  | 23 |  |  |  | 0.33 | % |  |  | 23 |  |  |  | 0.34% |  |
| Queensland |  |  | 22 |  |  |  | 0.52 | % |  |  | 22 |  |  |  | 0.54 | % |  |  | 23 |  |  |  | 0.69% |  |
| Western Australia |  |  | 11 |  |  |  | 0.32 | % |  |  | 11 |  |  |  | 0.36 | % |  |  | 11 |  |  |  | 0.46% |  |
| South Australia |  |  | 6 |  |  |  | 0.45 | % |  |  | 6 |  |  |  | 0.45 | % |  |  | 6 |  |  |  | 0.51% |  |
| New Zealand |  |  | 2 |  |  |  | 0.50 | % |  |  | 2 |  |  |  | 0.54 | % |  |  | 2 |  |  |  | 0.64% |  |
| Australian Capital Territory |  |  | 3 |  |  |  | 0.09 | % |  |  | 3 |  |  |  | 0.10 | % |  |  | 2 |  |  |  | 0.11% |  |
| Tasmania |  |  | 2 |  |  |  | 0.32 | % |  |  | 2 |  |  |  | 0.35 | % |  |  | 2 |  |  |  | 0.41% |  |
| Northern Territory |  |  | 1 |  |  |  | 0.16 | % |  |  | 1 |  |  |  | 0.16 | % |  |  | 1 |  |  |  | 0.18% |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total |  |  | 100 | % |  |  | 0.37 | % |  |  | 100 | % |  |  | 0.40 | % |  |  | 100 | % |  |  | 0.47% |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **By Policy Year** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 2005 and prior |  |  | 28 | % |  |  | 0.16 | % |  |  | 28 | % |  |  | 0.18 | % |  |  | 30 | % |  |  | 0.21% |  |
| 2006 |  |  | 8 |  |  |  | 0.62 | % |  |  | 8 |  |  |  | 0.64 | % |  |  | 10 |  |  |  | 0.72% |  |
| 2007 |  |  | 9 |  |  |  | 0.76 | % |  |  | 10 |  |  |  | 0.82 | % |  |  | 11 |  |  |  | 0.96% |  |
| 2008 |  |  | 9 |  |  |  | 0.93 | % |  |  | 9 |  |  |  | 0.98 | % |  |  | 10 |  |  |  | 1.19% |  |
| 2009 |  |  | 11 |  |  |  | 0.67 | % |  |  | 11 |  |  |  | 0.73 | % |  |  | 12 |  |  |  | 0.80% |  |
| 2010 |  |  | 8 |  |  |  | 0.35 | % |  |  | 8 |  |  |  | 0.33 | % |  |  | 9 |  |  |  | 0.34% |  |
| 2011 |  |  | 8 |  |  |  | 0.29 | % |  |  | 9 |  |  |  | 0.27 | % |  |  | 9 |  |  |  | 0.15% |  |
| 2012 |  |  | 11 |  |  |  | 0.16 | % |  |  | 11 |  |  |  | 0.10 | % |  |  | 9 |  |  |  | 0.02% |  |
| 2013 |  |  | 8 |  |  |  | 0.01 | % |  |  | 6 |  |  |  | 0.01 | % |  |  |  |  |  |  |   % |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total |  |  | 100 | % |  |  | 0.37 | % |  |  | 100 | % |  |  | 0.40 | % |  |  | 100 | % |  |  | 0.47% |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Selected Key Performance MeasuresInternational Mortgage Insurance SegmentAustralia**

**(Australian dollar amounts in millions)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  | **2013** | | | | | | | | | | | | | |  |  | **2012** | | | | | | | | | | | | | | | | | |  |
|  |  |  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |  | **4Q** | |  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |
| **Paid Claims** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Flow |  |  |  | $ | 39 |  |  | $ | 44 |  |  | $ | 59 |  |  | $ | 142 |  |  | $ | 70 |  |  | $ | 79 |  |  | $ | 70 |  |  | $ | 66 |  |  | $ | 285 |  |
| Bulk |  |  |  |  | 2 |  |  |  |  |  |  |  |  |  |  |  | 2 |  |  |  | 1 |  |  |  | 1 |  |  |  |  |  |  |  |  |  |  |  | 2 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Total Paid Claims** |  |  |  | $ | 41 |  |  | $ | 44 |  |  | $ | 59 |  |  | $ | 144 |  |  | $ | 71 |  |  | $ | 80 |  |  | $ | 70 |  |  | $ | 66 |  |  | $ | 287 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **Average Paid Claim (in thousands)** |  |  |  | $ | 79.9 |  |  | $ | 80.3 |  |  | $ | 81.4 |  |  |  |  |  |  | $ | 80.9 |  |  | $ | 83.5 |  |  | $ | 91.2 |  |  | $ | 77.1 |  |  |  |  |  |
|  |  | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **Average Reserve Per Delinquency (in thousands)** |  |  |  | $ | 38.8 |  |  | $ | 37.7 |  |  | $ | 38.9 |  |  |  |  |  |  | $ | 41.2 |  |  | $ | 40.8 |  |  | $ | 41.5 |  |  | $ | 42.2 |  |  |  |  |  |
|  |  | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **Loss Metrics** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Beginning Reserves** |  |  |  | $ | 220 |  |  | $ | 228 |  |  | $ | 241 |  |  |  |  |  |  | $ | 277 |  |  | $ | 312 |  |  | $ | 331 |  |  | $ | 266 |  |  |  |  |  |
| Paid claims |  |  |  |  | (41 | ) |  |  | (44 | ) |  |  | (59 | ) |  |  |  |  |  |  | (71 | ) |  |  | (80 | ) |  |  | (70 | ) |  |  | (66 | ) |  |  |  |  |
| Increase in reserves |  |  |  |  | 33 |  |  |  | 36 |  |  |  | 46 |  |  |  |  |  |  |  | 35 |  |  |  | 45 |  |  |  | 51 |  |  |  | 131 |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Ending Reserves** |  |  |  | $ | 212 |  |  | $ | 220 |  |  | $ | 228 |  |  |  |  |  |  | $ | 241 |  |  | $ | 277 |  |  | $ | 312 |  |  | $ | 331 |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Loan Amount** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| Over $550K |  |  |  |  | 12 | % |  |  | 12 | % |  |  | 12 | % |  |  |  |  |  |  | 12 | % |  |  | 11 | % |  |  | 11 | % |  |  | 11 | % |  |  |  |  |
| $400K to $550K |  |  |  |  | 17 |  |  |  | 17 |  |  |  | 16 |  |  |  |  |  |  |  | 16 |  |  |  | 16 |  |  |  | 16 |  |  |  | 15 |  |  |  |  |  |
| $250K to $400K |  |  |  |  | 37 |  |  |  | 37 |  |  |  | 37 |  |  |  |  |  |  |  | 37 |  |  |  | 37 |  |  |  | 36 |  |  |  | 36 |  |  |  |  |  |
| $100K to $250K |  |  |  |  | 28 |  |  |  | 28 |  |  |  | 29 |  |  |  |  |  |  |  | 29 |  |  |  | 30 |  |  |  | 30 |  |  |  | 31 |  |  |  |  |  |
| $100K or Less |  |  |  |  | 6 |  |  |  | 6 |  |  |  | 6 |  |  |  |  |  |  |  | 6 |  |  |  | 6 |  |  |  | 7 |  |  |  | 7 |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total |  |  |  |  | 100 | % |  |  | 100 | % |  |  | 100 | % |  |  |  |  |  |  | 100 | % |  |  | 100 | % |  |  | 100 | % |  |  | 100 | % |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **Average Primary Loan Size (in thousands)** |  |  |  | $ | 202 |  |  | $ | 200 |  |  | $ | 198 |  |  |  |  |  |  | $ | 197 |  |  | $ | 195 |  |  | $ | 193 |  |  | $ | 192 |  |  |  |  |  |
| **Average Effective Loan-To-Value Ratios By Policy Year**(1), (2) |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| 2006 and prior |  |  |  |  | 43 | % |  |  | 47 | % |  |  | 48 | % |  |  |  |  |  |  | 48 | % |  |  | 49 | % |  |  | 49 | % |  |  | 48 | % |  |  |  |  |
| 2007 |  |  |  |  | 66 | % |  |  | 67 | % |  |  | 68 | % |  |  |  |  |  |  | 68 | % |  |  | 69 | % |  |  | 69 | % |  |  | 67 | % |  |  |  |  |
| 2008 |  |  |  |  | 74 | % |  |  | 74 | % |  |  | 76 | % |  |  |  |  |  |  | 76 | % |  |  | 77 | % |  |  | 77 | % |  |  | 74 | % |  |  |  |  |
| 2009 |  |  |  |  | 77 | % |  |  | 77 | % |  |  | 79 | % |  |  |  |  |  |  | 79 | % |  |  | 80 | % |  |  | 80 | % |  |  | 78 | % |  |  |  |  |
| 2010 |  |  |  |  | 83 | % |  |  | 83 | % |  |  | 85 | % |  |  |  |  |  |  | 85 | % |  |  | 86 | % |  |  | 86 | % |  |  | 85 | % |  |  |  |  |
| 2011 |  |  |  |  | 85 | % |  |  | 85 | % |  |  | 87 | % |  |  |  |  |  |  | 87 | % |  |  | 88 | % |  |  | 88 | % |  |  | 86 | % |  |  |  |  |
| 2012 |  |  |  |  | 85 | % |  |  | 85 | % |  |  | 86 | % |  |  |  |  |  |  | 85 | % |  |  | 86 | % |  |  | 86 | % |  |  |  | % |  |  |  |  |
| 2013 |  |  |  |  | 87 | % |  |  | 87 | % |  |  |  | % |  |  |  |  |  |  |  | % |  |  |  | % |  |  |  | % |  |  |  | % |  |  |  |  |
| Total Flow |  |  |  |  | 65 | % |  |  | 68 | % |  |  | 69 | % |  |  |  |  |  |  | 68 | % |  |  | 68 | % |  |  | 68 | % |  |  | 66 | % |  |  |  |  |
|  |  | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| Total Bulk |  |  |  |  | 32 | % |  |  | 37 | % |  |  | 38 | % |  |  |  |  |  |  | 38 | % |  |  | 38 | % |  |  | 38 | % |  |  | 38 | % |  |  |  |  |
| Total |  |  |  |  | 61 | % |  |  | 65 | % |  |  | 66 | % |  |  |  |  |  |  | 65 | % |  |  | 65 | % |  |  | 65 | % |  |  | 63 | % |  |  |  |  |

All amounts presented in Australian dollars.

|  |  |
| --- | --- |
| (1) | Loan amounts (including capitalized premiums) reflect interest rates at time of loan origination and estimated scheduled principal repayments since loan origination. Home price estimates based on regional home price appreciation/depreciation data from RP Data (except Tasmania which is from the Australian Bureau of Statistics prior to 2Q12). All data used in the effective loan-to-value ratio calculation reflects conditions as of the end of the previous quarter. Effective loan-to-value ratios exclude New Zealand and inward reinsurance policies. |

|  |  |
| --- | --- |
| (2) | Beginning in the third quarter of 2013, data from RP Data extended back to 1999. Previously, the data extended back to 2002. Previous periods were not re-presented for this change. |

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Selected Key Performance MeasuresInternational Mortgage Insurance Segment**

**(amounts in millions)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Risk In-Force by Loan-To-Value Ratio**(1) |  | **September 30, 2013** | | | | | | | | | |  |  | **June 30, 2013** | | | | | | | | | |  |
|  |  | **Primary** | |  |  | **Flow** | |  |  | **Bulk** | |  |  | **Primary** | |  |  | **Flow** | |  |  | **Bulk** | |  |
| Canada |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 95.01% and above |  | $ | 37,612 |  |  | $ | 37,612 |  |  | $ |  |  |  | $ | 35,665 |  |  | $ | 35,665 |  |  | $ |  |  |
| 90.01% to 95.00% |  |  | 26,007 |  |  |  | 26,005 |  |  |  | 2 |  |  |  | 25,006 |  |  |  | 25,004 |  |  |  | 2 |  |
| 80.01% to 90.00% |  |  | 19,686 |  |  |  | 16,605 |  |  |  | 3,081 |  |  |  | 18,761 |  |  |  | 16,051 |  |  |  | 2,709 |  |
| 80.00% and below |  |  | 21,957 |  |  |  | 3,154 |  |  |  | 18,803 |  |  |  | 20,399 |  |  |  | 3,022 |  |  |  | 17,377 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total Canada |  | $ | 105,262 |  |  | $ | 83,375 |  |  | $ | 21,887 |  |  | $ | 99,832 |  |  | $ | 79,743 |  |  | $ | 20,089 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Australia |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 95.01% and above |  | $ | 18,269 |  |  | $ | 18,268 |  |  | $ | 1 |  |  | $ | 17,518 |  |  | $ | 17,517 |  |  | $ | 1 |  |
| 90.01% to 95.00% |  |  | 22,413 |  |  |  | 22,405 |  |  |  | 8 |  |  |  | 21,418 |  |  |  | 21,409 |  |  |  | 8 |  |
| 80.01% to 90.00% |  |  | 24,973 |  |  |  | 24,877 |  |  |  | 96 |  |  |  | 24,111 |  |  |  | 24,019 |  |  |  | 93 |  |
| 80.00% and below |  |  | 30,783 |  |  |  | 23,290 |  |  |  | 7,493 |  |  |  | 30,214 |  |  |  | 22,706 |  |  |  | 7,508 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total Australia |  | $ | 96,438 |  |  | $ | 88,840 |  |  | $ | 7,598 |  |  | $ | 93,261 |  |  | $ | 85,651 |  |  | $ | 7,609 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Other Countries(2) |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 95.01% and above |  | $ | 718 |  |  | $ | 718 |  |  | $ |  |  |  | $ | 702 |  |  | $ | 702 |  |  | $ |  |  |
| 90.01% to 95.00% |  |  | 2,086 |  |  |  | 2,032 |  |  |  | 54 |  |  |  | 2,004 |  |  |  | 1,947 |  |  |  | 57 |  |
| 80.01% to 90.00% |  |  | 1,258 |  |  |  | 1,026 |  |  |  | 232 |  |  |  | 1,233 |  |  |  | 989 |  |  |  | 244 |  |
| 80.00% and below |  |  | 247 |  |  |  | 216 |  |  |  | 30 |  |  |  | 241 |  |  |  | 209 |  |  |  | 32 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total Other Countries |  | $ | 4,308 |  |  | $ | 3,992 |  |  | $ | 316 |  |  | $ | 4,180 |  |  | $ | 3,847 |  |  | $ | 333 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

Amounts may not total due to rounding.

|  |  |
| --- | --- |
| (1) | Loan amount in loan-to-value ratio calculation includes capitalized premiums, where applicable. |

|  |  |
| --- | --- |
| (2) | Other Countries flow and primary risk in-force exclude $285 million and $250 million, respectively, of risk in-force in Europe ceded under quota share reinsurance agreements as of September 30, 2013 and June 30, 2013. |

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**U.S. Mortgage Insurance Segment**

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Net Operating Income (Loss) and SalesU.S. Mortgage Insurance Segment**

**(amounts in millions)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | **2013** | | | | | | | | | | | | | |  |  | **2012** | | | | | | | | | | | | | | | | | |  |
|  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |  | **4Q** | |  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |
| **REVENUES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Premiums |  | $ | 137 |  |  | $ | 141 |  |  | $ | 134 |  |  | $ | 412 |  |  | $ | 138 |  |  | $ | 138 |  |  | $ | 137 |  |  | $ | 136 |  |  | $ | 549 |  |
| Net investment income |  |  | 18 |  |  |  | 10 |  |  |  | 19 |  |  |  | 47 |  |  |  | 12 |  |  |  | 20 |  |  |  | 13 |  |  |  | 23 |  |  |  | 68 |  |
| Net investment gains (losses) |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | 11 |  |  |  | (2 | ) |  |  |  |  |  |  | 27 |  |  |  | 36 |  |
| Insurance and investment product fees and other |  |  | 1 |  |  |  |  |  |  |  | 1 |  |  |  | 2 |  |  |  | 1 |  |  |  |  |  |  |  | 20 |  |  |  | 2 |  |  |  | 23 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total revenues |  |  | 156 |  |  |  | 151 |  |  |  | 154 |  |  |  | 461 |  |  |  | 162 |  |  |  | 156 |  |  |  | 170 |  |  |  | 188 |  |  |  | 676 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **BENEFITS AND EXPENSES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Benefits and other changes in policy reserves |  |  | 123 |  |  |  | 97 |  |  |  | 84 |  |  |  | 304 |  |  |  | 180 |  |  |  | 174 |  |  |  | 174 |  |  |  | 197 |  |  |  | 725 |  |
| Acquisition and operating expenses, net of deferrals |  |  | 35 |  |  |  | 35 |  |  |  | 39 |  |  |  | 109 |  |  |  | 36 |  |  |  | 40 |  |  |  | 33 |  |  |  | 34 |  |  |  | 143 |  |
| Amortization of deferred acquisition costs and intangibles |  |  | 2 |  |  |  | 2 |  |  |  | 1 |  |  |  | 5 |  |  |  | 1 |  |  |  | 1 |  |  |  | 2 |  |  |  | 1 |  |  |  | 5 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total benefits and expenses |  |  | 160 |  |  |  | 134 |  |  |  | 124 |  |  |  | 418 |  |  |  | 217 |  |  |  | 215 |  |  |  | 209 |  |  |  | 232 |  |  |  | 873 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES** |  |  | (4 | ) |  |  | 17 |  |  |  | 30 |  |  |  | 43 |  |  |  | (55 | ) |  |  | (59 | ) |  |  | (39 | ) |  |  | (44 | ) |  |  | (197 | ) |
| Provision (benefit) for income taxes |  |  | (1 | ) |  |  | 4 |  |  |  | 9 |  |  |  | 12 |  |  |  | (30 | ) |  |  | (22 | ) |  |  | (14 | ) |  |  | (17 | ) |  |  | (83 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME (LOSS) FROM CONTINUING OPERATIONS** |  |  | (3 | ) |  |  | 13 |  |  |  | 21 |  |  |  | 31 |  |  |  | (25 | ) |  |  | (37 | ) |  |  | (25 | ) |  |  | (27 | ) |  |  | (114 | ) |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **ADJUSTMENT TO INCOME (LOSS) FROM CONTINUING OPERATIONS:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Net investment (gains) losses, net of taxes and other adjustments |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | (7 | ) |  |  |  |  |  |  |  |  |  |  | (17 | ) |  |  | (24 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **NET OPERATING INCOME (LOSS)** |  | $ | (3 | ) |  | $ | 13 |  |  | $ | 21 |  |  | $ | 31 |  |  | $ | (32 | ) |  | $ | (37 | ) |  | $ | (25 | ) |  | $ | (44 | ) |  | $ | (138 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| *Effective tax rate (operating income (loss))* |  |  | *14.0* | *%* |  |  | *22.9* | *%* |  |  | *30.1* | *%* |  |  | *28.5* | *%* |  |  | *50.7* | *%* |  |  | *36.8* | *%* |  |  | *37.0* | *%* |  |  | *37.7* | *%* |  |  | *41.0* | *%* |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **SALES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **New Insurance Written (NIW)** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Flow |  | $ | 6,400 |  |  | $ | 6,300 |  |  | $ | 4,700 |  |  | $ | 17,400 |  |  | $ | 5,100 |  |  | $ | 4,700 |  |  | $ | 3,600 |  |  | $ | 3,000 |  |  | $ | 16,400 |  |
| Bulk |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Total U.S. Mortgage Insurance NIW** |  | $ | 6,400 |  |  | $ | 6,300 |  |  | $ | 4,700 |  |  | $ | 17,400 |  |  | $ | 5,100 |  |  | $ | 4,700 |  |  | $ | 3,600 |  |  | $ | 3,000 |  |  | $ | 16,400 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Other MetricsU.S. Mortgage Insurance Segment**

**(dollar amounts in millions)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | **2013** | | | | | | | | | | | | | |  |  | **2012** | | | | | | | | | | | | | | | | | |  |
|  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |  | **4Q** | |  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |
| **Net Premiums Written** |  | $ | 140 |  |  | $ | 144 |  |  | $ | 135 |  |  | $ | 419 |  |  | $ | 140 |  |  | $ | 135 |  |  | $ | 139 |  |  | $ | 140 |  |  | $ | 554 |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **New Risk Written** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Flow |  | $ | 1,577 |  |  | $ | 1,478 |  |  | $ | 1,091 |  |  | $ | 4,146 |  |  | $ | 1,188 |  |  | $ | 1,130 |  |  | $ | 843 |  |  | $ | 688 |  |  | $ | 3,849 |  |
| Bulk |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | 7 |  |  |  | 7 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total Primary |  |  | 1,577 |  |  |  | 1,478 |  |  |  | 1,091 |  |  |  | 4,146 |  |  |  | 1,188 |  |  |  | 1,130 |  |  |  | 843 |  |  |  | 695 |  |  |  | 3,856 |  |
| Pool |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Total New Risk Written** |  | $ | 1,577 |  |  | $ | 1,478 |  |  | $ | 1,091 |  |  | $ | 4,146 |  |  | $ | 1,188 |  |  | $ | 1,130 |  |  | $ | 843 |  |  | $ | 695 |  |  | $ | 3,856 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **Primary Insurance In-Force** |  | $ | 109,000 |  |  | $ | 108,800 |  |  | $ | 109,300 |  |  |  |  |  |  | $ | 110,000 |  |  | $ | 111,100 |  |  | $ | 112,000 |  |  | $ | 113,800 |  |  |  |  |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **Risk In-Force** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Flow |  | $ | 26,194 |  |  | $ | 25,957 |  |  | $ | 25,626 |  |  |  |  |  |  | $ | 25,716 |  |  | $ | 25,849 |  |  | $ | 25,887 |  |  | $ | 26,137 |  |  |  |  |  |
| Bulk(1) |  |  | 456 |  |  |  | 463 |  |  |  | 485 |  |  |  |  |  |  |  | 491 |  |  |  | 507 |  |  |  | 514 |  |  |  | 520 |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total Primary |  |  | 26,650 |  |  |  | 26,420 |  |  |  | 26,111 |  |  |  |  |  |  |  | 26,207 |  |  |  | 26,356 |  |  |  | 26,401 |  |  |  | 26,657 |  |  |  |  |  |
| Pool |  |  | 187 |  |  |  | 196 |  |  |  | 205 |  |  |  |  |  |  |  | 211 |  |  |  | 221 |  |  |  | 229 |  |  |  | 239 |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Total Risk In-Force** |  | $ | 26,837 |  |  | $ | 26,616 |  |  | $ | 26,316 |  |  |  |  |  |  | $ | 26,418 |  |  | $ | 26,577 |  |  | $ | 26,630 |  |  | $ | 26,896 |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **Primary Risk In-Force Subject To Captives** |  |  | 10 | % |  |  | 11 | % |  |  | 12 | % |  |  |  |  |  |  | 14 | % |  |  | 15 | % |  |  | 27 | % |  |  | 31 | % |  |  |  |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **Primary Risk In-Force That Is GSE Conforming** |  |  | 97 | % |  |  | 97 | % |  |  | 97 | % |  |  |  |  |  |  | 97 | % |  |  | 97 | % |  |  | 96 | % |  |  | 96 | % |  |  |  |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **GAAP Basis Expense Ratio**(2) |  |  | 26 | % |  |  | 26 | % |  |  | 30 | % |  |  | 28 | % |  |  | 27 | % |  |  | 30 | % |  |  | 25 | % |  |  | 26 | % |  |  | 27 | % |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **Adjusted Expense Ratio**(3) |  |  | 26 | % |  |  | 25 | % |  |  | 30 | % |  |  | 27 | % |  |  | 27 | % |  |  | 30 | % |  |  | 25 | % |  |  | 25 | % |  |  | 27 | % |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **Flow Persistency** |  |  | 79 | % |  |  | 81 | % |  |  | 80 | % |  |  |  |  |  |  | 79 | % |  |  | 81 | % |  |  | 82 | % |  |  | 81 | % |  |  |  |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **Gross Written Premiums Ceded To Captives/Total Direct Written Premiums** |  |  | 4 | % |  |  | 4 | % |  |  | 4 | % |  |  |  |  |  |  | 5 | % |  |  | 8 | % |  |  | 10 | % |  |  | 12 | % |  |  |  |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **Risk To Capital Ratio**(4) |  |  | 22.4:1 |  |  |  | 22.4:1 |  |  |  | 24.2:1 |  |  |  |  |  |  |  | 30.4:1 |  |  |  | 29.8:1 |  |  |  | 29.5:1 |  |  |  | 28.6:1 |  |  |  |  |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **Average Primary Loan Size (in thousands)** |  | $ | 174 |  |  | $ | 172 |  |  | $ | 168 |  |  |  |  |  |  | $ | 167 |  |  | $ | 166 |  |  | $ | 165 |  |  | $ | 164 |  |  |  |  |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **Estimated Savings For Loss Mitigation Activities**(5) |  | $ | 136 |  |  | $ | 144 |  |  | $ | 159 |  |  | $ | 439 |  |  | $ | 165 |  |  | $ | 189 |  |  | $ | 162 |  |  | $ | 158 |  |  | $ | 674 |  |

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) | As of September 30, 2013, 84% of our bulk risk in-force was related to loans financed by lenders who participated in the mortgage programs sponsored by the Federal Home Loan Banks. |

|  |  |
| --- | --- |
| (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 written premiums. 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 U.S. mortgage insurance business maintains new business writing flexibility in all states, supported by risk to capital waivers or existing authority to write new business in 48 states in its primary writing entity, which has maintained a risk to capital ratio below the maximum requirement since June 30, 2013. The remaining two states are written out of other available entities. 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) | Loss mitigation activities are defined as rescissions, cancellations, borrower loan modifications, repayment plans, lender- and borrower-titled pre-sales, claims administration and other loan workouts. Estimated savings related to rescissions are the reduction in carried loss reserves, net of premium refunds and reinstatement of prior rescissions. Estimated savings related to loan modifications and other cure related loss mitigation actions represent the reduction in carried loss reserves. Estimated savings related to claims mitigation activities represent amounts deducted or curtailed from claims due to acts or omissions by the servicer with respect to the servicing of an insured loan that is not in compliance with obligations under our master policy. For non-cure related actions, including pre-sales, the estimated savings represent the difference between the full claim obligation and the actual amount paid. Loans subject to our loss mitigation actions, the results of which have been included in our reported estimated loss mitigations savings, are subject to re-default and may result in a potential claim in future periods as well as potential future loss mitigation savings depending on the resolution of the re-defaulted loan. |

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Loss MetricsU.S. Mortgage Insurance Segment**

**(dollar amounts in millions)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | **2013** | | | | | | | | | | | | | |  |  | **2012** | | | | | | | | | | | | | | | | | |  |
|  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |  | **4Q** | |  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |
| **Paid Claims** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Flow |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Direct |  | $ | 216 |  |  | $ | 197 |  |  | $ | 253 |  |  | $ | 666 |  |  | $ | 260 |  |  | $ | 272 |  |  | $ | 295 |  |  | $ | 283 |  |  | $ | 1,110 |  |
| Assumed(1) |  |  | 9 |  |  |  | 12 |  |  |  | 13 |  |  |  | 34 |  |  |  | 17 |  |  |  | 19 |  |  |  | 23 |  |  |  | 20 |  |  |  | 79 |  |
| Ceded |  |  | (9 | ) |  |  | (11 | ) |  |  | (17 | ) |  |  | (37 | ) |  |  | (19 | ) |  |  | (25 | ) |  |  | (55 | ) |  |  | (39 | ) |  |  | (138 | ) |
| Loss adjustment expenses |  |  | 6 |  |  |  | 6 |  |  |  | 6 |  |  |  | 18 |  |  |  | 8 |  |  |  | 7 |  |  |  | 7 |  |  |  | 9 |  |  |  | 31 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total Flow |  |  | 222 |  |  |  | 204 |  |  |  | 255 |  |  |  | 681 |  |  |  | 266 |  |  |  | 273 |  |  |  | 270 |  |  |  | 273 |  |  |  | 1,082 |  |
| Bulk |  |  | 3 |  |  |  | 6 |  |  |  | 3 |  |  |  | 12 |  |  |  | 3 |  |  |  | 3 |  |  |  | 6 |  |  |  | 4 |  |  |  | 16 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total Primary |  |  | 225 |  |  |  | 210 |  |  |  | 258 |  |  |  | 693 |  |  |  | 269 |  |  |  | 276 |  |  |  | 276 |  |  |  | 277 |  |  |  | 1,098 |  |
| Pool |  |  | 1 |  |  |  | 2 |  |  |  | 1 |  |  |  | 4 |  |  |  | 2 |  |  |  | 1 |  |  |  | 2 |  |  |  | 2 |  |  |  | 7 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Total Paid Claims** |  | $ | 226 |  |  | $ | 212 |  |  | $ | 259 |  |  | $ | 697 |  |  | $ | 271 |  |  | $ | 277 |  |  | $ | 278 |  |  | $ | 279 |  |  | $ | 1,105 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **Average Paid Claim (in thousands)** |  | $ | 45.3 |  |  | $ | 45.0 |  |  | $ | 44.2 |  |  |  |  |  |  | $ | 43.7 |  |  | $ | 41.1 |  |  | $ | 38.3 |  |  | $ | 43.6 |  |  |  |  |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **Average Direct Paid Claim (in thousands)**(2) |  | $ | 43.5 |  |  | $ | 42.3 |  |  | $ | 43.5 |  |  |  |  |  |  | $ | 43.2 |  |  | $ | 41.7 |  |  | $ | 42.5 |  |  | $ | 42.7 |  |  |  |  |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **Average Reserve Per Delinquency (in thousands)** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Flow |  | $ | 29.6 |  |  | $ | 30.0 |  |  | $ | 29.8 |  |  |  |  |  |  | $ | 29.7 |  |  | $ | 30.0 |  |  | $ | 30.6 |  |  | $ | 30.6 |  |  |  |  |  |
| Bulk loans with established reserve |  |  | 20.0 |  |  |  | 20.8 |  |  |  | 21.9 |  |  |  |  |  |  |  | 25.1 |  |  |  | 24.3 |  |  |  | 25.0 |  |  |  | 24.1 |  |  |  |  |  |
| Bulk loans with no reserve(3) |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **Reserves:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Flow direct case |  | $ | 1,377 |  |  | $ | 1,471 |  |  | $ | 1,566 |  |  |  |  |  |  | $ | 1,728 |  |  | $ | 1,835 |  |  | $ | 1,954 |  |  | $ | 2,087 |  |  |  |  |  |
| Bulk direct case |  |  | 28 |  |  |  | 29 |  |  |  | 33 |  |  |  |  |  |  |  | 33 |  |  |  | 33 |  |  |  | 32 |  |  |  | 34 |  |  |  |  |  |
| Assumed(1) |  |  | 39 |  |  |  | 51 |  |  |  | 57 |  |  |  |  |  |  |  | 65 |  |  |  | 50 |  |  |  | 53 |  |  |  | 60 |  |  |  |  |  |
| All other(4) |  |  | 143 |  |  |  | 145 |  |  |  | 164 |  |  |  |  |  |  |  | 183 |  |  |  | 196 |  |  |  | 195 |  |  |  | 200 |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Total Reserves** |  | $ | 1,587 |  |  | $ | 1,696 |  |  | $ | 1,820 |  |  |  |  |  |  | $ | 2,009 |  |  | $ | 2,114 |  |  | $ | 2,234 |  |  | $ | 2,381 |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **Beginning Reserves** |  | $ | 1,696 |  |  | $ | 1,820 |  |  | $ | 2,009 |  |  | $ | 2,009 |  |  | $ | 2,114 |  |  | $ | 2,234 |  |  | $ | 2,381 |  |  | $ | 2,488 |  |  | $ | 2,488 |  |
| Paid claims |  |  | (235 | ) |  |  | (223 | ) |  |  | (276 | ) |  |  | (734 | ) |  |  | (290 | ) |  |  | (302 | ) |  |  | (333 | ) |  |  | (318 | ) |  |  | (1,243 | ) |
| Increase in reserves |  |  | 126 |  |  |  | 99 |  |  |  | 87 |  |  |  | 312 |  |  |  | 185 |  |  |  | 182 |  |  |  | 186 |  |  |  | 211 |  |  |  | 764 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Ending Reserves** |  | $ | 1,587 |  |  | $ | 1,696 |  |  | $ | 1,820 |  |  | $ | 1,587 |  |  | $ | 2,009 |  |  | $ | 2,114 |  |  | $ | 2,234 |  |  | $ | 2,381 |  |  | $ | 2,009 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **Beginning Reinsurance Recoverable**(5) |  | $ | 56 |  |  | $ | 66 |  |  | $ | 80 |  |  | $ | 80 |  |  | $ | 94 |  |  | $ | 111 |  |  | $ | 153 |  |  | $ | 178 |  |  | $ | 178 |  |
| Ceded paid claims |  |  | (9 | ) |  |  | (11 | ) |  |  | (17 | ) |  |  | (37 | ) |  |  | (19 | ) |  |  | (25 | ) |  |  | (55 | ) |  |  | (39 | ) |  |  | (138 | ) |
| Increase in recoverable |  |  | 3 |  |  |  | 1 |  |  |  | 3 |  |  |  | 7 |  |  |  | 5 |  |  |  | 8 |  |  |  | 13 |  |  |  | 14 |  |  |  | 40 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Ending Reinsurance Recoverable** |  | $ | 50 |  |  | $ | 56 |  |  | $ | 66 |  |  | $ | 50 |  |  | $ | 80 |  |  | $ | 94 |  |  | $ | 111 |  |  | $ | 153 |  |  | $ | 80 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Loss Ratio**(6) |  |  | 90 | % |  |  | 70 | % |  |  | 62 | % |  |  | 74 | % |  |  | 130 | % |  |  | 127 | % |  |  | 127 | % |  |  | 146 | % |  |  | 132 | % |

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) | Average direct paid claim excludes loss adjustment expenses, the impact of reinsurance and a negotiated servicer settlement. |

|  |  |
| --- | --- |
| (3) | Reserves were not established on loans where the company was in a secondary loss position due to an existing deductible and the company believes currently have no risk for claim. |

|  |  |
| --- | --- |
| (4) | Other includes loss adjustment expenses, pool and incurred but not reported reserves. |

|  |  |
| --- | --- |
| (5) | Reinsurance recoverable excludes ceded unearned premium recoveries and amounts for which cash proceeds have not yet been received. |

|  |  |
| --- | --- |
| (6) | The ratio of incurred losses to net earned premiums. Excluding the lender portfolio settlement in the first quarter of 2012, the loss ratio was 139% for the three months ended March 31, 2012, 133% for the six months ended June 30, 2012, 131% for the nine months ended September 30, 2012 and 131% for the twelve months ended December 31, 2012. |

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Delinquency MetricsU.S. Mortgage Insurance Segment**

**(dollar amounts in millions)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | **2013** | | | | | | | | | | | | | |  |  | **2012** | | | | | | | | | | | | | | | | | |  |
|  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |  | **4Q** | |  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |
| **Number of Primary Delinquencies** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Flow |  |  | 52,509 |  |  |  | 55,413 |  |  |  | 59,789 |  |  |  |  |  |  |  | 66,340 |  |  |  | 69,174 |  |  |  | 71,878 |  |  |  | 76,478 |  |  |  |  |  |
| Bulk loans with an established reserve |  |  | 1,509 |  |  |  | 1,526 |  |  |  | 1,603 |  |  |  |  |  |  |  | 1,415 |  |  |  | 1,441 |  |  |  | 1,381 |  |  |  | 1,522 |  |  |  |  |  |
| Bulk loans with no reserve(1) |  |  | 726 |  |  |  | 1,260 |  |  |  | 1,412 |  |  |  |  |  |  |  | 1,484 |  |  |  | 1,512 |  |  |  | 1,424 |  |  |  | 1,474 |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total Number of Primary Delinquencies |  |  | 54,744 |  |  |  | 58,199 |  |  |  | 62,804 |  |  |  |  |  |  |  | 69,239 |  |  |  | 72,127 |  |  |  | 74,683 |  |  |  | 79,474 |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **Beginning Number of Primary Delinquencies** |  |  | 58,199 |  |  |  | 62,804 |  |  |  | 69,239 |  |  |  | 69,239 |  |  |  | 72,127 |  |  |  | 74,683 |  |  |  | 79,474 |  |  |  | 87,007 |  |  |  | 87,007 |  |
| New delinquencies |  |  | 14,105 |  |  |  | 13,192 |  |  |  | 15,060 |  |  |  | 42,357 |  |  |  | 16,871 |  |  |  | 17,733 |  |  |  | 16,703 |  |  |  | 18,217 |  |  |  | 69,524 |  |
| Delinquency cures |  |  | (12,603 | ) |  |  | (13,127 | ) |  |  | (15,677 | ) |  |  | (41,407 | ) |  |  | (13,592 | ) |  |  | (13,598 | ) |  |  | (14,251 | ) |  |  | (19,388 | ) |  |  | (60,829 | ) |
| Paid claims |  |  | (4,957 | ) |  |  | (4,670 | ) |  |  | (5,818 | ) |  |  | (15,445 | ) |  |  | (6,167 | ) |  |  | (6,691 | ) |  |  | (7,243 | ) |  |  | (6,362 | ) |  |  | (26,463 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Ending Number of Primary Delinquencies** |  |  | 54,744 |  |  |  | 58,199 |  |  |  | 62,804 |  |  |  | 54,744 |  |  |  | 69,239 |  |  |  | 72,127 |  |  |  | 74,683 |  |  |  | 79,474 |  |  |  | 69,239 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Composition of Cures** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Reported delinquent and cured-intraquarter |  |  | 2,488 |  |  |  | 2,447 |  |  |  | 3,519 |  |  |  |  |  |  |  | 2,557 |  |  |  | 2,882 |  |  |  | 2,354 |  |  |  | 3,582 |  |  |  |  |  |
| Number of missed payments delinquent prior to cure: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 3 payments or less |  |  | 6,291 |  |  |  | 6,748 |  |  |  | 8,125 |  |  |  |  |  |  |  | 7,120 |  |  |  | 6,289 |  |  |  | 7,399 |  |  |  | 10,154 |  |  |  |  |  |
| 4 - 11 payments |  |  | 2,387 |  |  |  | 2,737 |  |  |  | 2,856 |  |  |  |  |  |  |  | 2,516 |  |  |  | 2,965 |  |  |  | 3,371 |  |  |  | 3,569 |  |  |  |  |  |
| 12 payments or more |  |  | 1,437 |  |  |  | 1,195 |  |  |  | 1,177 |  |  |  |  |  |  |  | 1,399 |  |  |  | 1,462 |  |  |  | 1,127 |  |  |  | 2,083 |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Total** |  |  | 12,603 |  |  |  | 13,127 |  |  |  | 15,677 |  |  |  |  |  |  |  | 13,592 |  |  |  | 13,598 |  |  |  | 14,251 |  |  |  | 19,388 |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Primary Delinquencies by Missed Payment Status** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 3 payments or less |  |  | 14,078 |  |  |  | 13,871 |  |  |  | 14,674 |  |  |  |  |  |  |  | 17,563 |  |  |  | 17,684 |  |  |  | 16,708 |  |  |  | 17,260 |  |  |  |  |  |
| 4 - 11 payments |  |  | 13,134 |  |  |  | 14,503 |  |  |  | 16,804 |  |  |  |  |  |  |  | 18,155 |  |  |  | 18,713 |  |  |  | 20,830 |  |  |  | 24,137 |  |  |  |  |  |
| 12 payments or more |  |  | 27,532 |  |  |  | 29,825 |  |  |  | 31,326 |  |  |  |  |  |  |  | 33,521 |  |  |  | 35,730 |  |  |  | 37,145 |  |  |  | 38,077 |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Primary Delinquencies** |  |  | 54,744 |  |  |  | 58,199 |  |  |  | 62,804 |  |  |  |  |  |  |  | 69,239 |  |  |  | 72,127 |  |  |  | 74,683 |  |  |  | 79,474 |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | | | | | | | | | | | | | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
|  |  | **September 30, 2013** | | | | | | | | | | | | | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |
| **Flow Delinquencies and Percentage**  **Reserved by Payment Status** |  | **Delinquencies** | |  |  | **Direct Case Reserves**(2) | |  |  | **Risk In-Force** | |  |  | **Reserves as % of** **Risk In-Force** | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |
| 3 payments or less in default |  |  | 13,527 |  |  | $ | 122 |  |  | $ | 521 |  |  |  | 23 | % |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 4 - 11 payments in default |  |  | 12,543 |  |  |  | 332 |  |  |  | 528 |  |  |  | 63 | % |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 12 payments or more in default |  |  | 26,439 |  |  |  | 923 |  |  |  | 1,288 |  |  |  | 72 | % |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Total** |  |  | 52,509 |  |  | $ | 1,377 |  |  | $ | 2,337 |  |  |  | 59 | % |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | | | | | | | | | | | | | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
|  |  | **December 31, 2012** | | | | | | | | | | | | | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |
| **Flow Delinquencies and Percentage**  **Reserved by Payment Status** |  | **Delinquencies** | |  |  | **Direct Case Reserves**(2) | |  |  | **Risk In-Force** | |  |  | **Reserves as % of Risk  In-Force** | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |
| 3 payments or less in default |  |  | 16,977 |  |  | $ | 150 |  |  | $ | 668 |  |  |  | 22 | % |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 4 - 11 payments in default |  |  | 17,398 |  |  |  | 441 |  |  |  | 749 |  |  |  | 59 | % |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 12 payments or more in default |  |  | 31,965 |  |  |  | 1,137 |  |  |  | 1,562 |  |  |  | 73 | % |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Total** |  |  | 66,340 |  |  | $ | 1,728 |  |  | $ | 2,979 |  |  |  | 58 | % |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

|  |  |
| --- | --- |
| (1) | Reserves were not established on loans where the company was in a secondary loss position due to an existing deductible and the company believes currently have no risk for claim. |

|  |  |
| --- | --- |
| (2) | Direct flow case reserves exclude loss adjustment expenses, incurred but not reported and reinsurance reserves. |

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

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

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | **2013** | | | | | | | | | |  |  | **2012** | | | | | | | | | | | | | |  |
|  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **4Q** | |  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |
| **Risk In-Force by Credit Quality**(1) |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Primary by FICO Scores >679 |  |  | 79 | % |  |  | 78 | % |  |  | 76 | % |  |  | 75 | % |  |  | 74 | % |  |  | 73 | % |  |  | 72 | % |
| Primary by FICO Scores 620-679 |  |  | 17 | % |  |  | 18 | % |  |  | 19 | % |  |  | 20 | % |  |  | 21 | % |  |  | 22 | % |  |  | 23 | % |
| Primary by FICO Scores 575-619 |  |  | 3 | % |  |  | 3 | % |  |  | 4 | % |  |  | 4 | % |  |  | 4 | % |  |  | 4 | % |  |  | 4 | % |
| Primary by FICO Scores <575 |  |  | 1 | % |  |  | 1 | % |  |  | 1 | % |  |  | 1 | % |  |  | 1 | % |  |  | 1 | % |  |  | 1 | % |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| Flow by FICO Scores >679 |  |  | 79 | % |  |  | 77 | % |  |  | 76 | % |  |  | 75 | % |  |  | 74 | % |  |  | 73 | % |  |  | 72 | % |
| Flow by FICO Scores 620-679 |  |  | 17 | % |  |  | 19 | % |  |  | 19 | % |  |  | 20 | % |  |  | 21 | % |  |  | 22 | % |  |  | 23 | % |
| Flow by FICO Scores 575-619 |  |  | 3 | % |  |  | 3 | % |  |  | 4 | % |  |  | 4 | % |  |  | 4 | % |  |  | 4 | % |  |  | 4 | % |
| Flow by FICO Scores <575 |  |  | 1 | % |  |  | 1 | % |  |  | 1 | % |  |  | 1 | % |  |  | 1 | % |  |  | 1 | % |  |  | 1 | % |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| Bulk by FICO Scores >679 |  |  | 89 | % |  |  | 89 | % |  |  | 89 | % |  |  | 89 | % |  |  | 89 | % |  |  | 89 | % |  |  | 89 | % |
| Bulk by FICO Scores 620-679 |  |  | 9 | % |  |  | 9 | % |  |  | 9 | % |  |  | 9 | % |  |  | 9 | % |  |  | 9 | % |  |  | 9 | % |
| Bulk by FICO Scores 575-619 |  |  | 1 | % |  |  | 1 | % |  |  | 1 | % |  |  | 1 | % |  |  | 1 | % |  |  | 1 | % |  |  | 1 | % |
| Bulk by FICO Scores <575 |  |  | 1 | % |  |  | 1 | % |  |  | 1 | % |  |  | 1 | % |  |  | 1 | % |  |  | 1 | % |  |  | 1 | % |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| Primary A minus |  |  | 3 | % |  |  | 3 | % |  |  | 4 | % |  |  | 4 | % |  |  | 4 | % |  |  | 4 | % |  |  | 4 | % |
| Primary sub-prime(2) |  |  | 2 | % |  |  | 3 | % |  |  | 3 | % |  |  | 3 | % |  |  | 3 | % |  |  | 3 | % |  |  | 3 | % |
| **Primary Loans** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Primary loans in-force |  |  | 627,536 |  |  |  | 633,685 |  |  |  | 649,570 |  |  |  | 658,527 |  |  |  | 669,618 |  |  |  | 679,817 |  |  |  | 693,807 |  |
| Primary delinquent loans |  |  | 54,744 |  |  |  | 58,199 |  |  |  | 62,804 |  |  |  | 69,239 |  |  |  | 72,127 |  |  |  | 74,683 |  |  |  | 79,474 |  |
| Primary delinquency rate |  |  | 8.72 | % |  |  | 9.18 | % |  |  | 9.67 | % |  |  | 10.51 | % |  |  | 10.77 | % |  |  | 10.99 | % |  |  | 11.45 | % |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| Flow loans in-force |  |  | 589,703 |  |  |  | 590,949 |  |  |  | 590,051 |  |  |  | 595,348 |  |  |  | 601,851 |  |  |  | 607,133 |  |  |  | 616,623 |  |
| Flow delinquent loans |  |  | 52,509 |  |  |  | 55,413 |  |  |  | 59,789 |  |  |  | 66,340 |  |  |  | 69,174 |  |  |  | 71,878 |  |  |  | 76,478 |  |
| Flow delinquency rate |  |  | 8.90 | % |  |  | 9.38 | % |  |  | 10.13 | % |  |  | 11.14 | % |  |  | 11.49 | % |  |  | 11.84 | % |  |  | 12.40 | % |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| Bulk loans in-force |  |  | 37,833 |  |  |  | 42,736 |  |  |  | 59,519 |  |  |  | 63,179 |  |  |  | 67,767 |  |  |  | 72,684 |  |  |  | 77,184 |  |
| Bulk delinquent loans |  |  | 2,235 |  |  |  | 2,786 |  |  |  | 3,015 |  |  |  | 2,899 |  |  |  | 2,953 |  |  |  | 2,805 |  |  |  | 2,996 |  |
| Bulk delinquency rate |  |  | 5.91 | % |  |  | 6.52 | % |  |  | 5.07 | % |  |  | 4.59 | % |  |  | 4.36 | % |  |  | 3.86 | % |  |  | 3.88 | % |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| A minus and sub-prime loans in-force |  |  | 41,081 |  |  |  | 42,993 |  |  |  | 44,873 |  |  |  | 46,631 |  |  |  | 48,696 |  |  |  | 50,676 |  |  |  | 52,625 |  |
| A minus and sub-prime delinquent loans |  |  | 10,548 |  |  |  | 10,803 |  |  |  | 11,484 |  |  |  | 12,817 |  |  |  | 13,149 |  |  |  | 13,534 |  |  |  | 14,258 |  |
| A minus and sub-prime delinquency rate |  |  | 25.68 | % |  |  | 25.13 | % |  |  | 25.59 | % |  |  | 27.49 | % |  |  | 27.00 | % |  |  | 26.71 | % |  |  | 27.09 | % |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **Pool Loans** |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |  |  | |  |
| Pool loans in-force |  |  | 11,657 |  |  |  | 12,063 |  |  |  | 12,558 |  |  |  | 12,949 |  |  |  | 13,237 |  |  |  | 13,562 |  |  |  | 13,942 |  |
| Pool delinquent loans |  |  | 670 |  |  |  | 634 |  |  |  | 674 |  |  |  | 721 |  |  |  | 670 |  |  |  | 679 |  |  |  | 695 |  |
| Pool delinquency rate |  |  | 5.75 | % |  |  | 5.26 | % |  |  | 5.37 | % |  |  | 5.57 | % |  |  | 5.06 | % |  |  | 5.01 | % |  |  | 4.98 | % |

|  |  |
| --- | --- |
| (1) | Loans with unknown FICO scores are included in the 620-679 category. |

|  |  |
| --- | --- |
| (2) | Excludes loans classified as A minus. |

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

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

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | **September 30, 2013** | | | | | | | | | |  |  | **June 30, 2013** | | | | | | | | | |  |  | **September 30, 2012** | | | | | | | | | |  |
|  |  | **% of Total Reserves**(1) | |  |  | **% of Primary Risk In-Force** | |  |  | **Primary Delinquency Rate** | |  |  | **% of Total Reserves**(1) | |  |  | **% of Primary Risk In-Force** | |  |  | **Primary Delinquency Rate** | |  |  | **% of Total Reserves**(1) | |  |  | **% of Primary Risk In-Force** | |  |  | **Primary Delinquency Rate** | |  |
| **By Region** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Southeast(2) |  |  | 33 | % |  |  | 20 | % |  |  | 11.87 | % |  |  | 34 | % |  |  | 21 | % |  |  | 12.69 | % |  |  | 35 | % |  |  | 22 | % |  |  | 15.14 | % |
| South Central(3) |  |  | 8 |  |  |  | 16 |  |  |  | 6.03 | % |  |  | 9 |  |  |  | 16 |  |  |  | 6.29 | % |  |  | 9 |  |  |  | 16 |  |  |  | 8.10 | % |
| Northeast(4) |  |  | 19 |  |  |  | 15 |  |  |  | 12.52 | % |  |  | 17 |  |  |  | 15 |  |  |  | 12.50 | % |  |  | 15 |  |  |  | 15 |  |  |  | 12.91 | % |
| Pacific(5) |  |  | 11 |  |  |  | 12 |  |  |  | 7.11 | % |  |  | 12 |  |  |  | 12 |  |  |  | 7.96 | % |  |  | 12 |  |  |  | 11 |  |  |  | 10.41 | % |
| North Central(6) |  |  | 11 |  |  |  | 11 |  |  |  | 8.00 | % |  |  | 11 |  |  |  | 11 |  |  |  | 8.62 | % |  |  | 12 |  |  |  | 12 |  |  |  | 10.27 | % |
| Great Lakes(7) |  |  | 6 |  |  |  | 10 |  |  |  | 6.46 | % |  |  | 6 |  |  |  | 9 |  |  |  | 6.78 | % |  |  | 6 |  |  |  | 9 |  |  |  | 7.96 | % |
| New England(8) |  |  | 4 |  |  |  | 6 |  |  |  | 8.19 | % |  |  | 4 |  |  |  | 6 |  |  |  | 8.57 | % |  |  | 4 |  |  |  | 5 |  |  |  | 9.77 | % |
| Mid-Atlantic(9) |  |  | 5 |  |  |  | 5 |  |  |  | 8.47 | % |  |  | 4 |  |  |  | 5 |  |  |  | 8.85 | % |  |  | 4 |  |  |  | 5 |  |  |  | 9.95 | % |
| Plains(10) |  |  | 3 |  |  |  | 5 |  |  |  | 5.70 | % |  |  | 3 |  |  |  | 5 |  |  |  | 5.93 | % |  |  | 3 |  |  |  | 5 |  |  |  | 6.64 | % |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total |  |  | 100 | % |  |  | 100 | % |  |  | 8.72 | % |  |  | 100 | % |  |  | 100 | % |  |  | 9.18 | % |  |  | 100 | % |  |  | 100 | % |  |  | 10.77 | % |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **By State** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| California |  |  | 4 | % |  |  | 7 | % |  |  | 4.72 | % |  |  | 5 | % |  |  | 7 | % |  |  | 5.39 | % |  |  | 5 | % |  |  | 6 | % |  |  | 8.04 | % |
| Texas |  |  | 3 | % |  |  | 7 | % |  |  | 5.68 | % |  |  | 3 | % |  |  | 7 | % |  |  | 5.74 | % |  |  | 3 | % |  |  | 7 | % |  |  | 6.91 | % |
| New York |  |  | 8 | % |  |  | 7 | % |  |  | 11.81 | % |  |  | 8 | % |  |  | 7 | % |  |  | 11.58 | % |  |  | 6 | % |  |  | 7 | % |  |  | 11.27 | % |
| Florida |  |  | 22 | % |  |  | 6 | % |  |  | 21.13 | % |  |  | 23 | % |  |  | 7 | % |  |  | 23.12 | % |  |  | 25 | % |  |  | 7 | % |  |  | 27.06 | % |
| Illinois |  |  | 7 | % |  |  | 5 | % |  |  | 10.81 | % |  |  | 8 | % |  |  | 5 | % |  |  | 11.95 | % |  |  | 8 | % |  |  | 5 | % |  |  | 14.84 | % |
| New Jersey |  |  | 8 | % |  |  | 4 | % |  |  | 17.66 | % |  |  | 7 | % |  |  | 4 | % |  |  | 18.05 | % |  |  | 6 | % |  |  | 4 | % |  |  | 18.98 | % |
| Pennsylvania |  |  | 3 | % |  |  | 4 | % |  |  | 9.91 | % |  |  | 3 | % |  |  | 4 | % |  |  | 9.94 | % |  |  | 3 | % |  |  | 4 | % |  |  | 11.15 | % |
| Georgia |  |  | 3 | % |  |  | 4 | % |  |  | 9.24 | % |  |  | 3 | % |  |  | 4 | % |  |  | 9.73 | % |  |  | 3 | % |  |  | 4 | % |  |  | 12.34 | % |
| North Carolina |  |  | 3 | % |  |  | 4 | % |  |  | 8.06 | % |  |  | 3 | % |  |  | 4 | % |  |  | 8.47 | % |  |  | 3 | % |  |  | 4 | % |  |  | 10.26 | % |
| Ohio |  |  | 2 | % |  |  | 4 | % |  |  | 7.09 | % |  |  | 2 | % |  |  | 3 | % |  |  | 7.29 | % |  |  | 2 | % |  |  | 3 | % |  |  | 8.14 | % |

|  |  |
| --- | --- |
| (1) | Total reserves were $1,587 million, $1,696 million and $2,114 million as of September 30, 2013, June 30, 2013 and September 30, 2012, respectively. |

|  |  |
| --- | --- |
| (2) | Alabama, Arkansas, Florida, Georgia, Mississippi, North Carolina, South Carolina and Tennessee. |

|  |  |
| --- | --- |
| (3) | Arizona, Colorado, Louisiana, New Mexico, Oklahoma, Texas and Utah. |

|  |  |
| --- | --- |
| (4) | New Jersey, New York and Pennsylvania. |

|  |  |
| --- | --- |
| (5) | Alaska, California, Hawaii, Nevada, Oregon and Washington. |

|  |  |
| --- | --- |
| (6) | Illinois, Minnesota, Missouri and Wisconsin. |

|  |  |
| --- | --- |
| (7) | Indiana, Kentucky, Michigan and Ohio. |

|  |  |
| --- | --- |
| (8) | Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island and Vermont. |

|  |  |
| --- | --- |
| (9) | Delaware, Maryland, Virginia, Washington D.C. and West Virginia. |

|  |  |
| --- | --- |
| (10) | Idaho, Iowa, Kansas, Montana, Nebraska, North Dakota, South Dakota and Wyoming. |

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

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

**(amounts in millions)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | **September 30, 2013** | | | | | |  |  | **June 30, 2013** | | | | | |  |  | **September 30, 2012** | | | | | |  |
|  |  | **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) |  | $ | 26,650 |  |  |  | 8.72 | % |  | $ | 26,420 |  |  |  | 9.18 | % |  | $ | 26,356 |  |  |  | 10.77 | % |
| Top 10 lenders |  |  | 12,736 |  |  |  | 9.87 | % |  |  | 12,806 |  |  |  | 10.66 | % |  |  | 12,950 |  |  |  | 13.07 | % |
| Top 20 lenders |  |  | 14,524 |  |  |  | 9.84 | % |  |  | 14,555 |  |  |  | 10.27 | % |  |  | 14,692 |  |  |  | 12.67 | % |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| Loan-to-value ratio |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 95.01% and above |  | $ | 7,444 |  |  |  | 10.75 | % |  | $ | 7,480 |  |  |  | 10.93 | % |  | $ | 7,136 |  |  |  | 13.75 | % |
| 90.01% to 95.00% |  |  | 9,747 |  |  |  | 8.00 | % |  |  | 9,469 |  |  |  | 8.55 | % |  |  | 9,318 |  |  |  | 10.28 | % |
| 80.01% to 90.00% |  |  | 9,052 |  |  |  | 8.53 | % |  |  | 9,058 |  |  |  | 9.09 | % |  |  | 9,459 |  |  |  | 10.84 | % |
| 80.00% and below |  |  | 407 |  |  |  | 3.66 | % |  |  | 413 |  |  |  | 4.61 | % |  |  | 443 |  |  |  | 3.29 | % |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total |  | $ | 26,650 |  |  |  | 8.72 | % |  | $ | 26,420 |  |  |  | 9.18 | % |  | $ | 26,356 |  |  |  | 10.77 | % |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Loan grade |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Prime |  | $ | 25,135 |  |  |  | 7.54 | % |  | $ | 24,840 |  |  |  | 8.02 | % |  | $ | 24,603 | (1) |  |  | 9.50 | %(1) |
| A minus and sub-prime |  |  | 1,515 |  |  |  | 25.68 | % |  |  | 1,580 |  |  |  | 25.13 | % |  |  | 1,753 | (1) |  |  | 27.00 | %(1) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total |  | $ | 26,650 |  |  |  | 8.72 | % |  | $ | 26,420 |  |  |  | 9.18 | % |  | $ | 26,356 | (1) |  |  | 10.77 | %(1) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Loan type(2) |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| First mortgages |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Fixed rate mortgage |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Flow |  | $ | 25,843 |  |  |  | 8.68 | % |  | $ | 25,583 |  |  |  | 9.14 | % |  | $ | 25,403 |  |  |  | 11.24 | % |
| Bulk |  |  | 440 |  |  |  | 5.64 | % |  |  | 446 |  |  |  | 6.30 | % |  |  | 488 |  |  |  | 4.19 | % |
| Adjustable rate mortgage |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Flow |  |  | 351 |  |  |  | 28.82 | % |  |  | 374 |  |  |  | 28.96 | % |  |  | 446 |  |  |  | 29.50 | % |
| Bulk |  |  | 16 |  |  |  | 14.24 | % |  |  | 17 |  |  |  | 13.93 | % |  |  | 19 |  |  |  | 12.17 | % |
| Second mortgages |  |  |  |  |  |  |  | % |  |  |  |  |  |  |  | % |  |  |  |  |  |  |  | % |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total |  | $ | 26,650 |  |  |  | 8.72 | % |  | $ | 26,420 |  |  |  | 9.18 | % |  | $ | 26,356 |  |  |  | 10.77 | % |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Type of documentation |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Alt-A |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Flow |  | $ | 501 |  |  |  | 31.50 | % |  | $ | 532 |  |  |  | 32.16 | % |  | $ | 631 |  |  |  | 33.97 | % |
| Bulk |  |  | 30 |  |  |  | 12.61 | % |  |  | 31 |  |  |  | 16.77 | % |  |  | 36 |  |  |  | 5.89 | % |
| Standard(3) |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Flow |  |  | 25,693 |  |  |  | 8.51 | % |  |  | 25,425 |  |  |  | 8.96 | % |  |  | 25,218 |  |  |  | 11.01 | % |
| Bulk |  |  | 426 |  |  |  | 5.48 | % |  |  | 432 |  |  |  | 5.86 | % |  |  | 471 |  |  |  | 4.15 | % |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total |  | $ | 26,650 |  |  |  | 8.72 | % |  | $ | 26,420 |  |  |  | 9.18 | % |  | $ | 26,356 |  |  |  | 10.77 | % |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Mortgage term |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 15 years and under |  | $ | 1,077 |  |  |  | 0.91 | % |  | $ | 992 |  |  |  | 1.16 | % |  | $ | 724 |  |  |  | 1.41 | % |
| More than 15 years |  |  | 25,573 |  |  |  | 9.30 | % |  |  | 25,428 |  |  |  | 9.74 | % |  |  | 25,632 |  |  |  | 11.39 | % |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total |  | $ | 26,650 |  |  |  | 8.72 | % |  | $ | 26,420 |  |  |  | 9.18 | % |  | $ | 26,356 |  |  |  | 10.77 | % |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

|  |  |
| --- | --- |
| (1) | In fourth quarter 2012, all FICO score classifications were conformed to be based upon FICO scores at loan closing. Previously, certain classifications were based upon FICO scores at a point in time post-loan closing. The prior period was re-presented to conform to this modified classification. |

|  |  |
| --- | --- |
| (2) | For loan type in this table, any loan with an interest rate that is fixed for an initial term of five years or more is categorized as a fixed rate mortgage. |

|  |  |
| --- | --- |
| (3) | Standard includes loans with reduced or different documentation requirements that meet specifications of GSE or other lender proprietary approved underwriting systems, and other reduced documentation programs, with historical and expected delinquency rates at origination consistent with historical and expected delinquency rates of the companys standard portfolio. |

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

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

**(dollar amounts in millions)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | **September 30, 2013** | | | | | | | | | | | | | | | | | | | | | | | | | |  |
| **Policy Year** |  | **Average Rate**(1) | |  |  | **% of Total Reserves**(2) | |  |  | **Primary Insurance In-Force** | |  |  | **% of Total** | |  |  | **Primary Risk In-Force** | |  |  | **% of Total** | |  |  | **Delinquency Rate** | |  |
| 2002 and prior |  |  | 7.30 | % |  |  | 3.5 | % |  | $ | 2,223 |  |  |  | 2.0 | % |  | $ | 590 |  |  |  | 2.2 | % |  |  | 18.02 | % |
| 2003 |  |  | 5.68 | % |  |  | 3.7 |  |  |  | 3,385 |  |  |  | 3.1 |  |  |  | 718 |  |  |  | 2.7 |  |  |  | 11.91 | % |
| 2004 |  |  | 5.77 | % |  |  | 4.7 |  |  |  | 3,212 |  |  |  | 3.0 |  |  |  | 757 |  |  |  | 2.8 |  |  |  | 12.95 | % |
| 2005 |  |  | 5.76 | % |  |  | 12.6 |  |  |  | 6,154 |  |  |  | 5.7 |  |  |  | 1,620 |  |  |  | 6.1 |  |  |  | 15.52 | % |
| 2006 |  |  | 6.06 | % |  |  | 18.1 |  |  |  | 8,846 |  |  |  | 8.1 |  |  |  | 2,231 |  |  |  | 8.4 |  |  |  | 16.36 | % |
| 2007 |  |  | 6.01 | % |  |  | 37.6 |  |  |  | 20,342 |  |  |  | 18.7 |  |  |  | 5,139 |  |  |  | 19.3 |  |  |  | 15.60 | % |
| 2008 |  |  | 5.52 | % |  |  | 18.4 |  |  |  | 18,487 |  |  |  | 17.0 |  |  |  | 4,648 |  |  |  | 17.4 |  |  |  | 8.36 | % |
| 2009 |  |  | 5.00 | % |  |  | 0.6 |  |  |  | 3,622 |  |  |  | 3.3 |  |  |  | 784 |  |  |  | 3.0 |  |  |  | 1.68 | % |
| 2010 |  |  | 4.68 | % |  |  | 0.4 |  |  |  | 4,732 |  |  |  | 4.3 |  |  |  | 1,083 |  |  |  | 4.1 |  |  |  | 0.99 | % |
| 2011 |  |  | 4.46 | % |  |  | 0.3 |  |  |  | 6,338 |  |  |  | 5.8 |  |  |  | 1,527 |  |  |  | 5.7 |  |  |  | 0.64 | % |
| 2012 |  |  | 3.75 | % |  |  | 0.1 |  |  |  | 14,478 |  |  |  | 13.3 |  |  |  | 3,465 |  |  |  | 13.0 |  |  |  | 0.17 | % |
| 2013 |  |  | 3.79 | % |  |  |  |  |  |  | 17,159 |  |  |  | 15.7 |  |  |  | 4,088 |  |  |  | 15.3 |  |  |  | 0.03 | % |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total |  |  | 5.24 | % |  |  | 100.0 | % |  | $ | 108,978 |  |  |  | 100.0 | % |  | $ | 26,650 |  |  |  | 100.0 | % |  |  | 8.72 | % |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | | | | | | | |  | | | | | | | |  | | | |  | | | |  | | | |
|  |  | **September 30, 2013** | | | | | |  |  | **June 30, 2013** | | | | | |  |  |  | |  |  |  | |  |  |  | |  |
| **Occupancy and Property Type** |  | **% of Primary Risk In-Force** | |  |  | **Delinquency Rate** | |  |  | **% of Primary Risk In-Force** | |  |  | **Delinquency Rate** | |  |  |  | |  |  |  | |  |  |  | |  |
| Occupancy Status |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Primary residence |  |  | 94.4 | % |  |  | 8.67 | % |  |  | 94.2 | % |  |  | 9.13 | % |  |  |  |  |  |  |  |  |  |  |  |  |
| Second home |  |  | 3.0 |  |  |  | 9.18 | % |  |  | 3.2 |  |  |  | 9.72 | % |  |  |  |  |  |  |  |  |  |  |  |  |
| Non-owner occupied |  |  | 2.6 |  |  |  | 9.64 | % |  |  | 2.6 |  |  |  | 10.07 | % |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total |  |  | 100.0 | % |  |  | 8.72 | % |  |  | 100.0 | % |  |  | 9.18 | % |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Property Type |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Single family detached |  |  | 87.8 | % |  |  | 8.39 | % |  |  | 87.4 | % |  |  | 8.82 | % |  |  |  |  |  |  |  |  |  |  |  |  |
| Condominium and co-operative |  |  | 10.4 |  |  |  | 10.22 | % |  |  | 10.7 |  |  |  | 10.90 | % |  |  |  |  |  |  |  |  |  |  |  |  |
| Multi-family and other |  |  | 1.8 |  |  |  | 15.83 | % |  |  | 1.9 |  |  |  | 15.83 | % |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total |  |  | 100.0 | % |  |  | 8.72 | % |  |  | 100.0 | % |  |  | 9.18 | % |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

|  |  |
| --- | --- |
| (1) | Average Annual Mortgage Interest Rate. |

|  |  |
| --- | --- |
| (2) | Total reserves were $1,587 million as of September 30, 2013. |

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**Corporate and Other Division**

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Net Operating LossCorporate and Other Division**

**(amounts in millions)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | **2013** | | | | | | | | | | | | | |  |  | **2012** | | | | | | | | | | | | | | | | | |  |
|  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |  | **4Q** | |  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |
| **REVENUES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Premiums |  | $ | 160 |  |  | $ | 156 |  |  | $ | 166 |  |  | $ | 482 |  |  | $ | 166 |  |  | $ | 165 |  |  | $ | 176 |  |  | $ | 180 |  |  | $ | 687 |  |
| Net investment income |  |  | 53 |  |  |  | 68 |  |  |  | 69 |  |  |  | 190 |  |  |  | 75 |  |  |  | 69 |  |  |  | 88 |  |  |  | 74 |  |  |  | 306 |  |
| Net investment gains (losses) |  |  | (24 | ) |  |  | (9 | ) |  |  | (52 | ) |  |  | (85 | ) |  |  | (6 | ) |  |  | 2 |  |  |  | (23 | ) |  |  | 10 |  |  |  | (17 | ) |
| Insurance and investment product fees and other |  |  | 56 |  |  |  | 53 |  |  |  | 100 |  |  |  | 209 |  |  |  | 92 |  |  |  | 88 |  |  |  | 75 |  |  |  | 75 |  |  |  | 330 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total revenues |  |  | 245 |  |  |  | 268 |  |  |  | 283 |  |  |  | 796 |  |  |  | 327 |  |  |  | 324 |  |  |  | 316 |  |  |  | 339 |  |  |  | 1,306 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **BENEFITS AND EXPENSES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Benefits and other changes in policy reserves |  |  | 49 |  |  |  | 51 |  |  |  | 43 |  |  |  | 143 |  |  |  | 51 |  |  |  | 39 |  |  |  | 55 |  |  |  | 42 |  |  |  | 187 |  |
| Interest credited |  |  | 28 |  |  |  | 29 |  |  |  | 32 |  |  |  | 89 |  |  |  | 32 |  |  |  | 33 |  |  |  | 34 |  |  |  | 33 |  |  |  | 132 |  |
| Acquisition and operating expenses, net of deferrals |  |  | 162 |  |  |  | 140 |  |  |  | 179 |  |  |  | 481 |  |  |  | 194 |  |  |  | 171 |  |  |  | 176 |  |  |  | 178 |  |  |  | 719 |  |
| Amortization of deferred acquisition costs and intangibles |  |  | 28 |  |  |  | 38 |  |  |  | 18 |  |  |  | 84 |  |  |  | 51 |  |  |  | 48 |  |  |  | 47 |  |  |  | 30 |  |  |  | 176 |  |
| Goodwill impairment |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | 89 |  |  |  |  |  |  |  |  |  |  |  | 89 |  |
| Interest expense |  |  | 90 |  |  |  | 89 |  |  |  | 94 |  |  |  | 273 |  |  |  | 89 |  |  |  | 93 |  |  |  | 99 |  |  |  | 73 |  |  |  | 354 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total benefits and expenses |  |  | 357 |  |  |  | 347 |  |  |  | 366 |  |  |  | 1,070 |  |  |  | 417 |  |  |  | 473 |  |  |  | 411 |  |  |  | 356 |  |  |  | 1,657 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **LOSS FROM CONTINUING OPERATIONS BEFORE INCOME TAXES** |  |  | (112 | ) |  |  | (79 | ) |  |  | (83 | ) |  |  | (274 | ) |  |  | (90 | ) |  |  | (149 | ) |  |  | (95 | ) |  |  | (17 | ) |  |  | (351 | ) |
| Benefit for income taxes |  |  | (22 | ) |  |  | (28 | ) |  |  | (26 | ) |  |  | (76 | ) |  |  | (33 | ) |  |  | (31 | ) |  |  | (33 | ) |  |  | (13 | ) |  |  | (110 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **LOSS FROM CONTINUING OPERATIONS** |  |  | (90 | ) |  |  | (51 | ) |  |  | (57 | ) |  |  | (198 | ) |  |  | (57 | ) |  |  | (118 | ) |  |  | (62 | ) |  |  | (4 | ) |  |  | (241 | ) |
| Income (loss) from discontinued operations, net of taxes |  |  | 2 |  |  |  | 6 |  |  |  | (20 | ) |  |  | (12 | ) |  |  | 6 |  |  |  | 12 |  |  |  | 27 |  |  |  | 12 |  |  |  | 57 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **NET INCOME (LOSS)** |  |  | (88 | ) |  |  | (45 | ) |  |  | (77 | ) |  |  | (210 | ) |  |  | (51 | ) |  |  | (106 | ) |  |  | (35 | ) |  |  | 8 |  |  |  | (184 | ) |
| **ADJUSTMENTS TO NET INCOME (LOSS):** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Net investment (gains) losses, net of taxes and other adjustments |  |  | 11 |  |  |  |  |  |  |  | 21 |  |  |  | 32 |  |  |  | 8 |  |  |  |  |  |  |  | 14 |  |  |  | (6 | ) |  |  | 16 |  |
| Goodwill impairment, net of taxes |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | 86 |  |  |  |  |  |  |  |  |  |  |  | 86 |  |
| Expenses related to restructuring, net of taxes |  |  |  |  |  |  | 3 |  |  |  |  |  |  |  | 3 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| (Income) loss from discontinued operations, net of taxes |  |  | (2 | ) |  |  | (6 | ) |  |  | 20 |  |  |  | 12 |  |  |  | (6 | ) |  |  | (12 | ) |  |  | (27 | ) |  |  | (12 | ) |  |  | (57 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **NET OPERATING LOSS** |  | $ | (79 | ) |  | $ | (48 | ) |  | $ | (36 | ) |  | $ | (163 | ) |  | $ | (49 | ) |  | $ | (32 | ) |  | $ | (48 | ) |  | $ | (10 | ) |  | $ | (139 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| *Effective tax rate (operating loss)* |  |  | *17.1* | *%* |  |  | *35.9* | *%* |  |  | *28.2* | *%* |  |  | *26.0* | *%* |  |  | *36.6* | *%* |  |  | *45.2* | *%* |  |  | *57.5* | *%* |  |  | *63.6* | *%* |  |  | *49.6* | *%* |

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Net Operating Income (Loss)Corporate and Other Division**

**(amounts in millions)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Three months ended September 30, 2013** |  | **International Protection Segment** | |  |  | **Runoff Segment** | |  |  | **Corporate and  Other**(1) | |  |  | **Total** | |  |
| **REVENUES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Premiums |  | $ | 159 |  |  | $ | 1 |  |  | $ |  |  |  | $ | 160 |  |
| Net investment income |  |  | 26 |  |  |  | 33 |  |  |  | (6 | ) |  |  | 53 |  |
| Net investment gains (losses) |  |  | 1 |  |  |  | (14 | ) |  |  | (11 | ) |  |  | (24 | ) |
| Insurance and investment product fees and other |  |  | 1 |  |  |  | 53 |  |  |  | 2 |  |  |  | 56 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total revenues |  |  | 187 |  |  |  | 73 |  |  |  | (15 | ) |  |  | 245 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **BENEFITS AND EXPENSES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Benefits and other changes in policy reserves |  |  | 40 |  |  |  | 9 |  |  |  |  |  |  |  | 49 |  |
| Interest credited |  |  |  |  |  |  | 28 |  |  |  |  |  |  |  | 28 |  |
| Acquisition and operating expenses, net of deferrals |  |  | 106 |  |  |  | 18 |  |  |  | 38 |  |  |  | 162 |  |
| Amortization of deferred acquisition costs and intangibles |  |  | 25 |  |  |  | 2 |  |  |  | 1 |  |  |  | 28 |  |
| Interest expense |  |  | 9 |  |  |  |  |  |  |  | 81 |  |  |  | 90 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total benefits and expenses |  |  | 180 |  |  |  | 57 |  |  |  | 120 |  |  |  | 357 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES** |  |  | 7 |  |  |  | 16 |  |  |  | (135 | ) |  |  | (112 | ) |
| Provision (benefit) for income taxes |  |  | 3 |  |  |  | (5 | ) |  |  | (20 | ) |  |  | (22 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME (LOSS) FROM CONTINUING OPERATIONS** |  |  | 4 |  |  |  | 21 |  |  |  | (115 | ) |  |  | (90 | ) |
| Income (loss) from discontinued operations, net of taxes |  |  |  |  |  |  |  |  |  |  | 2 |  |  |  | 2 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **NET INCOME (LOSS)** |  |  | 4 |  |  |  | 21 |  |  |  | (113 | ) |  |  | (88 | ) |
|  |  | | | |  | | | |  | | | |  | | | |
| **ADJUSTMENTS TO NET INCOME (LOSS):** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Net investment (gains) losses, net of taxes and other adjustments |  |  |  |  |  |  | 4 |  |  |  | 7 |  |  |  | 11 |  |
| (Income) loss from discontinued operations, net of taxes |  |  |  |  |  |  |  |  |  |  | (2 | ) |  |  | (2 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **NET OPERATING INCOME (LOSS)** |  | $ | 4 |  |  | $ | 25 |  |  | $ | (108 | ) |  | $ | (79 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| *Effective tax rate (operating income (loss))* |  |  | *36.8* | *%* |  |  | *-6.9* | *%* |  |  | *13.3* | *%* |  |  | *17.1* | *%* |
|  |  | | | |  | | | |  | | | |  | | | |
| **Three months ended September 30, 2012** |  | **International Protection Segment** | |  |  | **Runoff Segment** | |  |  | **Corporate and Other**(1) | |  |  | **Total** | |  |
| **REVENUES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Premiums |  | $ | 164 |  |  | $ | 1 |  |  | $ |  |  |  | $ | 165 |  |
| Net investment income |  |  | 32 |  |  |  | 34 |  |  |  | 3 |  |  |  | 69 |  |
| Net investment gains (losses) |  |  | 1 |  |  |  | 5 |  |  |  | (4 | ) |  |  | 2 |  |
| Insurance and investment product fees and other |  |  | 1 |  |  |  | 52 |  |  |  | 35 |  |  |  | 88 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total revenues |  |  | 198 |  |  |  | 92 |  |  |  | 34 |  |  |  | 324 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **BENEFITS AND EXPENSES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Benefits and other changes in policy reserves |  |  | 30 |  |  |  | 9 |  |  |  |  |  |  |  | 39 |  |
| Interest credited |  |  |  |  |  |  | 33 |  |  |  |  |  |  |  | 33 |  |
| Acquisition and operating expenses, net of deferrals |  |  | 117 |  |  |  | 18 |  |  |  | 36 |  |  |  | 171 |  |
| Amortization of deferred acquisition costs and intangibles |  |  | 27 |  |  |  | 18 |  |  |  | 3 |  |  |  | 48 |  |
| Goodwill impairment |  |  | 89 |  |  |  |  |  |  |  |  |  |  |  | 89 |  |
| Interest expense |  |  | 11 |  |  |  |  |  |  |  | 82 |  |  |  | 93 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total benefits and expenses |  |  | 274 |  |  |  | 78 |  |  |  | 121 |  |  |  | 473 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES** |  |  | (76 | ) |  |  | 14 |  |  |  | (87 | ) |  |  | (149 | ) |
| Provision (benefit) for income taxes |  |  | 1 |  |  |  | 3 |  |  |  | (35 | ) |  |  | (31 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME (LOSS) FROM CONTINUING OPERATIONS** |  |  | (77 | ) |  |  | 11 |  |  |  | (52 | ) |  |  | (118 | ) |
| Income (loss) from discontinued operations, net of taxes |  |  |  |  |  |  |  |  |  |  | 12 |  |  |  | 12 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **NET INCOME (LOSS)** |  |  | (77 | ) |  |  | 11 |  |  |  | (40 | ) |  |  | (106 | ) |
|  |  | | | |  | | | |  | | | |  | | | |
| **ADJUSTMENTS TO NET INCOME (LOSS):** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Net investment (gains) losses, net of taxes and other adjustments |  |  | (1 | ) |  |  | (2 | ) |  |  | 3 |  |  |  |  |  |
| Goodwill impairment, net of taxes |  |  | 86 |  |  |  |  |  |  |  |  |  |  |  | 86 |  |
| (Income) loss from discontinued operations, net of taxes |  |  |  |  |  |  |  |  |  |  | (12 | ) |  |  | (12 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **NET OPERATING INCOME (LOSS)** |  | $ | 8 |  |  | $ | 9 |  |  | $ | (49 | ) |  | $ | (32 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| *Effective tax rate (operating income (loss))* |  |  | *32.8* | *%* |  |  | *19.0* | *%* |  |  | *40.0* | *%* |  |  | *45.2* | *%* |

|  |  |
| --- | --- |
| (1) | Includes inter-segment eliminations and non-core products. |

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Net Operating Income (Loss)Corporate and Other Division**

**(amounts in millions)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Nine months ended September 30, 2013** |  | **International Protection Segment** | |  |  | **Runoff Segment** | |  |  | **Corporate and  Other**(1) | |  |  | **Total** | |  |
| **REVENUES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Premiums |  | $ | 478 |  |  | $ | 4 |  |  | $ |  |  |  | $ | 482 |  |
| Net investment income |  |  | 90 |  |  |  | 101 |  |  |  | (1 | ) |  |  | 190 |  |
| Net investment gains (losses) |  |  | 23 |  |  |  | (82 | ) |  |  | (26 | ) |  |  | (85 | ) |
| Insurance and investment product fees and other |  |  | 3 |  |  |  | 162 |  |  |  | 44 |  |  |  | 209 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total revenues |  |  | 594 |  |  |  | 185 |  |  |  | 17 |  |  |  | 796 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **BENEFITS AND EXPENSES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Benefits and other changes in policy reserves |  |  | 120 |  |  |  | 23 |  |  |  |  |  |  |  | 143 |  |
| Interest credited |  |  |  |  |  |  | 89 |  |  |  |  |  |  |  | 89 |  |
| Acquisition and operating expenses, net of deferrals |  |  | 326 |  |  |  | 60 |  |  |  | 95 |  |  |  | 481 |  |
| Amortization of deferred acquisition costs and intangibles |  |  | 79 |  |  |  | (3 | ) |  |  | 8 |  |  |  | 84 |  |
| Interest expense |  |  | 34 |  |  |  | 1 |  |  |  | 238 |  |  |  | 273 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total benefits and expenses |  |  | 559 |  |  |  | 170 |  |  |  | 341 |  |  |  | 1,070 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES** |  |  | 35 |  |  |  | 15 |  |  |  | (324 | ) |  |  | (274 | ) |
| Provision (benefit) for income taxes |  |  | 12 |  |  |  | (2 | ) |  |  | (86 | ) |  |  | (76 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME (LOSS) FROM CONTINUING OPERATIONS** |  |  | 23 |  |  |  | 17 |  |  |  | (238 | ) |  |  | (198 | ) |
| Income (loss) from discontinued operations, net of taxes |  |  |  |  |  |  |  |  |  |  | (12 | ) |  |  | (12 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **NET INCOME (LOSS)** |  |  | 23 |  |  |  | 17 |  |  |  | (250 | ) |  |  | (210 | ) |
|  |  | | | |  | | | |  | | | |  | | | |
| **ADJUSTMENTS TO NET INCOME (LOSS):** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Net investment (gains) losses, net of taxes and other adjustments |  |  | (15 | ) |  |  | 30 |  |  |  | 17 |  |  |  | 32 |  |
| Expenses related to restructuring, net of taxes |  |  | 3 |  |  |  |  |  |  |  |  |  |  |  | 3 |  |
| (Income) loss from discontinued operations, net of taxes |  |  |  |  |  |  |  |  |  |  | 12 |  |  |  | 12 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **NET OPERATING INCOME (LOSS)** |  | $ | 11 |  |  | $ | 47 |  |  | $ | (221 | ) |  | $ | (163 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| *Effective tax rate (operating income (loss))* |  |  | *35.2* | *%* |  |  | *24.4* | *%* |  |  | *25.9* | *%* |  |  | *26.0* | *%* |
|  |  | | | |  | | | |  | | | |  | | | |
| **Nine months ended September 30, 2012** |  | **International Protection Segment** | |  |  | **Runoff Segment** | |  |  | **Corporate and Other**(1) | |  |  | **Total** | |  |
| **REVENUES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Premiums |  | $ | 517 |  |  | $ | 4 |  |  | $ |  |  |  | $ | 521 |  |
| Net investment income |  |  | 104 |  |  |  | 108 |  |  |  | 19 |  |  |  | 231 |  |
| Net investment gains (losses) |  |  | 3 |  |  |  | 22 |  |  |  | (36 | ) |  |  | (11 | ) |
| Insurance and investment product fees and other |  |  | 3 |  |  |  | 155 |  |  |  | 80 |  |  |  | 238 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total revenues |  |  | 627 |  |  |  | 289 |  |  |  | 63 |  |  |  | 979 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **BENEFITS AND EXPENSES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Benefits and other changes in policy reserves |  |  | 112 |  |  |  | 24 |  |  |  |  |  |  |  | 136 |  |
| Interest credited |  |  |  |  |  |  | 100 |  |  |  |  |  |  |  | 100 |  |
| Acquisition and operating expenses, net of deferrals |  |  | 370 |  |  |  | 58 |  |  |  | 97 |  |  |  | 525 |  |
| Amortization of deferred acquisition costs and intangibles |  |  | 85 |  |  |  | 31 |  |  |  | 9 |  |  |  | 125 |  |
| Goodwill impairment |  |  | 89 |  |  |  |  |  |  |  |  |  |  |  | 89 |  |
| Interest expense |  |  | 36 |  |  |  | 1 |  |  |  | 228 |  |  |  | 265 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total benefits and expenses |  |  | 692 |  |  |  | 214 |  |  |  | 334 |  |  |  | 1,240 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES** |  |  | (65 | ) |  |  | 75 |  |  |  | (271 | ) |  |  | (261 | ) |
| Provision (benefit) for income taxes |  |  | 3 |  |  |  | 23 |  |  |  | (103 | ) |  |  | (77 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME (LOSS) FROM CONTINUING OPERATIONS** |  |  | (68 | ) |  |  | 52 |  |  |  | (168 | ) |  |  | (184 | ) |
| Income (loss) from discontinued operations, net of taxes |  |  |  |  |  |  |  |  |  |  | 51 |  |  |  | 51 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **NET INCOME (LOSS)** |  |  | (68 | ) |  |  | 52 |  |  |  | (117 | ) |  |  | (133 | ) |
|  |  | | | |  | | | |  | | | |  | | | |
| **ADJUSTMENTS TO NET INCOME (LOSS):** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Net investment (gains) losses, net of taxes and other adjustments |  |  | (2 | ) |  |  | (14 | ) |  |  | 24 |  |  |  | 8 |  |
| Goodwill impairment, net of taxes |  |  | 86 |  |  |  |  |  |  |  |  |  |  |  | 86 |  |
| (Income) loss from discontinued operations, net of taxes |  |  |  |  |  |  |  |  |  |  | (51 | ) |  |  | (51 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **NET OPERATING INCOME (LOSS)** |  | $ | 16 |  |  | $ | 38 |  |  | $ | (144 | ) |  | $ | (90 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| *Effective tax rate (operating income (loss))* |  |  | *24.0* | *%* |  |  | *28.6* | *%* |  |  | *38.7* | *%* |  |  | *54.7* | *%* |

|  |  |
| --- | --- |
| (1) | Includes inter-segment eliminations and non-core products. |

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**International Protection Segment**

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Net Operating Income and SalesInternational Protection Segment**

**(amounts in millions)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | **2013** | | | | | | | | | | | | | |  |  | **2012** | | | | | | | | | | | | | | | | | |  |
|  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |  | **4Q** | |  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |
| **REVENUES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Premiums |  | $ | 159 |  |  | $ | 154 |  |  | $ | 165 |  |  | $ | 478 |  |  | $ | 165 |  |  | $ | 164 |  |  | $ | 174 |  |  | $ | 179 |  |  | $ | 682 |  |
| Net investment income |  |  | 26 |  |  |  | 31 |  |  |  | 33 |  |  |  | 90 |  |  |  | 27 |  |  |  | 32 |  |  |  | 36 |  |  |  | 36 |  |  |  | 131 |  |
| Net investment gains (losses) |  |  | 1 |  |  |  | 16 |  |  |  | 6 |  |  |  | 23 |  |  |  | 3 |  |  |  | 1 |  |  |  | 1 |  |  |  | 1 |  |  |  | 6 |  |
| Insurance and investment product fees and other |  |  | 1 |  |  |  | 1 |  |  |  | 1 |  |  |  | 3 |  |  |  |  |  |  |  | 1 |  |  |  |  |  |  |  | 2 |  |  |  | 3 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total revenues |  |  | 187 |  |  |  | 202 |  |  |  | 205 |  |  |  | 594 |  |  |  | 195 |  |  |  | 198 |  |  |  | 211 |  |  |  | 218 |  |  |  | 822 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **BENEFITS AND EXPENSES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Benefits and other changes in policy reserves |  |  | 40 |  |  |  | 41 |  |  |  | 39 |  |  |  | 120 |  |  |  | 38 |  |  |  | 30 |  |  |  | 41 |  |  |  | 41 |  |  |  | 150 |  |
| Interest credited |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Acquisition and operating expenses, net of deferrals |  |  | 106 |  |  |  | 110 |  |  |  | 110 |  |  |  | 326 |  |  |  | 113 |  |  |  | 117 |  |  |  | 126 |  |  |  | 127 |  |  |  | 483 |  |
| Amortization of deferred acquisition costs and intangibles |  |  | 25 |  |  |  | 26 |  |  |  | 28 |  |  |  | 79 |  |  |  | 28 |  |  |  | 27 |  |  |  | 27 |  |  |  | 31 |  |  |  | 113 |  |
| Goodwill impairment |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | 89 |  |  |  |  |  |  |  |  |  |  |  | 89 |  |
| Interest expense |  |  | 9 |  |  |  | 11 |  |  |  | 14 |  |  |  | 34 |  |  |  | 9 |  |  |  | 11 |  |  |  | 14 |  |  |  | 11 |  |  |  | 45 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total benefits and expenses |  |  | 180 |  |  |  | 188 |  |  |  | 191 |  |  |  | 559 |  |  |  | 188 |  |  |  | 274 |  |  |  | 208 |  |  |  | 210 |  |  |  | 880 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES** |  |  | 7 |  |  |  | 14 |  |  |  | 14 |  |  |  | 35 |  |  |  | 7 |  |  |  | (76 | ) |  |  | 3 |  |  |  | 8 |  |  |  | (58 | ) |
| Provision (benefit) for income taxes |  |  | 3 |  |  |  | 5 |  |  |  | 4 |  |  |  | 12 |  |  |  | (2 | ) |  |  | 1 |  |  |  |  |  |  |  | 2 |  |  |  | 1 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME (LOSS) FROM CONTINUING OPERATIONS** |  |  | 4 |  |  |  | 9 |  |  |  | 10 |  |  |  | 23 |  |  |  | 9 |  |  |  | (77 | ) |  |  | 3 |  |  |  | 6 |  |  |  | (59 | ) |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **ADJUSTMENTS TO INCOME (LOSS) FROM CONTINUING OPERATIONS:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Net investment (gains) losses, net of taxes and other adjustments |  |  |  |  |  |  | (11 | ) |  |  | (4 | ) |  |  | (15 | ) |  |  | (1 | ) |  |  | (1 | ) |  |  |  |  |  |  | (1 | ) |  |  | (3 | ) |
| Expenses related to restructuring, net of taxes |  |  |  |  |  |  | 3 |  |  |  |  |  |  |  | 3 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Goodwill impairment, net of taxes |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | 86 |  |  |  |  |  |  |  |  |  |  |  | 86 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **NET OPERATING INCOME**(1) |  | $ | 4 |  |  | $ | 1 |  |  | $ | 6 |  |  | $ | 11 |  |  | $ | 8 |  |  | $ | 8 |  |  | $ | 3 |  |  | $ | 5 |  |  | $ | 24 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| *Effective tax rate (operating income)* |  |  | *36.8* | *%* |  |  | *67.8* | *%* |  |  | *27.4* | *%* |  |  | *35.2* | *%* |  |  | *-46.6* | *%* |  |  | *32.8* | *%* |  |  | *-5.8* | *%* |  |  | *23.1* | *%* |  |  | *9.4* | *%* |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **Net Premiums Written** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Northern Europe |  | $ | 113 |  |  | $ | 106 |  |  | $ | 106 |  |  | $ | 325 |  |  | $ | 107 |  |  | $ | 107 |  |  | $ | 111 |  |  | $ | 104 |  |  | $ | 429 |  |
| Southern Europe |  |  | 71 |  |  |  | 74 |  |  |  | 78 |  |  |  | 223 |  |  |  | 72 |  |  |  | 70 |  |  |  | 87 |  |  |  | 87 |  |  |  | 316 |  |
| Structured Deals(2) |  |  | 37 |  |  |  | 49 |  |  |  | 28 |  |  |  | 114 |  |  |  | 32 |  |  |  | 31 |  |  |  | 40 |  |  |  | 19 |  |  |  | 122 |  |
| New Markets |  |  | 9 |  |  |  | 14 |  |  |  | 21 |  |  |  | 44 |  |  |  | 11 |  |  |  | 7 |  |  |  | 7 |  |  |  | 6 |  |  |  | 31 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Pre-Deposit Accounting Basis**(3) |  |  | 230 |  |  |  | 243 |  |  |  | 233 |  |  |  | 706 |  |  |  | 222 |  |  |  | 215 |  |  |  | 245 |  |  |  | 216 |  |  |  | 898 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Deposit Accounting Adjustments |  |  | 76 |  |  |  | 94 |  |  |  | 80 |  |  |  | 250 |  |  |  | 72 |  |  |  | 67 |  |  |  | 85 |  |  |  | 55 |  |  |  | 279 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Total**(4) |  | $ | 154 |  |  | $ | 149 |  |  | $ | 153 |  |  | $ | 456 |  |  | $ | 150 |  |  | $ | 148 |  |  | $ | 160 |  |  | $ | 161 |  |  | $ | 619 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Loss Ratio** |  |  | 25 | % |  |  | 26 | % |  |  | 24 | % |  |  | 25 | % |  |  | 23 | % |  |  | 18 | % |  |  | 24 | % |  |  | 23 | % |  |  | 22 | % |

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) | Net operating income adjusted for foreign exchange as compared to the prior year period for the International Protection segment was $2 million and $9 million for the three and nine months ended September 30, 2013, respectively. |

|  |  |
| --- | --- |
| (2) | Structured deals represent in-force blocks of business acquired through reinsurance arrangements and ongoing reciprocal arrangements in place with certain clients. |

|  |  |
| --- | --- |
| (3) | This business has reinsurance agreements that do not qualify for risk transfer under GAAP. This analysis shows the net premiums written activity as if these reinsurance agreements, except for the reciprocal arrangements, were accounted for as reinsurance accounting (pre-deposit accounting basis) and not as deposit accounting. While this is a non-GAAP measure, management believes that net premiums written on a pre-deposit accounting basis represent an economic view of written premiums and enhances the understanding of the underlying performance of the business. However, net premiums written on a pre-deposit accounting basis as defined by the company should not be viewed as a substitute for GAAP net premiums written. |

|  |  |
| --- | --- |
| (4) | Net premiums written adjusted for foreign exchange as compared to the prior year period for the International Protection segment was $147 million and $446 million for the three and nine months ended September 30, 2013, respectively. |

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Net Operating Income (Pre-Deposit Accounting Basis)International Protection Segment**

**(amounts in millions)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | **3Q 2013** | | | | | | | | | |  |  | **2Q 2013** | | | | | | | | | |  |  | **1Q 2013** | | | | | | | | | |  |  | **Total 2013** | | | | | | | | | |  |
|  |  | **Reported** | |  |  | **Deposit Accounting Adjustments** | |  |  | **Pre-Deposit Accounting Basis** | |  |  | **Reported** | |  |  | **Deposit Accounting Adjustments** | |  |  | **Pre-Deposit Accounting Basis** | |  |  | **Reported** | |  |  | **Deposit Accounting Adjustments** | |  |  | **Pre-Deposit Accounting Basis** | |  |  | **Reported** | |  |  | **Deposit Accounting Adjustments** | |  |  | **Pre-Deposit Accounting Basis** | |  |
| **REVENUES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Premiums |  | $ | 159 |  |  | $ | 47 |  |  | $ | 206 |  |  | $ | 154 |  |  | $ | 52 |  |  | $ | 206 |  |  | $ | 165 |  |  | $ | 62 |  |  | $ | 227 |  |  | $ | 478 |  |  | $ | 161 |  |  | $ | 639 |  |
| Net investment income |  |  | 26 |  |  |  | (6 | ) |  |  | 20 |  |  |  | 31 |  |  |  | (9 | ) |  |  | 22 |  |  |  | 33 |  |  |  | (11 | ) |  |  | 22 |  |  |  | 90 |  |  |  | (26 | ) |  |  | 64 |  |
| Net investment gains (losses) |  |  | 1 |  |  |  |  |  |  |  | 1 |  |  |  | 16 |  |  |  |  |  |  |  | 16 |  |  |  | 6 |  |  |  |  |  |  |  | 6 |  |  |  | 23 |  |  |  |  |  |  |  | 23 |  |
| Insurance and investment product fees and other |  |  | 1 |  |  |  |  |  |  |  | 1 |  |  |  | 1 |  |  |  |  |  |  |  | 1 |  |  |  | 1 |  |  |  |  |  |  |  | 1 |  |  |  | 3 |  |  |  |  |  |  |  | 3 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total revenues |  |  | 187 |  |  |  | 41 |  |  |  | 228 |  |  |  | 202 |  |  |  | 43 |  |  |  | 245 |  |  |  | 205 |  |  |  | 51 |  |  |  | 256 |  |  |  | 594 |  |  |  | 135 |  |  |  | 729 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **BENEFITS AND EXPENSES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | | | | |  |
| Benefits and other changes in policy reserves |  |  | 40 |  |  |  | 22 |  |  |  | 62 |  |  |  | 41 |  |  |  | 21 |  |  |  | 62 |  |  |  | 39 |  |  |  | 33 |  |  |  | 72 |  |  |  | 120 |  |  |  | 76 |  |  |  | 196 |  |
| Interest credited |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Acquisition and operating expenses, net of deferrals |  |  | 106 |  |  |  | 6 |  |  |  | 112 |  |  |  | 110 |  |  |  | 13 |  |  |  | 123 |  |  |  | 110 |  |  |  | 9 |  |  |  | 119 |  |  |  | 326 |  |  |  | 28 |  |  |  | 354 |  |
| Amortization of deferred acquisition costs and intangibles |  |  | 25 |  |  |  | 13 |  |  |  | 38 |  |  |  | 26 |  |  |  | 11 |  |  |  | 37 |  |  |  | 28 |  |  |  | 14 |  |  |  | 42 |  |  |  | 79 |  |  |  | 38 |  |  |  | 117 |  |
| Interest expense |  |  | 9 |  |  |  |  |  |  |  | 9 |  |  |  | 11 |  |  |  | (2 | ) |  |  | 9 |  |  |  | 14 |  |  |  | (5 | ) |  |  | 9 |  |  |  | 34 |  |  |  | (7 | ) |  |  | 27 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total benefits and expenses |  |  | 180 |  |  |  | 41 |  |  |  | 221 |  |  |  | 188 |  |  |  | 43 |  |  |  | 231 |  |  |  | 191 |  |  |  | 51 |  |  |  | 242 |  |  |  | 559 |  |  |  | 135 |  |  |  | 694 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES** |  |  | 7 |  |  |  |  |  |  |  | 7 |  |  |  | 14 |  |  |  |  |  |  |  | 14 |  |  |  | 14 |  |  |  |  |  |  |  | 14 |  |  |  | 35 |  |  |  |  |  |  |  | 35 |  |
| Provision for income taxes |  |  | 3 |  |  |  |  |  |  |  | 3 |  |  |  | 5 |  |  |  |  |  |  |  | 5 |  |  |  | 4 |  |  |  |  |  |  |  | 4 |  |  |  | 12 |  |  |  |  |  |  |  | 12 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME FROM CONTINUING OPERATIONS** |  |  | 4 |  |  |  |  |  |  |  | 4 |  |  |  | 9 |  |  |  |  |  |  |  | 9 |  |  |  | 10 |  |  |  |  |  |  |  | 10 |  |  |  | 23 |  |  |  |  |  |  |  | 23 |  |
| **ADJUSTMENTS TO INCOME FROM CONTINUING OPERATIONS:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Net investment (gains) losses, net of taxes and other adjustments |  |  |  |  |  |  |  |  |  |  |  |  |  |  | (11 | ) |  |  |  |  |  |  | (11 | ) |  |  | (4 | ) |  |  |  |  |  |  | (4 | ) |  |  | (15 | ) |  |  |  |  |  |  | (15 | ) |
| Expenses related to restructuring, net of taxes |  |  |  |  |  |  |  |  |  |  |  |  |  |  | 3 |  |  |  |  |  |  |  | 3 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | 3 |  |  |  |  |  |  |  | 3 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **NET OPERATING INCOME**(1) |  | $ | 4 |  |  | $ |  |  |  | $ | 4 |  |  | $ | 1 |  |  | $ |  |  |  | $ | 1 |  |  | $ | 6 |  |  | $ |  |  |  | $ | 6 |  |  | $ | 11 |  |  | $ |  |  |  | $ | 11 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| *Effective tax rate (operating income)* |  |  | *36.8* | *%* |  |  |  |  |  |  | *36.8* | *%* |  |  | *67.8* | *%* |  |  |  |  |  |  | *67.8* | *%* |  |  | *27.4* | *%* |  |  |  |  |  |  | *27.4* | *%* |  |  | *35.2* | *%* |  |  |  |  |  |  | *35.2* | *%* |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **Other Metrics:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Premiums |  | $ | 159 |  |  | $ | 47 |  |  | $ | 206 |  |  | $ | 154 |  |  | $ | 52 |  |  | $ | 206 |  |  | $ | 165 |  |  | $ | 62 |  |  | $ | 227 |  |  | $ | 478 |  |  | $ | 161 |  |  | $ | 639 |  |
| Benefits and other changes in policy reserves |  |  | 40 |  |  |  | 22 |  |  |  | 62 |  |  |  | 41 |  |  |  | 21 |  |  |  | 62 |  |  |  | 39 |  |  |  | 33 |  |  |  | 72 |  |  |  | 120 |  |  |  | 76 |  |  |  | 196 |  |
| Commissions(2) |  |  | 75 |  |  |  | 12 |  |  |  | 87 |  |  |  | 75 |  |  |  | 11 |  |  |  | 86 |  |  |  | 80 |  |  |  | 12 |  |  |  | 92 |  |  |  | 230 |  |  |  | 35 |  |  |  | 265 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Margin before profit sharing |  |  | 44 |  |  |  | 13 |  |  |  | 57 |  |  |  | 38 |  |  |  | 20 |  |  |  | 58 |  |  |  | 46 |  |  |  | 17 |  |  |  | 63 |  |  |  | 128 |  |  |  | 50 |  |  |  | 178 |  |
| Profit share(2) |  |  | 18 |  |  |  | 8 |  |  |  | 26 |  |  |  | 18 |  |  |  | 13 |  |  |  | 31 |  |  |  | 18 |  |  |  | 11 |  |  |  | 29 |  |  |  | 54 |  |  |  | 32 |  |  |  | 86 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Underwriting profit(3) |  | $ | 26 |  |  | $ | 5 |  |  | $ | 31 |  |  | $ | 20 |  |  | $ | 7 |  |  | $ | 27 |  |  | $ | 28 |  |  | $ | 6 |  |  | $ | 34 |  |  | $ | 74 |  |  | $ | 18 |  |  | $ | 92 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Loss Ratio** |  |  | 25 | % |  |  |  |  |  |  | 30 | % |  |  | 26 | % |  |  |  |  |  |  | 30 | % |  |  | 24 | % |  |  |  |  |  |  | 32 | % |  |  | 25 | % |  |  |  |  |  |  | 31 | % |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **Underwriting Margin**(3) |  |  | 16 | % |  |  |  |  |  |  | 15 | % |  |  | 13 | % |  |  |  |  |  |  | 13 | % |  |  | 17 | % |  |  |  |  |  |  | 15 | % |  |  | 15 | % |  |  |  |  |  |  | 14 | % |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **Combined Ratio**(4) |  |  | 108 | % |  |  |  |  |  |  | 103 | % |  |  | 115 | % |  |  |  |  |  |  | 108 | % |  |  | 107 | % |  |  |  |  |  |  | 103 | % |  |  | 110 | % |  |  |  |  |  |  | 104 | % |

This page is provided as supplemental analysis related to the lifestyle protection insurance business. This business has reinsurance agreements that do not qualify for risk transfer under GAAP. This analysis shows the income statement activity as if these reinsurance agreements, except for the reciprocal arrangements, were accounted for as reinsurance accounting (pre-deposit accounting basis) and not as deposit accounting. There is no impact on net income available to Genworth Financial, Inc.s common stockholders or to segment net operating income. While pre-deposit accounting basis is a non-GAAP measure, management believes that it represents an economic view of the underlying performance of the business. However, pre-deposit accounting basis as defined by the company should not be viewed as a substitute for GAAP.

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

|  |  |
| --- | --- |
| (1) | Net operating income adjusted for foreign exchange as compared to the prior year period for the International Protection segment was $2 million and $9 million for the three and nine months ended September 30, 2013, respectively. |

|  |  |
| --- | --- |
| (2) | Commissions include commissions which are included above in acquisition and operating expenses, net of deferrals, and amortization of DAC. |

|  |  |
| --- | --- |
| (3) | The underwriting margin is calculated as underwriting profit divided by net earned premiums. |

|  |  |
| --- | --- |
| (4) | The combined ratio is calculated as benefits and other changes in policy reserves, commissions (including amortization of DAC), profit share and other operating expenses divided by net earned premiums. |

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Net Operating Income (Pre-Deposit Accounting Basis)International Protection Segment**

**(amounts in millions)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | **4Q 2012** | | | | | | | | | |  |  | **3Q 2012** | | | | | | | | | |  |  | **2Q 2012** | | | | | | | | | |  |  | **1Q 2012** | | | | | | | | | |  |  | **Total 2012** | | | | | | | | | |  |
|  |  | **Reported** | |  |  | **Deposit Accounting Adjustments** | |  |  | **Pre-Deposit Accounting Basis** | |  |  | **Reported** | |  |  | **Deposit Accounting Adjustments** | |  |  | **Pre-Deposit Accounting Basis** | |  |  | **Reported** | |  |  | **Deposit Accounting Adjustments** | |  |  | **Pre-Deposit Accounting Basis** | |  |  | **Reported** | |  |  | **Deposit Accounting Adjustments** | |  |  | **Pre-Deposit Accounting Basis** | |  |  | **Reported** | |  |  | **Deposit Accounting Adjustments** | |  |  | **Pre-Deposit Accounting Basis** | |  |
| **REVENUES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Premiums |  | $ | 165 |  |  | $ | 50 |  |  | $ | 215 |  |  | $ | 164 |  |  | $ | 47 |  |  | $ | 211 |  |  | $ | 174 |  |  | $ | 56 |  |  | $ | 230 |  |  | $ | 179 |  |  | $ | 55 |  |  | $ | 234 |  |  | $ | 682 |  |  | $ | 208 |  |  | $ | 890 |  |
| Net investment income |  |  | 27 |  |  |  | (5 | ) |  |  | 22 |  |  |  | 32 |  |  |  | (9 | ) |  |  | 23 |  |  |  | 36 |  |  |  | (12 | ) |  |  | 24 |  |  |  | 36 |  |  |  | (13 | ) |  |  | 23 |  |  |  | 131 |  |  |  | (39 | ) |  |  | 92 |  |
| Net investment gains (losses) |  |  | 3 |  |  |  |  |  |  |  | 3 |  |  |  | 1 |  |  |  |  |  |  |  | 1 |  |  |  | 1 |  |  |  |  |  |  |  | 1 |  |  |  | 1 |  |  |  |  |  |  |  | 1 |  |  |  | 6 |  |  |  |  |  |  |  | 6 |  |
| Insurance and investment product fees and other |  |  |  |  |  |  |  |  |  |  |  |  |  |  | 1 |  |  |  |  |  |  |  | 1 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | 2 |  |  |  |  |  |  |  | 2 |  |  |  | 3 |  |  |  |  |  |  |  | 3 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total revenues |  |  | 195 |  |  |  | 45 |  |  |  | 240 |  |  |  | 198 |  |  |  | 38 |  |  |  | 236 |  |  |  | 211 |  |  |  | 44 |  |  |  | 255 |  |  |  | 218 |  |  |  | 42 |  |  |  | 260 |  |  |  | 822 |  |  |  | 169 |  |  |  | 991 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **BENEFITS AND EXPENSES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Benefits and other changes in policy reserves |  |  | 38 |  |  |  | 20 |  |  |  | 58 |  |  |  | 30 |  |  |  | 15 |  |  |  | 45 |  |  |  | 41 |  |  |  | 20 |  |  |  | 61 |  |  |  | 41 |  |  |  | 15 |  |  |  | 56 |  |  |  | 150 |  |  |  | 70 |  |  |  | 220 |  |
| Interest credited |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Acquisition and operating expenses, net of deferrals |  |  | 113 |  |  |  | 12 |  |  |  | 125 |  |  |  | 117 |  |  |  | 14 |  |  |  | 131 |  |  |  | 126 |  |  |  | 15 |  |  |  | 141 |  |  |  | 127 |  |  |  | 17 |  |  |  | 144 |  |  |  | 483 |  |  |  | 58 |  |  |  | 541 |  |
| Amortization of deferred acquisition costs and intangibles |  |  | 28 |  |  |  | 13 |  |  |  | 41 |  |  |  | 27 |  |  |  | 11 |  |  |  | 38 |  |  |  | 27 |  |  |  | 13 |  |  |  | 40 |  |  |  | 31 |  |  |  | 14 |  |  |  | 45 |  |  |  | 113 |  |  |  | 51 |  |  |  | 164 |  |
| Goodwill impairment |  |  |  |  |  |  |  |  |  |  |  |  |  |  | 89 |  |  |  |  |  |  |  | 89 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | 89 |  |  |  |  |  |  |  | 89 |  |
| Interest expense |  |  | 9 |  |  |  |  |  |  |  | 9 |  |  |  | 11 |  |  |  | (2 | ) |  |  | 9 |  |  |  | 14 |  |  |  | (4 | ) |  |  | 10 |  |  |  | 11 |  |  |  | (4 | ) |  |  | 7 |  |  |  | 45 |  |  |  | (10 | ) |  |  | 35 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total benefits and expenses |  |  | 188 |  |  |  | 45 |  |  |  | 233 |  |  |  | 274 |  |  |  | 38 |  |  |  | 312 |  |  |  | 208 |  |  |  | 44 |  |  |  | 252 |  |  |  | 210 |  |  |  | 42 |  |  |  | 252 |  |  |  | 880 |  |  |  | 169 |  |  |  | 1,049 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES** |  |  | 7 |  |  |  |  |  |  |  | 7 |  |  |  | (76 | ) |  |  |  |  |  |  | (76 | ) |  |  | 3 |  |  |  |  |  |  |  | 3 |  |  |  | 8 |  |  |  |  |  |  |  | 8 |  |  |  | (58 | ) |  |  |  |  |  |  | (58 | ) |
| Provision (benefit) for income taxes |  |  | (2 | ) |  |  |  |  |  |  | (2 | ) |  |  | 1 |  |  |  |  |  |  |  | 1 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | 2 |  |  |  |  |  |  |  | 2 |  |  |  | 1 |  |  |  |  |  |  |  | 1 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME (LOSS) FROM CONTINUING OPERATIONS** |  |  | 9 |  |  |  |  |  |  |  | 9 |  |  |  | (77 | ) |  |  |  |  |  |  | (77 | ) |  |  | 3 |  |  |  |  |  |  |  | 3 |  |  |  | 6 |  |  |  |  |  |  |  | 6 |  |  |  | (59 | ) |  |  |  |  |  |  | (59 | ) |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **ADJUSTMENTS TO INCOME (LOSS) FROM CONTINUING OPERATIONS:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Net investment (gains) losses, net of taxes and other adjustments |  |  | (1 | ) |  |  |  |  |  |  | (1 | ) |  |  | (1 | ) |  |  |  |  |  |  | (1 | ) |  |  |  |  |  |  |  |  |  |  |  |  |  |  | (1 | ) |  |  |  |  |  |  | (1 | ) |  |  | (3 | ) |  |  |  |  |  |  | (3 | ) |
| Goodwill impairment, net of taxes |  |  |  |  |  |  |  |  |  |  |  |  |  |  | 86 |  |  |  |  |  |  |  | 86 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | 86 |  |  |  |  |  |  |  | 86 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **NET OPERATING INCOME** |  | $ | 8 |  |  | $ |  |  |  | $ | 8 |  |  | $ | 8 |  |  | $ |  |  |  | $ | 8 |  |  | $ | 3 |  |  | $ |  |  |  | $ | 3 |  |  | $ | 5 |  |  | $ |  |  |  | $ | 5 |  |  | $ | 24 |  |  | $ |  |  |  | $ | 24 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| *Effective tax rate (operating income)* |  |  | *-46.6* | *%* |  |  |  |  |  |  | *-46.6* | *%* |  |  | *32.8* | *%* |  |  |  |  |  |  | *32.8* | *%* |  |  | *-5.8* | *%* |  |  |  |  |  |  | *-5.8* | *%* |  |  | *23.1* | *%* |  |  |  |  |  |  | *23.1* | *%* |  |  | *9.4* | *%* |  |  |  |  |  |  | *9.4* | *%* |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **Other Metrics:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Premiums |  | $ | 165 |  |  | $ | 50 |  |  | $ | 215 |  |  | $ | 164 |  |  | $ | 47 |  |  | $ | 211 |  |  | $ | 174 |  |  | $ | 56 |  |  | $ | 230 |  |  | $ | 179 |  |  | $ | 55 |  |  | $ | 234 |  |  | $ | 682 |  |  | $ | 208 |  |  | $ | 890 |  |
| Benefits and other changes in policy reserves |  |  | 38 |  |  |  | 20 |  |  |  | 58 |  |  |  | 30 |  |  |  | 15 |  |  |  | 45 |  |  |  | 41 |  |  |  | 20 |  |  |  | 61 |  |  |  | 41 |  |  |  | 15 |  |  |  | 56 |  |  |  | 150 |  |  |  | 70 |  |  |  | 220 |  |
| Commissions(1) |  |  | 80 |  |  |  | 9 |  |  |  | 89 |  |  |  | 79 |  |  |  | 12 |  |  |  | 91 |  |  |  | 83 |  |  |  | 13 |  |  |  | 96 |  |  |  | 85 |  |  |  | 14 |  |  |  | 99 |  |  |  | 327 |  |  |  | 48 |  |  |  | 375 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Margin before profit sharing |  |  | 47 |  |  |  | 21 |  |  |  | 68 |  |  |  | 55 |  |  |  | 20 |  |  |  | 75 |  |  |  | 50 |  |  |  | 23 |  |  |  | 73 |  |  |  | 53 |  |  |  | 26 |  |  |  | 79 |  |  |  | 205 |  |  |  | 90 |  |  |  | 295 |  |
| Profit share(1) |  |  | 20 |  |  |  | 14 |  |  |  | 34 |  |  |  | 24 |  |  |  | 15 |  |  |  | 39 |  |  |  | 27 |  |  |  | 14 |  |  |  | 41 |  |  |  | 27 |  |  |  | 17 |  |  |  | 44 |  |  |  | 98 |  |  |  | 60 |  |  |  | 158 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Underwriting profit |  | $ | 27 |  |  | $ | 7 |  |  | $ | 34 |  |  | $ | 31 |  |  | $ | 5 |  |  | $ | 36 |  |  | $ | 23 |  |  | $ | 9 |  |  | $ | 32 |  |  | $ | 26 |  |  | $ | 9 |  |  | $ | 35 |  |  | $ | 107 |  |  | $ | 30 |  |  | $ | 137 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Loss Ratio** |  |  | 23 | % |  |  |  |  |  |  | 27 | % |  |  | 18 | % |  |  |  |  |  |  | 21 | % |  |  | 24 | % |  |  |  |  |  |  | 27 | % |  |  | 23 | % |  |  |  |  |  |  | 23 | % |  |  | 22 | % |  |  |  |  |  |  | 25 | % |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **Underwriting Margin**(2) |  |  | 17 | % |  |  |  |  |  |  | 16 | % |  |  | 19 | % |  |  |  |  |  |  | 17 | % |  |  | 14 | % |  |  |  |  |  |  | 14 | % |  |  | 14 | % |  |  |  |  |  |  | 15 | % |  |  | 16 | % |  |  |  |  |  |  | 15 | % |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **Combined Ratio**(3) |  |  | 108 | % |  |  |  |  |  |  | 104 | % |  |  | 160 | % |  |  |  |  |  |  | 144 | % |  |  | 111 | % |  |  |  |  |  |  | 105 | % |  |  | 111 | % |  |  |  |  |  |  | 105 | % |  |  | 122 | % |  |  |  |  |  |  | 114 | % |

This page is provided as supplemental analysis related to the lifestyle protection insurance business. This business has reinsurance agreements that do not qualify for risk transfer under GAAP. This analysis shows the income statement activity as if these reinsurance agreements, except for the reciprocal arrangements, were accounted for as reinsurance accounting (pre-deposit accounting basis) and not as deposit accounting. There is no impact on net income available to Genworth Financial, Inc.s common stockholders or to segment net operating income. While pre-deposit accounting basis is a non-GAAP measure, management believes that it represents an economic view of the underlying performance of the business. However, pre-deposit accounting basis as defined by the company should not be viewed as a substitute for GAAP.

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

|  |  |
| --- | --- |
| (1) | Commissions include commissions which are included above in acquisition and operating expenses, net of deferrals, and amortization of DAC. |

|  |  |
| --- | --- |
| (2) | The underwriting margin is calculated as underwriting profit divided by net earned premiums. |

|  |  |
| --- | --- |
| (3) | The combined ratio is calculated as benefits and other changes in policy reserves, commissions (including amortization of DAC), profit share and other operating expenses divided by net earned premiums. |

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**Runoff Segment**

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Net Operating Income (Loss)Runoff Segment**

**(amounts in millions)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | **2013** | | | | | | | | | | | | | |  |  | **2012** | | | | | | | | | | | | | | | | | |  |
|  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |  | **4Q** | |  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |
| **REVENUES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Premiums |  | $ | 1 |  |  | $ | 2 |  |  | $ | 1 |  |  | $ | 4 |  |  | $ | 1 |  |  | $ | 1 |  |  | $ | 2 |  |  | $ | 1 |  |  | $ | 5 |  |
| Net investment income |  |  | 33 |  |  |  | 34 |  |  |  | 34 |  |  |  | 101 |  |  |  | 37 |  |  |  | 34 |  |  |  | 36 |  |  |  | 38 |  |  |  | 145 |  |
| Net investment gains (losses) |  |  | (14 | ) |  |  | (20 | ) |  |  | (48 | ) |  |  | (82 | ) |  |  | 2 |  |  |  | 5 |  |  |  | (25 | ) |  |  | 42 |  |  |  | 24 |  |
| Insurance and investment product fees and other |  |  | 53 |  |  |  | 53 |  |  |  | 56 |  |  |  | 162 |  |  |  | 52 |  |  |  | 52 |  |  |  | 51 |  |  |  | 52 |  |  |  | 207 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total revenues |  |  | 73 |  |  |  | 69 |  |  |  | 43 |  |  |  | 185 |  |  |  | 92 |  |  |  | 92 |  |  |  | 64 |  |  |  | 133 |  |  |  | 381 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **BENEFITS AND EXPENSES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Benefits and other changes in policy reserves |  |  | 9 |  |  |  | 10 |  |  |  | 4 |  |  |  | 23 |  |  |  | 13 |  |  |  | 9 |  |  |  | 14 |  |  |  | 1 |  |  |  | 37 |  |
| Interest credited |  |  | 28 |  |  |  | 29 |  |  |  | 32 |  |  |  | 89 |  |  |  | 32 |  |  |  | 33 |  |  |  | 34 |  |  |  | 33 |  |  |  | 132 |  |
| Acquisition and operating expenses, net of deferrals |  |  | 18 |  |  |  | 22 |  |  |  | 20 |  |  |  | 60 |  |  |  | 21 |  |  |  | 18 |  |  |  | 21 |  |  |  | 19 |  |  |  | 79 |  |
| Amortization of deferred acquisition costs and intangibles |  |  | 2 |  |  |  | 8 |  |  |  | (13 | ) |  |  | (3 | ) |  |  | 20 |  |  |  | 18 |  |  |  | 17 |  |  |  | (4 | ) |  |  | 51 |  |
| Interest expense |  |  |  |  |  |  | 1 |  |  |  |  |  |  |  | 1 |  |  |  |  |  |  |  |  |  |  |  | 1 |  |  |  |  |  |  |  | 1 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total benefits and expenses |  |  | 57 |  |  |  | 70 |  |  |  | 43 |  |  |  | 170 |  |  |  | 86 |  |  |  | 78 |  |  |  | 87 |  |  |  | 49 |  |  |  | 300 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES** |  |  | 16 |  |  |  | (1 | ) |  |  |  |  |  |  | 15 |  |  |  | 6 |  |  |  | 14 |  |  |  | (23 | ) |  |  | 84 |  |  |  | 81 |  |
| Provision (benefit) for income taxes |  |  | (5 | ) |  |  |  |  |  |  | 3 |  |  |  | (2 | ) |  |  |  |  |  |  | 3 |  |  |  | (2 | ) |  |  | 22 |  |  |  | 23 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **INCOME (LOSS) FROM CONTINUING OPERATIONS** |  |  | 21 |  |  |  | (1 | ) |  |  | (3 | ) |  |  | 17 |  |  |  | 6 |  |  |  | 11 |  |  |  | (21 | ) |  |  | 62 |  |  |  | 58 |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **ADJUSTMENT TO INCOME (LOSS) FROM CONTINUING OPERATIONS:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Net investment (gains) losses, net of taxes and other adjustments |  |  | 4 |  |  |  | 7 |  |  |  | 19 |  |  |  | 30 |  |  |  | 2 |  |  |  | (2 | ) |  |  | 15 |  |  |  | (27 | ) |  |  | (12 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **NET OPERATING INCOME (LOSS)** |  | $ | 25 |  |  | $ | 6 |  |  | $ | 16 |  |  | $ | 47 |  |  | $ | 8 |  |  | $ | 9 |  |  | $ | (6 | ) |  | $ | 35 |  |  | $ | 46 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| *Effective tax rate (operating income (loss))* |  |  | *-6.9* | *%* |  |  | *40.9* | *%* |  |  | *44.8* | *%* |  |  | *24.4* | *%* |  |  | *18.4* | *%* |  |  | *19.0* | *%* |  |  | *NM* | *(1)* |  |  | *16.9* | *%* |  |  | *27.1* | *%* |

|  |  |
| --- | --- |
| (1) | NM is defined as not meaningful for percentages greater than 200%. |

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Selected Operating Performance MeasuresRunoff Segment**

**(amounts in millions)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | **2013** | | | | | | | | | | | | | |  |  | **2012** | | | | | | | | | | | | | | | | | |  |
|  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |  | **4Q** | |  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |
| **Variable AnnuitiesIncome Distribution Series** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Account value, beginning of the period |  | $ | 5,983 |  |  | $ | 6,202 |  |  | $ | 6,141 |  |  | $ | 6,141 |  |  | $ | 6,261 |  |  | $ | 6,229 |  |  | $ | 6,398 |  |  | $ | 6,265 |  |  | $ | 6,265 |  |
| Deposits |  |  | 19 |  |  |  | 18 |  |  |  | 20 |  |  |  | 57 |  |  |  | 22 |  |  |  | 17 |  |  |  | 20 |  |  |  | 26 |  |  |  | 85 |  |
| Surrenders, benefits and product charges |  |  | (186 | ) |  |  | (183 | ) |  |  | (173 | ) |  |  | (542 | ) |  |  | (184 | ) |  |  | (184 | ) |  |  | (168 | ) |  |  | (174 | ) |  |  | (710 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Net flows |  |  | (167 | ) |  |  | (165 | ) |  |  | (153 | ) |  |  | (485 | ) |  |  | (162 | ) |  |  | (167 | ) |  |  | (148 | ) |  |  | (148 | ) |  |  | (625 | ) |
| Interest credited and investment performance |  |  | 228 |  |  |  | (54 | ) |  |  | 214 |  |  |  | 388 |  |  |  | 42 |  |  |  | 199 |  |  |  | (21 | ) |  |  | 281 |  |  |  | 501 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Account value, end of the period |  |  | 6,044 |  |  |  | 5,983 |  |  |  | 6,202 |  |  |  | 6,044 |  |  |  | 6,141 |  |  |  | 6,261 |  |  |  | 6,229 |  |  |  | 6,398 |  |  |  | 6,141 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Traditional Variable Annuities** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Account value, net of reinsurance, beginning of the period |  |  | 1,601 |  |  |  | 1,674 |  |  |  | 1,662 |  |  |  | 1,662 |  |  |  | 1,715 |  |  |  | 1,703 |  |  |  | 1,819 |  |  |  | 1,766 |  |  |  | 1,766 |  |
| Deposits |  |  | 4 |  |  |  | 2 |  |  |  | 3 |  |  |  | 9 |  |  |  | 3 |  |  |  | 4 |  |  |  | 3 |  |  |  | 3 |  |  |  | 13 |  |
| Surrenders, benefits and product charges |  |  | (67 | ) |  |  | (80 | ) |  |  | (81 | ) |  |  | (228 | ) |  |  | (84 | ) |  |  | (72 | ) |  |  | (81 | ) |  |  | (89 | ) |  |  | (326 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Net flows |  |  | (63 | ) |  |  | (78 | ) |  |  | (78 | ) |  |  | (219 | ) |  |  | (81 | ) |  |  | (68 | ) |  |  | (78 | ) |  |  | (86 | ) |  |  | (313 | ) |
| Interest credited and investment performance |  |  | 82 |  |  |  | 5 |  |  |  | 90 |  |  |  | 177 |  |  |  | 28 |  |  |  | 80 |  |  |  | (38 | ) |  |  | 139 |  |  |  | 209 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Account value, net of reinsurance, end of the period |  |  | 1,620 |  |  |  | 1,601 |  |  |  | 1,674 |  |  |  | 1,620 |  |  |  | 1,662 |  |  |  | 1,715 |  |  |  | 1,703 |  |  |  | 1,819 |  |  |  | 1,662 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Variable Life Insurance** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Account value, beginning of the period |  |  | 293 |  |  |  | 301 |  |  |  | 292 |  |  |  | 292 |  |  |  | 294 |  |  |  | 293 |  |  |  | 305 |  |  |  | 284 |  |  |  | 284 |  |
| Deposits |  |  | 2 |  |  |  | 2 |  |  |  | 2 |  |  |  | 6 |  |  |  | 2 |  |  |  | 2 |  |  |  | 2 |  |  |  | 3 |  |  |  | 9 |  |
| Surrenders, benefits and product charges |  |  | (10 | ) |  |  | (11 | ) |  |  | (9 | ) |  |  | (30 | ) |  |  | (9 | ) |  |  | (12 | ) |  |  | (10 | ) |  |  | (8 | ) |  |  | (39 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Net flows |  |  | (8 | ) |  |  | (9 | ) |  |  | (7 | ) |  |  | (24 | ) |  |  | (7 | ) |  |  | (10 | ) |  |  | (8 | ) |  |  | (5 | ) |  |  | (30 | ) |
| Interest credited and investment performance |  |  | 17 |  |  |  | 1 |  |  |  | 16 |  |  |  | 34 |  |  |  | 5 |  |  |  | 11 |  |  |  | (4 | ) |  |  | 26 |  |  |  | 38 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Account value, end of the period |  |  | 302 |  |  |  | 293 |  |  |  | 301 |  |  |  | 302 |  |  |  | 292 |  |  |  | 294 |  |  |  | 293 |  |  |  | 305 |  |  |  | 292 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Total** |  | $ | 7,966 |  |  | $ | 7,877 |  |  | $ | 8,177 |  |  | $ | 7,966 |  |  | $ | 8,095 |  |  | $ | 8,270 |  |  | $ | 8,225 |  |  | $ | 8,522 |  |  | $ | 8,095 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Guaranteed Investment Contracts, Funding Agreements Backing Notes and Funding Agreements** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Account value, beginning of the period |  | $ | 1,077 |  |  | $ | 1,970 |  |  | $ | 2,153 |  |  | $ | 2,153 |  |  | $ | 2,297 |  |  | $ | 2,221 |  |  | $ | 2,594 |  |  | $ | 2,623 |  |  | $ | 2,623 |  |
| Deposits |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | 84 |  |  |  |  |  |  |  |  |  |  |  | 84 |  |
| Surrenders and benefits |  |  | (43 | ) |  |  | (900 | ) |  |  | (167 | ) |  |  | (1,110 | ) |  |  | (164 | ) |  |  | (26 | ) |  |  | (385 | ) |  |  | (55 | ) |  |  | (630 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Net flows |  |  | (43 | ) |  |  | (900 | ) |  |  | (167 | ) |  |  | (1,110 | ) |  |  | (164 | ) |  |  | 58 |  |  |  | (385 | ) |  |  | (55 | ) |  |  | (546 | ) |
| Interest credited |  |  | 2 |  |  |  | 7 |  |  |  | 15 |  |  |  | 24 |  |  |  | 17 |  |  |  | 17 |  |  |  | 18 |  |  |  | 21 |  |  |  | 73 |  |
| Foreign currency translation |  |  |  |  |  |  |  |  |  |  | (31 | ) |  |  | (31 | ) |  |  | 3 |  |  |  | 1 |  |  |  | (6 | ) |  |  | 5 |  |  |  | 3 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Account value, end of the period |  | $ | 1,036 |  |  | $ | 1,077 |  |  | $ | 1,970 |  |  | $ | 1,036 |  |  | $ | 2,153 |  |  | $ | 2,297 |  |  | $ | 2,221 |  |  | $ | 2,594 |  |  | $ | 2,153 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

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**Corporate and Other**

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Net Operating Loss and Assets Under ManagementCorporate and Other**(1)

**(amounts in millions)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | **2013** | | | | | | | | | | | | | |  |  | **2012** | | | | | | | | | | | | | | | | | |  |
|  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |  | **4Q** | |  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |
| **REVENUES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Premiums |  | $ |  |  |  | $ |  |  |  | $ |  |  |  | $ |  |  |  | $ |  |  |  | $ |  |  |  | $ |  |  |  | $ |  |  |  | $ |  |  |
| Net investment income |  |  | (6 | ) |  |  | 3 |  |  |  | 2 |  |  |  | (1 | ) |  |  | 11 |  |  |  | 3 |  |  |  | 16 |  |  |  |  |  |  |  | 30 |  |
| Net investment gains (losses) |  |  | (11 | ) |  |  | (5 | ) |  |  | (10 | ) |  |  | (26 | ) |  |  | (11 | ) |  |  | (4 | ) |  |  | 1 |  |  |  | (33 | ) |  |  | (47 | ) |
| Insurance and investment product fees and other |  |  | 2 |  |  |  | (1 | ) |  |  | 43 |  |  |  | 44 |  |  |  | 40 |  |  |  | 35 |  |  |  | 24 |  |  |  | 21 |  |  |  | 120 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total revenues |  |  | (15 | ) |  |  | (3 | ) |  |  | 35 |  |  |  | 17 |  |  |  | 40 |  |  |  | 34 |  |  |  | 41 |  |  |  | (12 | ) |  |  | 103 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **BENEFITS AND EXPENSES:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Benefits and other changes in policy reserves |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Interest credited |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Acquisition and operating expenses, net of deferrals |  |  | 38 |  |  |  | 8 |  |  |  | 49 |  |  |  | 95 |  |  |  | 60 |  |  |  | 36 |  |  |  | 29 |  |  |  | 32 |  |  |  | 157 |  |
| Amortization of deferred acquisition costs and intangibles |  |  | 1 |  |  |  | 4 |  |  |  | 3 |  |  |  | 8 |  |  |  | 3 |  |  |  | 3 |  |  |  | 3 |  |  |  | 3 |  |  |  | 12 |  |
| Interest expense |  |  | 81 |  |  |  | 77 |  |  |  | 80 |  |  |  | 238 |  |  |  | 80 |  |  |  | 82 |  |  |  | 84 |  |  |  | 62 |  |  |  | 308 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total benefits and expenses |  |  | 120 |  |  |  | 89 |  |  |  | 132 |  |  |  | 341 |  |  |  | 143 |  |  |  | 121 |  |  |  | 116 |  |  |  | 97 |  |  |  | 477 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **LOSS FROM CONTINUING OPERATIONS BEFORE INCOME TAXES** |  |  | (135 | ) |  |  | (92 | ) |  |  | (97 | ) |  |  | (324 | ) |  |  | (103 | ) |  |  | (87 | ) |  |  | (75 | ) |  |  | (109 | ) |  |  | (374 | ) |
| Benefit for income taxes |  |  | (20 | ) |  |  | (33 | ) |  |  | (33 | ) |  |  | (86 | ) |  |  | (31 | ) |  |  | (35 | ) |  |  | (31 | ) |  |  | (37 | ) |  |  | (134 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **LOSS FROM CONTINUING OPERATIONS** |  |  | (115 | ) |  |  | (59 | ) |  |  | (64 | ) |  |  | (238 | ) |  |  | (72 | ) |  |  | (52 | ) |  |  | (44 | ) |  |  | (72 | ) |  |  | (240 | ) |
| Income (loss) from discontinued operations, net of taxes(2) |  |  | 2 |  |  |  | 6 |  |  |  | (20 | ) |  |  | (12 | ) |  |  | 6 |  |  |  | 12 |  |  |  | 27 |  |  |  | 12 |  |  |  | 57 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **NET LOSS** |  |  | (113 | ) |  |  | (53 | ) |  |  | (84 | ) |  |  | (250 | ) |  |  | (66 | ) |  |  | (40 | ) |  |  | (17 | ) |  |  | (60 | ) |  |  | (183 | ) |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **ADJUSTMENTS TO NET LOSS:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Net investment (gains) losses, net of taxes and other adjustments |  |  | 7 |  |  |  | 4 |  |  |  | 6 |  |  |  | 17 |  |  |  | 7 |  |  |  | 3 |  |  |  | (1 | ) |  |  | 22 |  |  |  | 31 |  |
| (Income) loss from discontinued operations, net of taxes |  |  | (2 | ) |  |  | (6 | ) |  |  | 20 |  |  |  | 12 |  |  |  | (6 | ) |  |  | (12 | ) |  |  | (27 | ) |  |  | (12 | ) |  |  | (57 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **NET OPERATING LOSS** |  | $ | (108 | ) |  | $ | (55 | ) |  | $ | (58 | ) |  | $ | (221 | ) |  | $ | (65 | ) |  | $ | (49 | ) |  | $ | (45 | ) |  | $ | (50 | ) |  | $ | (209 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| *Effective tax rate (operating loss)* |  |  | *13.3* | *%* |  |  | *36.7* | *%* |  |  | *33.5* | *%* |  |  | *25.9* | *%* |  |  | *29.8* | *%* |  |  | *40.0* | *%* |  |  | *41.7* | *%* |  |  | *34.1* | *%* |  |  | *36.2* | *%* |

|  |  |
| --- | --- |
| (1) | Includes inter-segment eliminations and non-core products. |

|  |  |
| --- | --- |
| (2) | Operating results of the wealth management business prior to the sale on August 30, 2013 presented as discontinued operations were as follows: |

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | 2013 | | | | | | | | | | | | | |  |  | 2012 | | | | | | | | | | | | | | | | | |  |
|  |  | 3Q | |  |  | 2Q | |  |  | 1Q | |  |  | Total | |  |  | 4Q | |  |  | 3Q | |  |  | 2Q | |  |  | 1Q | |  |  | Total | |  |
| REVENUES: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Net investment gains (losses) |  | $ |  |  |  | $ |  |  |  | $ |  |  |  | $ |  |  |  | $ |  |  |  | $ |  |  |  | $ | (2 | ) |  | $ | (1 | ) |  | $ | (3 | ) |
| Insurance and investment product fees and other |  |  | 54 |  |  |  | 79 |  |  |  | 78 |  |  |  | 211 |  |  |  | 74 |  |  |  | 82 |  |  |  | 83 |  |  |  | 112 |  |  |  | 351 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total revenues |  |  | 54 |  |  |  | 79 |  |  |  | 78 |  |  |  | 211 |  |  |  | 74 |  |  |  | 82 |  |  |  | 81 |  |  |  | 111 |  |  |  | 348 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| BENEFITS AND EXPENSES: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Acquisition and operating expenses, net of deferrals |  |  | 46 |  |  |  | 66 |  |  |  | 66 |  |  |  | 178 |  |  |  | 58 |  |  |  | 62 |  |  |  | 62 |  |  |  | 90 |  |  |  | 272 |  |
| Amortization of deferred acquisition costs and intangibles |  |  | 1 |  |  |  | 2 |  |  |  | 1 |  |  |  | 4 |  |  |  | 1 |  |  |  | 2 |  |  |  | 1 |  |  |  | 1 |  |  |  | 5 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total benefits and expenses |  |  | 47 |  |  |  | 68 |  |  |  | 67 |  |  |  | 182 |  |  |  | 59 |  |  |  | 64 |  |  |  | 63 |  |  |  | 91 |  |  |  | 277 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| INCOME BEFORE INCOME TAXES AND OTHER ITEMS |  |  | 7 |  |  |  | 11 |  |  |  | 11 |  |  |  | 29 |  |  |  | 15 |  |  |  | 18 |  |  |  | 18 |  |  |  | 20 |  |  |  | 71 |  |
| Provision for income taxes |  |  | 3 |  |  |  | 5 |  |  |  | 4 |  |  |  | 12 |  |  |  | 7 |  |  |  | 6 |  |  |  | 6 |  |  |  | 8 |  |  |  | 27 |  |
| Goodwill impairment and other (gain) loss from sale, net of taxes |  |  | 2 |  |  |  |  |  |  |  | 27 |  |  |  | 29 |  |  |  | 2 |  |  |  |  |  |  |  | (15 | ) |  |  |  |  |  |  | (13 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| NET INCOME (LOSS) |  | $ | 2 |  |  | $ | 6 |  |  | $ | (20 | ) |  | $ | (12 | ) |  | $ | 6 |  |  | $ | 12 |  |  | $ | 27 |  |  | $ | 12 |  |  | $ | 57 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Assets under management(3) |  | $ |  |  |  | $ | 22,619 |  |  | $ | 23,056 |  |  | $ |  |  |  | $ | 22,349 |  |  | $ | 22,633 |  |  | $ | 22,320 |  |  | $ | 25,684 |  |  | $ | 22,349 |  |

|  |  |
| --- | --- |
| (3) | Assets under management for the wealth management business prior to the sale on August 30, 2013 represented third-party assets under management that were not consolidated in the companys financial statements. |

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**Additional Financial Data**

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Investments Summary**

**(amounts in millions)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  | **September 30, 2013** | | | | | |  |  | **June 30, 2013** | | | | | |  |  | **March 31, 2013** | | | | | |  |  | **December 31, 2012** | | | | | |  |  | **September 30, 2012** | | | | | |  |
|  |  |  |  | **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 | | |  | $ | 35,503 |  |  |  | 49 | % |  | $ | 34,486 |  |  |  | 48 | % |  | $ | 36,577 |  |  |  | 48 | % |  | $ | 37,207 |  |  |  | 48 | % |  | $ | 37,335 |  |  |  | 48 | % |
| Private fixed maturity securities | | |  |  | 10,277 |  |  |  | 14 |  |  |  | 10,368 |  |  |  | 14 |  |  |  | 10,572 |  |  |  | 14 |  |  |  | 10,484 |  |  |  | 13 |  |  |  | 10,306 |  |  |  | 13 |  |
| Residential mortgage-backed securities(1) | | |  |  | 5,187 |  |  |  | 7 |  |  |  | 5,282 |  |  |  | 7 |  |  |  | 5,551 |  |  |  | 7 |  |  |  | 5,532 |  |  |  | 7 |  |  |  | 5,489 |  |  |  | 7 |  |
| Commercial mortgage-backed securities | | |  |  | 2,520 |  |  |  | 4 |  |  |  | 2,533 |  |  |  | 4 |  |  |  | 2,731 |  |  |  | 4 |  |  |  | 2,947 |  |  |  | 4 |  |  |  | 2,902 |  |  |  | 4 |  |
| Other asset-backed securities | | |  |  | 2,992 |  |  |  | 4 |  |  |  | 2,655 |  |  |  | 4 |  |  |  | 2,572 |  |  |  | 3 |  |  |  | 2,583 |  |  |  | 3 |  |  |  | 2,685 |  |  |  | 3 |  |
| Tax-exempt | | |  |  | 263 |  |  |  |  |  |  |  | 262 |  |  |  |  |  |  |  | 270 |  |  |  |  |  |  |  | 294 |  |  |  |  |  |  |  | 302 |  |  |  |  |  |
| Non-investment grade fixed maturity securities | | |  |  | 2,344 |  |  |  | 3 |  |  |  | 2,422 |  |  |  | 3 |  |  |  | 2,809 |  |  |  | 4 |  |  |  | 3,114 |  |  |  | 4 |  |  |  | 3,195 |  |  |  | 4 |  |
| Equity securities: | | |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Common stocks and mutual funds | | |  |  | 303 |  |  |  | 1 |  |  |  | 332 |  |  |  | 1 |  |  |  | 401 |  |  |  | 1 |  |  |  | 431 |  |  |  | 1 |  |  |  | 410 |  |  |  | 1 |  |
| Preferred stocks | | |  |  | 76 |  |  |  |  |  |  |  | 79 |  |  |  |  |  |  |  | 89 |  |  |  |  |  |  |  | 87 |  |  |  |  |  |  |  | 114 |  |  |  |  |  |
| Commercial mortgage loans | | |  |  | 5,858 |  |  |  | 8 |  |  |  | 5,831 |  |  |  | 8 |  |  |  | 5,866 |  |  |  | 8 |  |  |  | 5,872 |  |  |  | 8 |  |  |  | 5,861 |  |  |  | 8 |  |
| Restricted commercial mortgage loans related to securitization entities | | |  |  | 290 |  |  |  |  |  |  |  | 309 |  |  |  |  |  |  |  | 324 |  |  |  |  |  |  |  | 341 |  |  |  |  |  |  |  | 359 |  |  |  |  |  |
| Policy loans | | |  |  | 1,668 |  |  |  | 2 |  |  |  | 1,671 |  |  |  | 2 |  |  |  | 1,606 |  |  |  | 2 |  |  |  | 1,601 |  |  |  | 2 |  |  |  | 1,626 |  |  |  | 2 |  |
| Cash, cash equivalents and short-term investments | | |  |  | 3,767 |  |  |  | 5 |  |  |  | 3,777 |  |  |  | 5 |  |  |  | 4,104 |  |  |  | 5 |  |  |  | 3,897 |  |  |  | 5 |  |  |  | 3,854 |  |  |  | 5 |  |
| Securities lending | | |  |  | 154 |  |  |  |  |  |  |  | 163 |  |  |  |  |  |  |  | 183 |  |  |  |  |  |  |  | 187 |  |  |  |  |  |  |  | 181 |  |  |  |  |  |
| Other invested assets: |  | Limited partnerships |  |  | 297 |  |  |  | 1 |  |  |  | 318 |  |  |  | 1 |  |  |  | 326 |  |  |  | 1 |  |  |  | 339 |  |  |  |  |  |  |  | 344 |  |  |  |  |  |
|  |  | Derivatives: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | Long-term care (LTC) forward starting swapcash flow |  |  | 147 |  |  |  |  |  |  |  | 166 |  |  |  |  |  |  |  | 353 |  |  |  |  |  |  |  | 466 |  |  |  | 1 |  |  |  | 614 |  |  |  | 1 |  |
|  |  | Other cash flow |  |  | 3 |  |  |  |  |  |  |  | 3 |  |  |  |  |  |  |  | 9 |  |  |  |  |  |  |  | 3 |  |  |  |  |  |  |  | 1 |  |  |  |  |  |
|  |  | Fair value |  |  | 1 |  |  |  |  |  |  |  | 1 |  |  |  |  |  |  |  | 4 |  |  |  |  |  |  |  | 43 |  |  |  |  |  |  |  | 48 |  |  |  |  |  |
|  |  | Equity index optionsnon-qualified |  |  | 6 |  |  |  |  |  |  |  | 13 |  |  |  |  |  |  |  | 17 |  |  |  |  |  |  |  | 25 |  |  |  |  |  |  |  | 24 |  |  |  |  |  |
|  |  | Other non-qualified |  |  | 370 |  |  |  | 1 |  |  |  | 397 |  |  |  | 1 |  |  |  | 554 |  |  |  | 1 |  |  |  | 612 |  |  |  | 1 |  |  |  | 697 |  |  |  | 1 |  |
|  |  | Trading portfolio |  |  | 278 |  |  |  |  |  |  |  | 287 |  |  |  |  |  |  |  | 468 |  |  |  | 1 |  |  |  | 556 |  |  |  | 1 |  |  |  | 680 |  |  |  | 1 |  |
|  |  | Counterparty collateral |  |  | 272 |  |  |  |  |  |  |  | 377 |  |  |  | 1 |  |  |  | 615 |  |  |  | 1 |  |  |  | 840 |  |  |  | 1 |  |  |  | 1,010 |  |  |  | 1 |  |
|  |  | Restricted other invested assets related to securitization entities |  |  | 392 |  |  |  | 1 |  |  |  | 392 |  |  |  | 1 |  |  |  | 399 |  |  |  |  |  |  |  | 393 |  |  |  | 1 |  |  |  | 393 |  |  |  | 1 |  |
|  |  | Other |  |  | 85 |  |  |  |  |  |  |  | 87 |  |  |  |  |  |  |  | 146 |  |  |  |  |  |  |  | 157 |  |  |  |  |  |  |  | 173 |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total invested assets and cash | | |  | $ | 73,053 |  |  |  | 100 | % |  | $ | 72,211 |  |  |  | 100 | % |  | $ | 76,546 |  |  |  | 100 | % |  | $ | 78,011 |  |  |  | 100 | % |  | $ | 78,603 |  |  |  | 100 | % |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Public Fixed Maturity SecuritiesCredit Quality:** | | |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **NRSRO**(2) **Designation** | | |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| AAA |  |  |  | $ | 15,859 |  |  |  | 35 | % |  | $ | 15,928 |  |  |  | 36 | % |  | $ | 17,050 |  |  |  | 36 | % |  | $ | 17,372 |  |  |  | 36 | % |  | $ | 17,864 |  |  |  | 37 | % |
| AA |  |  |  |  | 4,776 |  |  |  | 11 |  |  |  | 4,204 |  |  |  | 10 |  |  |  | 4,664 |  |  |  | 10 |  |  |  | 4,746 |  |  |  | 10 |  |  |  | 4,709 |  |  |  | 10 |  |
| A |  |  |  |  | 12,674 |  |  |  | 28 |  |  |  | 12,530 |  |  |  | 28 |  |  |  | 13,133 |  |  |  | 28 |  |  |  | 13,238 |  |  |  | 28 |  |  |  | 13,311 |  |  |  | 28 |  |
| BBB |  |  |  |  | 10,426 |  |  |  | 23 |  |  |  | 10,044 |  |  |  | 23 |  |  |  | 10,345 |  |  |  | 22 |  |  |  | 10,567 |  |  |  | 22 |  |  |  | 10,372 |  |  |  | 21 |  |
| BB |  |  |  |  | 1,134 |  |  |  | 3 |  |  |  | 1,096 |  |  |  | 3 |  |  |  | 1,260 |  |  |  | 3 |  |  |  | 1,296 |  |  |  | 3 |  |  |  | 1,280 |  |  |  | 3 |  |
| B |  |  |  |  | 128 |  |  |  |  |  |  |  | 145 |  |  |  |  |  |  |  | 135 |  |  |  |  |  |  |  | 147 |  |  |  |  |  |  |  | 145 |  |  |  |  |  |
| CCC and lower |  |  |  |  | 130 |  |  |  |  |  |  |  | 182 |  |  |  |  |  |  |  | 257 |  |  |  | 1 |  |  |  | 397 |  |  |  | 1 |  |  |  | 456 |  |  |  | 1 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total public fixed maturity securities | | |  | $ | 45,127 |  |  |  | 100 | % |  | $ | 44,129 |  |  |  | 100 | % |  | $ | 46,844 |  |  |  | 100 | % |  | $ | 47,763 |  |  |  | 100 | % |  | $ | 48,137 |  |  |  | 100 | % |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Private Fixed Maturity SecuritiesCredit Quality:** | | |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **NRSRO**(2) **Designation** | | |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| AAA |  |  |  | $ | 1,453 |  |  |  | 10 | % |  | $ | 1,326 |  |  |  | 10 | % |  | $ | 1,354 |  |  |  | 10 | % |  | $ | 1,427 |  |  |  | 10 | % |  | $ | 1,657 |  |  |  | 12 | % |
| AA |  |  |  |  | 1,551 |  |  |  | 11 |  |  |  | 1,499 |  |  |  | 11 |  |  |  | 1,462 |  |  |  | 10 |  |  |  | 1,521 |  |  |  | 11 |  |  |  | 1,349 |  |  |  | 10 |  |
| A |  |  |  |  | 4,247 |  |  |  | 31 |  |  |  | 4,198 |  |  |  | 30 |  |  |  | 4,419 |  |  |  | 31 |  |  |  | 4,338 |  |  |  | 30 |  |  |  | 4,164 |  |  |  | 29 |  |
| BBB |  |  |  |  | 5,756 |  |  |  | 41 |  |  |  | 5,857 |  |  |  | 42 |  |  |  | 5,846 |  |  |  | 41 |  |  |  | 5,838 |  |  |  | 41 |  |  |  | 5,593 |  |  |  | 40 |  |
| BB |  |  |  |  | 798 |  |  |  | 6 |  |  |  | 819 |  |  |  | 6 |  |  |  | 886 |  |  |  | 6 |  |  |  | 929 |  |  |  | 6 |  |  |  | 974 |  |  |  | 7 |  |
| B |  |  |  |  | 63 |  |  |  |  |  |  |  | 83 |  |  |  |  |  |  |  | 154 |  |  |  | 1 |  |  |  | 194 |  |  |  | 1 |  |  |  | 187 |  |  |  | 1 |  |
| CCC and lower |  |  |  |  | 91 |  |  |  | 1 |  |  |  | 97 |  |  |  | 1 |  |  |  | 117 |  |  |  | 1 |  |  |  | 151 |  |  |  | 1 |  |  |  | 153 |  |  |  | 1 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total private fixed maturity securities | | |  | $ | 13,959 |  |  |  | 100 | % |  | $ | 13,879 |  |  |  | 100 | % |  | $ | 14,238 |  |  |  | 100 | % |  | $ | 14,398 |  |  |  | 100 | % |  | $ | 14,077 |  |  |  | 100 | % |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

|  |  |
| --- | --- |
| (1) | The company does not have any material exposure to residential mortgage-backed securities collateralized debt obligations (CDOs). |

|  |  |
| --- | --- |
| (2) | Nationally Recognized Statistical Rating Organizations. |

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Fixed Maturity Securities Summary**

**(amounts in millions)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | **September 30, 2013** | | | | | |  |  | **June 30, 2013** | | | | | |  |  | **March 31, 2013** | | | | | |  |  | **December 31, 2012** | | | | | |  |  | **September 30, 2012** | | | | | |  |
|  |  | **Fair Value** | |  |  | **% of Total** | |  |  | **Fair Value** | |  |  | **% of Total** | |  |  | **Fair Value** | |  |  | **% of Total** | |  |  | **Fair Value** | |  |  | **% of Total** | |  |  | **Fair Value** | |  |  | **% of Total** | |  |
| **Fixed Maturity SecuritiesSecurity Sector:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| U.S. government, agencies and government-sponsored enterprises |  | $ | 5,325 |  |  |  | 9 | % |  | $ | 5,048 |  |  |  | 9 | % |  | $ | 5,381 |  |  |  | 9 | % |  | $ | 5,491 |  |  |  | 9 | % |  | $ | 5,503 |  |  |  | 9 | % |
| Tax-exempt |  |  | 263 |  |  |  |  |  |  |  | 262 |  |  |  |  |  |  |  | 270 |  |  |  |  |  |  |  | 294 |  |  |  | 1 |  |  |  | 302 |  |  |  | 1 |  |
| Foreign government |  |  | 2,232 |  |  |  | 4 |  |  |  | 2,247 |  |  |  | 4 |  |  |  | 2,345 |  |  |  | 4 |  |  |  | 2,422 |  |  |  | 4 |  |  |  | 2,574 |  |  |  | 4 |  |
| U.S. corporate |  |  | 24,782 |  |  |  | 42 |  |  |  | 24,742 |  |  |  | 43 |  |  |  | 25,936 |  |  |  | 43 |  |  |  | 26,105 |  |  |  | 42 |  |  |  | 26,306 |  |  |  | 42 |  |
| Foreign corporate |  |  | 15,276 |  |  |  | 26 |  |  |  | 14,618 |  |  |  | 25 |  |  |  | 15,540 |  |  |  | 25 |  |  |  | 15,792 |  |  |  | 25 |  |  |  | 15,368 |  |  |  | 25 |  |
| Residential mortgage-backed securities |  |  | 5,397 |  |  |  | 9 |  |  |  | 5,590 |  |  |  | 10 |  |  |  | 5,942 |  |  |  | 10 |  |  |  | 6,081 |  |  |  | 10 |  |  |  | 6,119 |  |  |  | 10 |  |
| Commercial mortgage-backed securities |  |  | 2,790 |  |  |  | 5 |  |  |  | 2,814 |  |  |  | 5 |  |  |  | 3,056 |  |  |  | 5 |  |  |  | 3,333 |  |  |  | 5 |  |  |  | 3,286 |  |  |  | 5 |  |
| Other asset-backed securities |  |  | 3,021 |  |  |  | 5 |  |  |  | 2,687 |  |  |  | 4 |  |  |  | 2,612 |  |  |  | 4 |  |  |  | 2,643 |  |  |  | 4 |  |  |  | 2,756 |  |  |  | 4 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total fixed maturity securities |  | $ | 59,086 |  |  |  | 100 | % |  | $ | 58,008 |  |  |  | 100 | % |  | $ | 61,082 |  |  |  | 100 | % |  | $ | 62,161 |  |  |  | 100 | % |  | $ | 62,214 |  |  |  | 100 | % |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Corporate Bond HoldingsIndustry Sector:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Investment Grade: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Finance and insurance |  | $ | 7,344 |  |  |  | 19 | % |  | $ | 7,167 |  |  |  | 19 | % |  | $ | 7,746 |  |  |  | 20 | % |  | $ | 7,820 |  |  |  | 20 | % |  | $ | 8,063 |  |  |  | 20 | % |
| Utilities and energy |  |  | 9,084 |  |  |  | 24 |  |  |  | 9,097 |  |  |  | 24 |  |  |  | 9,438 |  |  |  | 24 |  |  |  | 9,432 |  |  |  | 24 |  |  |  | 9,265 |  |  |  | 23 |  |
| Consumernon-cyclical |  |  | 4,722 |  |  |  | 12 |  |  |  | 4,674 |  |  |  | 12 |  |  |  | 4,979 |  |  |  | 13 |  |  |  | 5,027 |  |  |  | 13 |  |  |  | 5,065 |  |  |  | 13 |  |
| Consumercyclical |  |  | 2,185 |  |  |  | 6 |  |  |  | 2,157 |  |  |  | 6 |  |  |  | 2,217 |  |  |  | 6 |  |  |  | 2,272 |  |  |  | 6 |  |  |  | 2,222 |  |  |  | 6 |  |
| Capital goods |  |  | 2,276 |  |  |  | 6 |  |  |  | 2,332 |  |  |  | 6 |  |  |  | 2,460 |  |  |  | 6 |  |  |  | 2,515 |  |  |  | 6 |  |  |  | 2,515 |  |  |  | 6 |  |
| Industrial |  |  | 2,592 |  |  |  | 7 |  |  |  | 2,507 |  |  |  | 7 |  |  |  | 2,546 |  |  |  | 6 |  |  |  | 2,511 |  |  |  | 6 |  |  |  | 2,434 |  |  |  | 6 |  |
| Technology and communications |  |  | 2,928 |  |  |  | 8 |  |  |  | 2,864 |  |  |  | 8 |  |  |  | 2,916 |  |  |  | 7 |  |  |  | 2,966 |  |  |  | 7 |  |  |  | 2,792 |  |  |  | 7 |  |
| Transportation |  |  | 1,593 |  |  |  | 4 |  |  |  | 1,550 |  |  |  | 4 |  |  |  | 1,581 |  |  |  | 4 |  |  |  | 1,588 |  |  |  | 4 |  |  |  | 1,566 |  |  |  | 4 |  |
| Other |  |  | 5,534 |  |  |  | 14 |  |  |  | 5,245 |  |  |  | 14 |  |  |  | 5,650 |  |  |  | 14 |  |  |  | 5,793 |  |  |  | 14 |  |  |  | 5,786 |  |  |  | 15 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Subtotal |  |  | 38,258 |  |  |  | 100 | % |  |  | 37,593 |  |  |  | 100 | % |  |  | 39,533 |  |  |  | 100 | % |  |  | 39,924 |  |  |  | 100 | % |  |  | 39,708 |  |  |  | 100 | % |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Non-Investment Grade: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Finance and insurance |  |  | 376 |  |  |  | 21 | % |  |  | 376 |  |  |  | 21 | % |  |  | 413 |  |  |  | 21 | % |  |  | 454 |  |  |  | 23 | % |  |  | 460 |  |  |  | 23 | % |
| Utilities and energy |  |  | 338 |  |  |  | 19 |  |  |  | 332 |  |  |  | 19 |  |  |  | 372 |  |  |  | 19 |  |  |  | 406 |  |  |  | 21 |  |  |  | 429 |  |  |  | 22 |  |
| Consumernon-cyclical |  |  | 170 |  |  |  | 9 |  |  |  | 186 |  |  |  | 11 |  |  |  | 161 |  |  |  | 8 |  |  |  | 171 |  |  |  | 9 |  |  |  | 160 |  |  |  | 8 |  |
| Consumercyclical |  |  | 107 |  |  |  | 6 |  |  |  | 107 |  |  |  | 6 |  |  |  | 119 |  |  |  | 6 |  |  |  | 110 |  |  |  | 5 |  |  |  | 95 |  |  |  | 5 |  |
| Capital goods |  |  | 272 |  |  |  | 15 |  |  |  | 250 |  |  |  | 14 |  |  |  | 247 |  |  |  | 13 |  |  |  | 257 |  |  |  | 13 |  |  |  | 287 |  |  |  | 14 |  |
| Industrial |  |  | 243 |  |  |  | 14 |  |  |  | 236 |  |  |  | 13 |  |  |  | 322 |  |  |  | 17 |  |  |  | 318 |  |  |  | 16 |  |  |  | 290 |  |  |  | 15 |  |
| Technology and communications |  |  | 257 |  |  |  | 14 |  |  |  | 234 |  |  |  | 13 |  |  |  | 241 |  |  |  | 12 |  |  |  | 186 |  |  |  | 9 |  |  |  | 171 |  |  |  | 9 |  |
| Transportation |  |  | 26 |  |  |  | 1 |  |  |  | 29 |  |  |  | 2 |  |  |  | 53 |  |  |  | 3 |  |  |  | 55 |  |  |  | 3 |  |  |  | 58 |  |  |  | 3 |  |
| Other |  |  | 11 |  |  |  | 1 |  |  |  | 17 |  |  |  | 1 |  |  |  | 15 |  |  |  | 1 |  |  |  | 16 |  |  |  | 1 |  |  |  | 16 |  |  |  | 1 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Subtotal |  |  | 1,800 |  |  |  | 100 | % |  |  | 1,767 |  |  |  | 100 | % |  |  | 1,943 |  |  |  | 100 | % |  |  | 1,973 |  |  |  | 100 | % |  |  | 1,966 |  |  |  | 100 | % |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total |  | $ | 40,058 |  |  |  | 100 | % |  | $ | 39,360 |  |  |  | 100 | % |  | $ | 41,476 |  |  |  | 100 | % |  | $ | 41,897 |  |  |  | 100 | % |  | $ | 41,674 |  |  |  | 100 | % |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Fixed Maturity SecuritiesContractual Maturity Dates:** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| Due in one year or less |  | $ | 2,772 |  |  |  | 5 | % |  | $ | 2,670 |  |  |  | 4 | % |  | $ | 2,731 |  |  |  | 4 | % |  | $ | 2,634 |  |  |  | 4 | % |  | $ | 3,097 |  |  |  | 5 | % |
| Due after one year through five years |  |  | 10,563 |  |  |  | 18 |  |  |  | 10,313 |  |  |  | 18 |  |  |  | 10,997 |  |  |  | 18 |  |  |  | 11,139 |  |  |  | 18 |  |  |  | 11,162 |  |  |  | 18 |  |
| Due after five years through ten years |  |  | 12,570 |  |  |  | 21 |  |  |  | 11,880 |  |  |  | 20 |  |  |  | 12,243 |  |  |  | 20 |  |  |  | 12,266 |  |  |  | 20 |  |  |  | 12,009 |  |  |  | 19 |  |
| Due after ten years |  |  | 21,973 |  |  |  | 37 |  |  |  | 22,054 |  |  |  | 38 |  |  |  | 23,501 |  |  |  | 39 |  |  |  | 24,065 |  |  |  | 39 |  |  |  | 23,785 |  |  |  | 38 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Subtotal |  |  | 47,878 |  |  |  | 81 |  |  |  | 46,917 |  |  |  | 80 |  |  |  | 49,472 |  |  |  | 81 |  |  |  | 50,104 |  |  |  | 81 |  |  |  | 50,053 |  |  |  | 80 |  |
| Mortgage and asset-backed securities |  |  | 11,208 |  |  |  | 19 |  |  |  | 11,091 |  |  |  | 20 |  |  |  | 11,610 |  |  |  | 19 |  |  |  | 12,057 |  |  |  | 19 |  |  |  | 12,161 |  |  |  | 20 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total fixed maturity securities |  | $ | 59,086 |  |  |  | 100 | % |  | $ | 58,008 |  |  |  | 100 | % |  | $ | 61,082 |  |  |  | 100 | % |  | $ | 62,161 |  |  |  | 100 | % |  | $ | 62,214 |  |  |  | 100 | % |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Commercial Mortgage Loans Summary**

**(amounts in millions)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | **September 30, 2013** | | | | | |  |  | **June 30, 2013** | | | | | |  |  | **March 31, 2013** | | | | | |  |  | **December 31, 2012** | | | | | |  |  | **September 30, 2012** | | | | | |  |
|  |  | **Carrying Amount** | |  |  | **% of Total** | |  |  | **Carrying Amount** | |  |  | **% of Total** | |  |  | **Carrying Amount** | |  |  | **% of Total** | |  |  | **Carrying Amount** | |  |  | **% of Total** | |  |  | **Carrying Amount** | |  |  | **% of Total** | |  |
| **Geographic Region** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Pacific |  | $ | 1,624 |  |  |  | 28 | % |  | $ | 1,621 |  |  |  | 28 | % |  | $ | 1,582 |  |  |  | 27 | % |  | $ | 1,553 |  |  |  | 26 | % |  | $ | 1,526 |  |  |  | 26 | % |
| South Atlantic |  |  | 1,558 |  |  |  | 26 |  |  |  | 1,515 |  |  |  | 26 |  |  |  | 1,549 |  |  |  | 26 |  |  |  | 1,587 |  |  |  | 27 |  |  |  | 1,619 |  |  |  | 27 |  |
| Middle Atlantic |  |  | 792 |  |  |  | 13 |  |  |  | 780 |  |  |  | 13 |  |  |  | 750 |  |  |  | 13 |  |  |  | 739 |  |  |  | 13 |  |  |  | 710 |  |  |  | 12 |  |
| Mountain |  |  | 462 |  |  |  | 8 |  |  |  | 466 |  |  |  | 8 |  |  |  | 458 |  |  |  | 8 |  |  |  | 463 |  |  |  | 8 |  |  |  | 442 |  |  |  | 7 |  |
| East North Central |  |  | 384 |  |  |  | 7 |  |  |  | 389 |  |  |  | 7 |  |  |  | 451 |  |  |  | 8 |  |  |  | 468 |  |  |  | 8 |  |  |  | 513 |  |  |  | 9 |  |
| West North Central |  |  | 366 |  |  |  | 6 |  |  |  | 368 |  |  |  | 6 |  |  |  | 374 |  |  |  | 6 |  |  |  | 353 |  |  |  | 6 |  |  |  | 339 |  |  |  | 6 |  |
| New England |  |  | 327 |  |  |  | 6 |  |  |  | 340 |  |  |  | 6 |  |  |  | 341 |  |  |  | 6 |  |  |  | 343 |  |  |  | 6 |  |  |  | 342 |  |  |  | 6 |  |
| West South Central |  |  | 237 |  |  |  | 4 |  |  |  | 247 |  |  |  | 4 |  |  |  | 259 |  |  |  | 4 |  |  |  | 265 |  |  |  | 4 |  |  |  | 260 |  |  |  | 4 |  |
| East South Central |  |  | 143 |  |  |  | 2 |  |  |  | 142 |  |  |  | 2 |  |  |  | 140 |  |  |  | 2 |  |  |  | 141 |  |  |  | 2 |  |  |  | 152 |  |  |  | 3 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Subtotal |  |  | 5,893 |  |  |  | 100 | % |  |  | 5,868 |  |  |  | 100 | % |  |  | 5,904 |  |  |  | 100 | % |  |  | 5,912 |  |  |  | 100 | % |  |  | 5,903 |  |  |  | 100 | % |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Allowance for losses |  |  | (36 | ) |  |  |  |  |  |  | (38 | ) |  |  |  |  |  |  | (40 | ) |  |  |  |  |  |  | (42 | ) |  |  |  |  |  |  | (44 | ) |  |  |  |  |
| Unamortized fees and costs |  |  | 1 |  |  |  |  |  |  |  | 1 |  |  |  |  |  |  |  | 2 |  |  |  |  |  |  |  | 2 |  |  |  |  |  |  |  | 2 |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total |  | $ | 5,858 |  |  |  |  |  |  | $ | 5,831 |  |  |  |  |  |  | $ | 5,866 |  |  |  |  |  |  | $ | 5,872 |  |  |  |  |  |  | $ | 5,861 |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Property Type** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Retail |  | $ | 2,005 |  |  |  | 34 | % |  | $ | 2,000 |  |  |  | 34 | % |  | $ | 1,953 |  |  |  | 33 | % |  | $ | 1,895 |  |  |  | 32 | % |  | $ | 1,882 |  |  |  | 32 | % |
| Office |  |  | 1,610 |  |  |  | 27 |  |  |  | 1,585 |  |  |  | 27 |  |  |  | 1,595 |  |  |  | 27 |  |  |  | 1,580 |  |  |  | 27 |  |  |  | 1,533 |  |  |  | 26 |  |
| Industrial |  |  | 1,571 |  |  |  | 27 |  |  |  | 1,565 |  |  |  | 27 |  |  |  | 1,584 |  |  |  | 27 |  |  |  | 1,603 |  |  |  | 27 |  |  |  | 1,633 |  |  |  | 27 |  |
| Apartments |  |  | 473 |  |  |  | 8 |  |  |  | 490 |  |  |  | 8 |  |  |  | 542 |  |  |  | 9 |  |  |  | 552 |  |  |  | 9 |  |  |  | 578 |  |  |  | 10 |  |
| Mixed use/other |  |  | 234 |  |  |  | 4 |  |  |  | 228 |  |  |  | 4 |  |  |  | 230 |  |  |  | 4 |  |  |  | 282 |  |  |  | 5 |  |  |  | 277 |  |  |  | 5 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Subtotal |  |  | 5,893 |  |  |  | 100 | % |  |  | 5,868 |  |  |  | 100 | % |  |  | 5,904 |  |  |  | 100 | % |  |  | 5,912 |  |  |  | 100 | % |  |  | 5,903 |  |  |  | 100 | % |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Allowance for losses |  |  | (36 | ) |  |  |  |  |  |  | (38 | ) |  |  |  |  |  |  | (40 | ) |  |  |  |  |  |  | (42 | ) |  |  |  |  |  |  | (44 | ) |  |  |  |  |
| Unamortized fees and costs |  |  | 1 |  |  |  |  |  |  |  | 1 |  |  |  |  |  |  |  | 2 |  |  |  |  |  |  |  | 2 |  |  |  |  |  |  |  | 2 |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total |  | $ | 5,858 |  |  |  |  |  |  | $ | 5,831 |  |  |  |  |  |  | $ | 5,866 |  |  |  |  |  |  | $ | 5,872 |  |  |  |  |  |  | $ | 5,861 |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Allowance for Losses on Commercial Mortgage Loans** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Beginning balance |  | $ | 38 |  |  |  |  |  |  | $ | 40 |  |  |  |  |  |  | $ | 42 |  |  |  |  |  |  | $ | 44 |  |  |  |  |  |  | $ | 46 |  |  |  |  |  |
| Provision |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | 1 |  |  |  |  |  |
| Release |  |  | (2 | ) |  |  |  |  |  |  | (2 | ) |  |  |  |  |  |  | (2 | ) |  |  |  |  |  |  | (2 | ) |  |  |  |  |  |  | (3 | ) |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Ending balance |  | $ | 36 |  |  |  |  |  |  | $ | 38 |  |  |  |  |  |  | $ | 40 |  |  |  |  |  |  | $ | 42 |  |  |  |  |  |  | $ | 44 |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Commercial Mortgage Loans Summary**

**(amounts in millions)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | **September 30, 2013** | | | | | |  |  | **June 30, 2013** | | | | | |  |  | **March 31, 2013** | | | | | |  |  | **December 31, 2012** | | | | | |  |  | **September 30, 2012** | | | | | |  |
| **Loan Size** |  | **Principal Balance** | |  |  | **% of Total** | |  |  | **Principal Balance** | |  |  | **% of Total** | |  |  | **Principal Balance** | |  |  | **% of Total** | |  |  | **Principal Balance** | |  |  | **% of Total** | |  |  | **Principal Balance** | |  |  | **% of Total** | |  |
| Under $5 million |  | $ | 2,393 |  |  |  | 41 | % |  | $ | 2,384 |  |  |  | 41 | % |  | $ | 2,425 |  |  |  | 41 | % |  | $ | 2,458 |  |  |  | 42 | % |  | $ | 2,722 |  |  |  | 46 | % |
| $5 million but less than $10 million |  |  | 1,594 |  |  |  | 27 |  |  |  | 1,594 |  |  |  | 27 |  |  |  | 1,573 |  |  |  | 27 |  |  |  | 1,508 |  |  |  | 25 |  |  |  | 1,521 |  |  |  | 26 |  |
| $10 million but less than $20 million |  |  | 1,315 |  |  |  | 22 |  |  |  | 1,321 |  |  |  | 23 |  |  |  | 1,255 |  |  |  | 21 |  |  |  | 1,162 |  |  |  | 20 |  |  |  | 1,058 |  |  |  | 18 |  |
| $20 million but less than $30 million |  |  | 227 |  |  |  | 4 |  |  |  | 204 |  |  |  | 3 |  |  |  | 205 |  |  |  | 3 |  |  |  | 267 |  |  |  | 4 |  |  |  | 198 |  |  |  | 3 |  |
| $30 million and over |  |  | 364 |  |  |  | 6 |  |  |  | 365 |  |  |  | 6 |  |  |  | 446 |  |  |  | 8 |  |  |  | 517 |  |  |  | 9 |  |  |  | 404 |  |  |  | 7 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total |  | $ | 5,893 |  |  |  | 100 | % |  | $ | 5,868 |  |  |  | 100 | % |  | $ | 5,904 |  |  |  | 100 | % |  | $ | 5,912 |  |  |  | 100 | % |  | $ | 5,903 |  |  |  | 100 | % |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

**Commercial Mortgage Loan Information by Vintage as of September 30, 2013**

**(loan amounts in millions)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Loan Year** |  | **Total Recorded Investment** (1) | |  |  | **Number of Loans** | |  |  | **Average Balance Per Loan** | |  |  | **Loan-To-Value**(2) | |  |  | **Delinquent Principal Balance** | |  |  | **Number of Delinquent Loans** | |  |  | **Average Balance Per Delinquent Loan** | |  |
| 2004 and prior |  | $ | 1,000 |  |  |  | 517 |  |  | $ | 2 |  |  |  | 42 | % |  | $ |  |  |  |  |  |  |  | $ |  |  |
| 2005 |  |  | 1,056 |  |  |  | 262 |  |  | $ | 4 |  |  |  | 55 | % |  |  |  |  |  |  |  |  |  | $ |  |  |
| 2006 |  |  | 987 |  |  |  | 247 |  |  | $ | 4 |  |  |  | 63 | % |  |  | 30 |  |  |  | 6 |  |  | $ | 5 |  |
| 2007 |  |  | 886 |  |  |  | 158 |  |  | $ | 6 |  |  |  | 70 | % |  |  |  |  |  |  |  |  |  | $ |  |  |
| 2008 |  |  | 254 |  |  |  | 55 |  |  | $ | 5 |  |  |  | 69 | % |  |  | 9 |  |  |  | 2 |  |  | $ | 4 |  |
| 2009 |  |  |  |  |  |  |  |  |  | $ |  |  |  |  |  | % |  |  |  |  |  |  |  |  |  | $ |  |  |
| 2010 |  |  | 95 |  |  |  | 17 |  |  | $ | 6 |  |  |  | 54 | % |  |  |  |  |  |  |  |  |  | $ |  |  |
| 2011 |  |  | 275 |  |  |  | 54 |  |  | $ | 5 |  |  |  | 58 | % |  |  |  |  |  |  |  |  |  | $ |  |  |
| 2012 |  |  | 677 |  |  |  | 97 |  |  | $ | 7 |  |  |  | 64 | % |  |  |  |  |  |  |  |  |  | $ |  |  |
| 2013 |  |  | 663 |  |  |  | 99 |  |  | $ | 7 |  |  |  | 67 | % |  |  |  |  |  |  |  |  |  | $ |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total |  | $ | 5,893 |  |  |  | 1,506 |  |  | $ | 4 |  |  |  | 59 | % |  | $ | 39 |  |  |  | 8 |  |  | $ | 5 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

|  |  |
| --- | --- |
| (1) | Total recorded investment reflects the balance sheet carrying value gross of related allowance and the unamortized balance of loan origination fees and costs. |

|  |  |
| --- | --- |
| (2) | Represents weighted-average loan-to-value as of September 30, 2013. |

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**General Account GAAP Net Investment Income Yields**

**(amounts in millions)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | **2013** | | | | | | | | | | | | | |  |  | **2012** | | | | | | | | | | | | | | | | | |  |
|  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |  | **4Q** | |  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |
| **GAAP Net Investment Income** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Fixed maturity securitiestaxable |  | $ | 651 |  |  | $ | 672 |  |  | $ | 656 |  |  | $ | 1,979 |  |  | $ | 678 |  |  | $ | 659 |  |  | $ | 669 |  |  | $ | 660 |  |  | $ | 2,666 |  |
| Fixed maturity securitiesnon-taxable |  |  | 3 |  |  |  | 2 |  |  |  | 2 |  |  |  | 7 |  |  |  | 2 |  |  |  | 2 |  |  |  | 3 |  |  |  | 4 |  |  |  | 11 |  |
| Commercial mortgage loans |  |  | 81 |  |  |  | 81 |  |  |  | 82 |  |  |  | 244 |  |  |  | 84 |  |  |  | 87 |  |  |  | 85 |  |  |  | 84 |  |  |  | 340 |  |
| Restricted commercial mortgage loans related to securitization entities |  |  | 8 |  |  |  | 7 |  |  |  | 7 |  |  |  | 22 |  |  |  | 8 |  |  |  | 8 |  |  |  | 7 |  |  |  | 9 |  |  |  | 32 |  |
| Equity securities |  |  | 3 |  |  |  | 6 |  |  |  | 4 |  |  |  | 13 |  |  |  | 5 |  |  |  | 4 |  |  |  | 6 |  |  |  | 4 |  |  |  | 19 |  |
| Other invested assets |  |  | 33 |  |  |  | 33 |  |  |  | 46 |  |  |  | 112 |  |  |  | 37 |  |  |  | 46 |  |  |  | 36 |  |  |  | 43 |  |  |  | 162 |  |
| Limited partnerships |  |  | 8 |  |  |  | 6 |  |  |  | 2 |  |  |  | 16 |  |  |  | 12 |  |  |  | 2 |  |  |  | 20 |  |  |  | 10 |  |  |  | 44 |  |
| Restricted other invested assets related to securitization entities |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | 1 |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | 1 |  |
| Policy loans |  |  | 33 |  |  |  | 32 |  |  |  | 32 |  |  |  | 97 |  |  |  | 30 |  |  |  | 31 |  |  |  | 31 |  |  |  | 31 |  |  |  | 123 |  |
| Cash, cash equivalents and short-term investments |  |  | 4 |  |  |  | 5 |  |  |  | 7 |  |  |  | 16 |  |  |  | 7 |  |  |  | 8 |  |  |  | 10 |  |  |  | 10 |  |  |  | 35 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Gross investment income before expenses and fees |  |  | 824 |  |  |  | 844 |  |  |  | 838 |  |  |  | 2,506 |  |  |  | 864 |  |  |  | 847 |  |  |  | 867 |  |  |  | 855 |  |  |  | 3,433 |  |
| Expenses and fees |  |  | (23 | ) |  |  | (23 | ) |  |  | (24 | ) |  |  | (70 | ) |  |  | (24 | ) |  |  | (22 | ) |  |  | (21 | ) |  |  | (23 | ) |  |  | (90 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Net investment income |  | $ | 801 |  |  | $ | 821 |  |  | $ | 814 |  |  | $ | 2,436 |  |  | $ | 840 |  |  | $ | 825 |  |  | $ | 846 |  |  | $ | 832 |  |  | $ | 3,343 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Annualized Yields** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Fixed maturity securitiestaxable |  |  | 4.7 | % |  |  | 4.9 | % |  |  | 4.7 | % |  |  | 4.8 | % |  |  | 4.9 | % |  |  | 4.8 | % |  |  | 4.9 | % |  |  | 4.9 | % |  |  | 4.8 | % |
| Fixed maturity securitiesnon-taxable |  |  | 4.2 | % |  |  | 2.9 | % |  |  | 2.7 | % |  |  | 3.2 | % |  |  | 2.5 | % |  |  | 2.4 | % |  |  | 3.3 | % |  |  | 3.4 | % |  |  | 2.9 | % |
| Commercial mortgage loans |  |  | 5.5 | % |  |  | 5.5 | % |  |  | 5.6 | % |  |  | 5.6 | % |  |  | 5.7 | % |  |  | 5.9 | % |  |  | 5.7 | % |  |  | 5.5 | % |  |  | 5.7 | % |
| Restricted commercial mortgage loans related to securitization entities |  |  | 10.5 | % |  |  | 8.6 | % |  |  | 8.4 | % |  |  | 9.3 | % |  |  | 9.1 | % |  |  | 8.6 | % |  |  | 7.6 | % |  |  | 9.0 | % |  |  | 8.5 | % |
| Equity securities |  |  | 3.2 | % |  |  | 5.7 | % |  |  | 3.4 | % |  |  | 4.1 | % |  |  | 4.1 | % |  |  | 3.5 | % |  |  | 5.7 | % |  |  | 4.1 | % |  |  | 4.4 | % |
| Other invested assets |  |  | 42.1 | % |  |  | 29.4 | % |  |  | 28.3 | % |  |  | 31.0 | % |  |  | 18.6 | % |  |  | 20.0 | % |  |  | 14.0 | % |  |  | 15.8 | % |  |  | 17.1 | % |
| Limited partnerships(1) |  |  | 10.4 | % |  |  | 7.5 | % |  |  | 2.4 | % |  |  | 6.7 | % |  |  | 14.0 | % |  |  | 2.3 | % |  |  | 22.6 | % |  |  | 11.5 | % |  |  | 12.7 | % |
| Restricted other invested assets related to securitization entities |  |  |  | % |  |  |  | % |  |  |  | % |  |  |  | % |  |  | 1.1 | % |  |  | 0.2 | % |  |  | 0.1 | % |  |  |  | % |  |  | 0.3 | % |
| Policy loans |  |  | 7.9 | % |  |  | 7.8 | % |  |  | 8.0 | % |  |  | 7.9 | % |  |  | 7.4 | % |  |  | 7.6 | % |  |  | 7.8 | % |  |  | 8.0 | % |  |  | 7.7 | % |
| Cash, cash equivalents and short-term investments |  |  | 0.4 | % |  |  | 0.5 | % |  |  | 0.7 | % |  |  | 0.5 | % |  |  | 0.7 | % |  |  | 0.8 | % |  |  | 0.9 | % |  |  | 0.8 | % |  |  | 0.8 | % |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Gross investment income before expenses and fees |  |  | 4.8 | % |  |  | 4.9 | % |  |  | 4.8 | % |  |  | 4.8 | % |  |  | 4.9 | % |  |  | 4.9 | % |  |  | 5.0 | % |  |  | 4.9 | % |  |  | 4.9 | % |
| Expenses and fees |  |  | -0.1 | % |  |  | -0.1 | % |  |  | -0.1 | % |  |  | -0.1 | % |  |  | -0.1 | % |  |  | -0.2 | % |  |  | -0.1 | % |  |  | -0.1 | % |  |  | -0.1 | % |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Net investment income |  |  | 4.7 | % |  |  | 4.8 | % |  |  | 4.7 | % |  |  | 4.7 | % |  |  | 4.8 | % |  |  | 4.7 | % |  |  | 4.9 | % |  |  | 4.8 | % |  |  | 4.8 | % |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

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 and equity securities, derivatives and derivative counterparty collateral, which exclude unrealized fair value adjustments and securities lending activity, which is included in other invested assets and is calculated net of the corresponding securities lending liability. See page 73 herein for average invested assets and cash used in the yield calculation.

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

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Net Investment Gains (Losses), Net of Taxes and Other AdjustmentsDetail**(1)

**(amounts in millions)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | **2013** | | | | | | | | | | | | | |  |  | **2012** | | | | | | | | | | | | | | | | | |  |
|  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |  | **4Q** | |  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |
| Net realized gains (losses) on available-for-sale securities: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Fixed maturity securities: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| U.S. corporate |  | $ | 1 |  |  | $ | 22 |  |  | $ | 4 |  |  | $ | 27 |  |  | $ | 9 |  |  | $ | 5 |  |  | $ | (1 | ) |  | $ | 8 |  |  | $ | 21 |  |
| U.S. government, agencies and government-sponsored enterprises |  |  | 2 |  |  |  | 1 |  |  |  |  |  |  |  | 3 |  |  |  | 1 |  |  |  | 2 |  |  |  | 2 |  |  |  | 2 |  |  |  | 7 |  |
| Foreign corporate |  |  |  |  |  |  | 8 |  |  |  | 1 |  |  |  | 9 |  |  |  | 3 |  |  |  | 1 |  |  |  | 1 |  |  |  | 1 |  |  |  | 6 |  |
| Foreign government |  |  | (2 | ) |  |  | 8 |  |  |  | 4 |  |  |  | 10 |  |  |  | 3 |  |  |  | 2 |  |  |  | 2 |  |  |  | 1 |  |  |  | 8 |  |
| Tax-exempt |  |  |  |  |  |  |  |  |  |  | (2 | ) |  |  | (2 | ) |  |  |  |  |  |  | (1 | ) |  |  | 1 |  |  |  | (1 | ) |  |  | (1 | ) |
| Mortgage-backed securities |  |  | (9 | ) |  |  | (15 | ) |  |  | (20 | ) |  |  | (44 | ) |  |  | (5 | ) |  |  | (1 | ) |  |  | (2 | ) |  |  | (2 | ) |  |  | (10 | ) |
| Asset-backed securities |  |  | (5 | ) |  |  | (11 | ) |  |  | (8 | ) |  |  | (24 | ) |  |  | (14 | ) |  |  | (1 | ) |  |  |  |  |  |  | 1 |  |  |  | (14 | ) |
| Equity securities |  |  | 6 |  |  |  | 8 |  |  |  | 3 |  |  |  | 17 |  |  |  |  |  |  |  | 3 |  |  |  |  |  |  |  |  |  |  |  | 3 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total net realized gains (losses) on available-for-sale securities |  |  | (7 | ) |  |  | 21 |  |  |  | (18 | ) |  |  | (4 | ) |  |  | (3 | ) |  |  | 10 |  |  |  | 3 |  |  |  | 10 |  |  |  | 20 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Impairments: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Sub-prime residential mortgage-backed securities |  |  | (1 | ) |  |  |  |  |  |  | (2 | ) |  |  | (3 | ) |  |  | (6 | ) |  |  | (8 | ) |  |  | (2 | ) |  |  | (2 | ) |  |  | (18 | ) |
| Alt-A residential mortgage-backed securities |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | (1 | ) |  |  | (4 | ) |  |  | (7 | ) |  |  | (3 | ) |  |  | (15 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total sub-prime and Alt-A residential mortgage-backed securities |  |  | (1 | ) |  |  |  |  |  |  | (2 | ) |  |  | (3 | ) |  |  | (7 | ) |  |  | (12 | ) |  |  | (9 | ) |  |  | (5 | ) |  |  | (33 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Prime residential mortgage-backed securities |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | (1 | ) |  |  | (3 | ) |  |  |  |  |  |  | (4 | ) |
| Other mortgage-backed securities |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | (1 | ) |  |  | (1 | ) |  |  | (1 | ) |  |  | (1 | ) |  |  | (4 | ) |
| Commercial mortgage-backed securities |  |  | (1 | ) |  |  | (2 | ) |  |  | (1 | ) |  |  | (4 | ) |  |  | (3 | ) |  |  | (3 | ) |  |  | (3 | ) |  |  | (3 | ) |  |  | (12 | ) |
| Corporate fixed maturity securities |  |  |  |  |  |  |  |  |  |  | (4 | ) |  |  | (4 | ) |  |  | (3 | ) |  |  |  |  |  |  | (10 | ) |  |  |  |  |  |  | (13 | ) |
| Limited partnerships |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  | (1 | ) |  |  |  |  |  |  | (1 | ) |
| Commercial mortgage loans |  |  | (1 | ) |  |  | (2 | ) |  |  |  |  |  |  | (3 | ) |  |  |  |  |  |  | (2 | ) |  |  |  |  |  |  | (1 | ) |  |  | (3 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total impairments |  |  | (3 | ) |  |  | (4 | ) |  |  | (7 | ) |  |  | (14 | ) |  |  | (14 | ) |  |  | (19 | ) |  |  | (27 | ) |  |  | (10 | ) |  |  | (70 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Net unrealized gains (losses) on trading securities |  |  | (5 | ) |  |  | (11 | ) |  |  | 6 |  |  |  | (10 | ) |  |  |  |  |  |  | 9 |  |  |  | 22 |  |  |  | (17 | ) |  |  | 14 |  |
| Derivative instruments |  |  | (12 | ) |  |  | (2 | ) |  |  | (27 | ) |  |  | (41 | ) |  |  | 6 |  |  |  | (2 | ) |  |  | (18 | ) |  |  | 17 |  |  |  | 3 |  |
| Limited partnerships |  |  | (2 | ) |  |  |  |  |  |  |  |  |  |  | (2 | ) |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Commercial mortgage loans held-for-sale market valuation allowance |  |  | 2 |  |  |  | 1 |  |  |  | 1 |  |  |  | 4 |  |  |  | (2 | ) |  |  | 1 |  |  |  | 1 |  |  |  | 2 |  |  |  | 2 |  |
| Contingent purchase price valuation change |  |  |  |  |  |  | (1 | ) |  |  | 1 |  |  |  |  |  |  |  | 1 |  |  |  | (6 | ) |  |  | 1 |  |  |  |  |  |  |  | (4 | ) |
| Net gains (losses) related to securitization entities |  |  | 13 |  |  |  | 9 |  |  |  | 6 |  |  |  | 28 |  |  |  | 21 |  |  |  | 12 |  |  |  | (3 | ) |  |  | 22 |  |  |  | 52 |  |
| Other |  |  |  |  |  |  |  |  |  |  | (1 | ) |  |  | (1 | ) |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Net investment gains (losses), net of taxes |  |  | (14 | ) |  |  | 13 |  |  |  | (39 | ) |  |  | (40 | ) |  |  | 9 |  |  |  | 5 |  |  |  | (21 | ) |  |  | 24 |  |  |  | 17 |  |
| Adjustment for DAC and other intangible amortization and certain benefit reserves, net of taxes |  |  | 4 |  |  |  | 5 |  |  |  | 12 |  |  |  | 21 |  |  |  | (7 | ) |  |  | (6 | ) |  |  | 3 |  |  |  | (5 | ) |  |  | (15 | ) |
| Adjustment for net investment (gains) losses attributable to noncontrolling interests, net of taxes |  |  | (3 | ) |  |  | (3 | ) |  |  | (1 | ) |  |  | (7 | ) |  |  |  |  |  |  | (1 | ) |  |  |  |  |  |  | (2 | ) |  |  | (3 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Net investment gains (losses), net of taxes and other adjustments |  | $ | (13 | ) |  | $ | 15 |  |  | $ | (28 | ) |  | $ | (26 | ) |  | $ | 2 |  |  | $ | (2 | ) |  | $ | (18 | ) |  | $ | 17 |  |  | $ | (1 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

|  |  |
| --- | --- |
| (1) | All adjustments for income taxes assume a 35% tax rate. |

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**Reconciliations of Non-GAAP Measures**

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Reconciliation of Operating ROE**

**(amounts in millions)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Twelve Month Rolling Average ROE** |  | **Twelve months ended** | | | | | | | | | | | | | | | | | |  |
|  |  | **September 30, 2013** | |  |  | **June 30, 2013** | |  |  | **March 31, 2013** | |  |  | **December 31, 2012** | |  |  | **September 30, 2012** | |  |
| **GAAP Basis ROE** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Net income (loss) available to Genworth Financial, Inc.s common stockholders for the twelve months ended(1) |  | $ | 520 |  |  | $ | 447 |  |  | $ | 382 |  |  | $ | 325 |  |  | $ | 298 |  |
| Quarterly average Genworth Financial, Inc.s stockholders equity, excluding accumulated other comprehensive income (loss)(2) |  | $ | 11,412 |  |  | $ | 11,302 |  |  | $ | 11,200 |  |  | $ | 11,115 |  |  | $ | 11,022 |  |
| GAAP Basis ROE (1)/(2) |  |  | 4.6 | % |  |  | 4.0 | % |  |  | 3.4 | % |  |  | 2.9 | % |  |  | 2.7 | % |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |
| **Operating ROE** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Net operating income (loss) for the twelve months ended(1) |  | $ | 563 |  |  | $ | 555 |  |  | $ | 489 |  |  | $ | 355 |  |  | $ | 305 |  |
| Quarterly average Genworth Financial, Inc.s stockholders equity, excluding accumulated other comprehensive income (loss)(2) |  | $ | 11,412 |  |  | $ | 11,302 |  |  | $ | 11,200 |  |  | $ | 11,115 |  |  | $ | 11,022 |  |
| Operating ROE (1)/(2) |  |  | 4.9 | % |  |  | 4.9 | % |  |  | 4.4 | % |  |  | 3.2 | % |  |  | 2.8 | % |
|  |  | | | | | | | | | | | | | | | | | | | |
| **Quarterly Average ROE** |  | **Three months ended** | | | | | | | | | | | | | | | | | |  |
|  |  | **September 30, 2013** | |  |  | **June 30, 2013** | |  |  | **March 31, 2013** | |  |  | **December 31, 2012** | |  |  | **September 30, 2012** | |  |
| **GAAP Basis ROE** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Net income (loss) available to Genworth Financial, Inc.s common stockholders for the period ended(3) |  | $ | 108 |  |  | $ | 141 |  |  | $ | 103 |  |  | $ | 168 |  |  | $ | 35 |  |
| Average Genworth Financial, Inc.s stockholders equity for the period, excluding accumulated other comprehensive income (loss)(4) |  | $ | 11,606 |  |  | $ | 11,473 |  |  | $ | 11,345 |  |  | $ | 11,225 |  |  | $ | 11,138 |  |
| Annualized GAAP Quarterly Basis ROE (3)/(4) |  |  | 3.7 | % |  |  | 4.9 | % |  |  | 3.6 | % |  |  | 6.0 | % |  |  | 1.3 | % |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |
| **Operating ROE** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Net operating income (loss) for the period ended(3) |  | $ | 119 |  |  | $ | 133 |  |  | $ | 151 |  |  | $ | 160 |  |  | $ | 111 |  |
| Quarterly average Genworth Financial, Inc.s stockholders equity for the period, excluding accumulated other comprehensive income (loss)(4) |  | $ | 11,606 |  |  | $ | 11,473 |  |  | $ | 11,345 |  |  | $ | 11,225 |  |  | $ | 11,138 |  |
| Annualized Operating Quarterly Basis ROE (3)/(4) |  |  | 4.1 | % |  |  | 4.6 | % |  |  | 5.3 | % |  |  | 5.7 | % |  |  | 4.0 | % |

**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 net 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 as defined by the company should not be viewed as a substitute for GAAP net income (loss) available to Genworth Financial, Inc.s common stockholders divided by average ending Genworth Financial, Inc.s stockholders equity.

|  |  |
| --- | --- |
| (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 net operating income (loss) from page 8 herein. |

|  |  |
| --- | --- |
| (2) | Quarterly average Genworth Financial, Inc.s stockholders equity, excluding accumulated other comprehensive income (loss), is derived by averaging ending Genworth Financial, Inc.s stockholders equity, excluding accumulated other comprehensive income (loss), but including equity related to discontinued operations for the most recent five quarters. |

|  |  |
| --- | --- |
| (3) | Net income (loss) available to Genworth Financial, Inc.s common stockholders and net operating income (loss) from page 8 herein. |

|  |  |
| --- | --- |
| (4) | Quarterly average Genworth Financial, Inc.s stockholders equity, excluding accumulated other comprehensive income (loss), is derived by averaging ending Genworth Financial, Inc.s stockholders equity, excluding accumulated other comprehensive income (loss). |

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Reconciliation of Expense Ratio**

**(amounts in millions)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | **2013** | | | | | | | | | | | | | |  |  | **2012** | | | | | | | | | | | | | | | | | |  |
|  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |  | **4Q** | |  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |
| **GAAP Basis Expense Ratio** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Acquisition and operating expenses, net of deferrals(1) |  | $ | 407 |  |  | $ | 413 |  |  | $ | 433 |  |  | $ | 1,253 |  |  | $ | 272 |  |  | $ | 443 |  |  | $ | 439 |  |  | $ | 440 |  |  | $ | 1,594 |  |
| Total revenues(2) |  | $ | 2,317 |  |  | $ | 2,371 |  |  | $ | 2,303 |  |  | $ | 6,991 |  |  | $ | 2,467 |  |  | $ | 2,456 |  |  | $ | 2,402 |  |  | $ | 2,315 |  |  | $ | 9,640 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Expense ratio (1)/(2) |  |  | 17.6 | % |  |  | 17.4 | % |  |  | 18.8 | % |  |  | 17.9 | % |  |  | 11.0 | % |  |  | 18.0 | % |  |  | 18.3 | % |  |  | 19.0 | % |  |  | 16.5 | % |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **GAAP Basis, As AdjustedExpense Ratio** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Acquisition and operating expenses, net of deferrals |  | $ | 407 |  |  | $ | 413 |  |  | $ | 433 |  |  | $ | 1,253 |  |  | $ | 272 |  |  | $ | 443 |  |  | $ | 439 |  |  | $ | 440 |  |  | $ | 1,594 |  |
| Less lifestyle protection insurance business |  |  | 106 |  |  |  | 110 |  |  |  | 110 |  |  |  | 326 |  |  |  | 113 |  |  |  | 117 |  |  |  | 126 |  |  |  | 127 |  |  |  | 483 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Adjusted acquisition and operating expenses, net of deferrals(3) |  | $ | 301 |  |  | $ | 303 |  |  | $ | 323 |  |  | $ | 927 |  |  | $ | 159 |  |  | $ | 326 |  |  | $ | 313 |  |  | $ | 313 |  |  | $ | 1,111 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Total revenues |  | $ | 2,317 |  |  | $ | 2,371 |  |  | $ | 2,303 |  |  | $ | 6,991 |  |  | $ | 2,467 |  |  | $ | 2,456 |  |  | $ | 2,402 |  |  | $ | 2,315 |  |  | $ | 9,640 |  |
| Less lifestyle protection insurance business |  |  | 187 |  |  |  | 202 |  |  |  | 205 |  |  |  | 594 |  |  |  | 195 |  |  |  | 198 |  |  |  | 211 |  |  |  | 218 |  |  |  | 822 |  |
| Less net investment gains (losses) |  |  | (24 | ) |  |  | 5 |  |  |  | (67 | ) |  |  | (86 | ) |  |  | 11 |  |  |  | 8 |  |  |  | (34 | ) |  |  | 36 |  |  |  | 21 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Adjusted total revenues(4) |  | $ | 2,154 |  |  | $ | 2,164 |  |  | $ | 2,165 |  |  | $ | 6,483 |  |  | $ | 2,261 |  |  | $ | 2,250 |  |  | $ | 2,225 |  |  | $ | 2,061 |  |  | $ | 8,797 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Adjusted expense ratio (3)/(4) |  |  | 14.0 | % |  |  | 14.0 | % |  |  | 14.9 | % |  |  | 14.3 | % |  |  | 7.0 | % |  |  | 14.5 | % |  |  | 14.1 | % |  |  | 15.2 | % |  |  | 12.6 | % |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

**Non-GAAP Definition for Expense Ratio**

The company references the non-GAAP financial measure entitled expense ratio as a measure of productivity. The company defines expense ratio as acquisition and operating expenses, net of deferrals, divided by total revenues, excluding the effects of the companys lifestyle protection insurance business. The lifestyle protection insurance business is excluded from this ratio as their expense bases are comprised of varying levels of non-deferrable acquisition costs. Management believes that the expense ratio analysis enhances understanding of the productivity of the company. However, the expense ratio as defined by the company should not be viewed as a substitute for GAAP acquisition and operating expenses, net of deferrals, divided by total revenues.

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Reconciliation of Core Premiums**

**(amounts in millions)**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | **2013** | | | | | | | | | | | | | |  |  | **2012** | | | | | | | | | | | | | | | | | |  |
|  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |  | **4Q** | |  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |
| Reported premiums |  | $ | 1,291 |  |  | $ | 1,286 |  |  | $ | 1,261 |  |  | $ | 3,838 |  |  | $ | 1,320 |  |  | $ | 1,313 |  |  | $ | 1,302 |  |  | $ | 1,106 |  |  | $ | 5,041 |  |
| Less U.S. Life Insurancefixed annuities premiums |  |  | 21 |  |  |  | 15 |  |  |  | 13 |  |  |  | 49 |  |  |  | 30 |  |  |  | 26 |  |  |  | 15 |  |  |  | 33 |  |  |  | 104 |  |
| Less impact of changes in foreign exchange rates |  |  | (6 | ) |  |  | (5 | ) |  |  | 6 |  |  |  | (5 | ) |  |  | (2 | ) |  |  | (34 | ) |  |  | (23 | ) |  |  | (3 | ) |  |  | (62 | ) |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Core premiums |  | $ | 1,276 |  |  | $ | 1,276 |  |  | $ | 1,242 |  |  | $ | 3,794 |  |  | $ | 1,292 |  |  | $ | 1,321 |  |  | $ | 1,310 |  |  | $ | 1,076 |  |  | $ | 4,999 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| Reported premium percentage change from prior year |  |  | -1.7 | % |  |  | -1.2 | % |  |  | 14.0 | % |  |  | 3.1 | % |  |  | -2.2 | % |  |  | -10.0 | % |  |  | -9.9 | % |  |  | -22.9 | % |  |  | -11.4 | % |
| Core premium percentage change from prior year |  |  | -3.4 | % |  |  | -2.6 | % |  |  | 15.4 | % |  |  | 2.3 | % |  |  | -1.4 | % |  |  | -4.5 | % |  |  | -5.1 | % |  |  | -23.4 | % |  |  | -8.7 | % |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

**Non-GAAP Definition for Core Premiums**

The company references the non-GAAP financial measure entitled core premiums as a measure of premium growth. The company defines core premiums as earned premiums less premiums from the U.S. Life Insurancefixed annuities business and the impact of changes in foreign exchange rates. The fixed annuities premiums are excluded in this measure primarily because these are single premiums and are not an indication of future premiums. The impact of changes in foreign exchange rates are excluded in this measure to present periods on a comparable exchange rate. Management believes that analysis of core premiums enhances understanding of premium growth of the company. However, core premiums as defined by the company should not be viewed as a substitute for GAAP earned premiums.

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Reconciliation of Core Yield**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  | **2013** | | | | | | | | | | | | | |  |  | **2012** | | | | | | | | | | | | | | | | | |  |
|  |  | **(Assetsamounts in billions)** |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |  | **4Q** | |  |  | **3Q** | |  |  | **2Q** | |  |  | **1Q** | |  |  | **Total** | |  |
|  |  | **ReportedTotal Invested Assets and Cash** |  | $ | 73.1 |  |  | $ | 72.2 |  |  | $ | 76.5 |  |  | $ | 73.1 |  |  | $ | 78.0 |  |  | $ | 78.6 |  |  | $ | 76.8 |  |  | $ | 74.5 |  |  | $ | 78.0 |  |
|  |  | Subtract: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | Securities lending |  |  | 0.2 |  |  |  | 0.2 |  |  |  | 0.2 |  |  |  | 0.2 |  |  |  | 0.2 |  |  |  | 0.2 |  |  |  | 0.2 |  |  |  | 0.1 |  |  |  | 0.2 |  |
|  |  | Unrealized gains (losses) |  |  | 3.3 |  |  |  | 3.7 |  |  |  | 6.7 |  |  |  | 3.3 |  |  |  | 7.2 |  |  |  | 7.3 |  |  |  | 6.4 |  |  |  | 4.1 |  |  |  | 7.2 |  |
|  |  | Derivative counterparty collateral |  |  | 0.3 |  |  |  | 0.4 |  |  |  | 0.6 |  |  |  | 0.3 |  |  |  | 0.8 |  |  |  | 1.0 |  |  |  | 1.2 |  |  |  | 0.6 |  |  |  | 0.8 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | **Adjusted end of period invested assets and cash** |  | $ | 69.3 |  |  | $ | 67.9 |  |  | $ | 69.0 |  |  | $ | 69.3 |  |  | $ | 69.8 |  |  | $ | 70.1 |  |  | $ | 69.0 |  |  | $ | 69.7 |  |  | $ | 69.8 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **(A)** |  | **Average Invested Assets And Cash Used in Reported Yield Calculation** |  | $ | 68.6 |  |  | $ | 68.5 |  |  | $ | 69.4 |  |  | $ | 68.8 |  |  | $ | 70.0 |  |  | $ | 69.6 |  |  | $ | 69.4 |  |  | $ | 69.8 |  |  | $ | 69.7 |  |
|  |  | Subtract: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | Restricted commercial mortgage loans and other invested assets related to securitization entities |  |  | 0.3 |  |  |  | 0.2 |  |  |  | 0.3 |  |  |  | 0.3 |  |  |  | 0.3 |  |  |  | 0.4 |  |  |  | 0.3 |  |  |  | 0.4 |  |  |  | 0.4 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **(B)** |  | **Average Invested Assets And Cash Used in Core Yield Calculation** |  |  | 68.3 |  |  |  | 68.3 |  |  |  | 69.1 |  |  |  | 68.5 |  |  |  | 69.7 |  |  |  | 69.2 |  |  |  | 69.1 |  |  |  | 69.4 |  |  |  | 69.3 |  |
|  |  | Subtract: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | Portfolios supporting floating products and non-recourse funding obligations(1) |  |  | 4.6 |  |  |  | 5.2 |  |  |  | 5.7 |  |  |  | 5.2 |  |  |  | 6.2 |  |  |  | 6.6 |  |  |  | 6.8 |  |  |  | 7.5 |  |  |  | 6.8 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **(C)** |  | **Average Invested Assets And Cash Used in Core Yield (excl. Floating and Non-Recourse Funding) Calculation** |  | $ | 63.7 |  |  | $ | 63.1 |  |  | $ | 63.4 |  |  | $ | 63.3 |  |  | $ | 63.5 |  |  | $ | 62.6 |  |  | $ | 62.3 |  |  | $ | 61.9 |  |  | $ | 62.5 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | **(Incomeamounts in millions)** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **(D)** |  | **ReportedNet Investment Income** |  | $ | 801 |  |  | $ | 821 |  |  | $ | 814 |  |  | $ | 2,436 |  |  | $ | 840 |  |  | $ | 825 |  |  | $ | 846 |  |  | $ | 832 |  |  | $ | 3,343 |  |
|  |  | Subtract: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | Bond calls and commercial mortgage loan prepayments |  |  | 15 |  |  |  | 14 |  |  |  | 10 |  |  |  | 39 |  |  |  | 13 |  |  |  | 14 |  |  |  | 4 |  |  |  | 5 |  |  |  | 36 |  |
|  |  | Reinsurance(2) |  |  | 17 |  |  |  | 21 |  |  |  | 22 |  |  |  | 60 |  |  |  | 16 |  |  |  | 19 |  |  |  | 24 |  |  |  | 22 |  |  |  | 81 |  |
|  |  | Other non-core items(3) |  |  | 4 |  |  |  | 19 |  |  |  | 2 |  |  |  | 25 |  |  |  | 13 |  |  |  | 3 |  |  |  | 8 |  |  |  | 4 |  |  |  | 28 |  |
|  |  | Restricted commercial mortgage loans and other invested assets related to securitization entities |  |  | 4 |  |  |  | 4 |  |  |  | 4 |  |  |  | 12 |  |  |  | 5 |  |  |  | 6 |  |  |  | 5 |  |  |  | 5 |  |  |  | 21 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **(E)** |  | **Core Net Investment Income** |  |  | 761 |  |  |  | 763 |  |  |  | 776 |  |  |  | 2,300 |  |  |  | 793 |  |  |  | 783 |  |  |  | 805 |  |  |  | 796 |  |  |  | 3,177 |  |
|  |  | Subtract: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | Investment income from portfolios supporting floating products and non-recourse funding obligations(1) |  |  | 24 |  |  |  | 25 |  |  |  | 25 |  |  |  | 74 |  |  |  | 31 |  |  |  | 29 |  |  |  | 30 |  |  |  | 33 |  |  |  | 123 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **(F)** |  | **Core Net Investment Income (excl. Floating and Non-Recourse Funding)** |  | $ | 737 |  |  | $ | 738 |  |  | $ | 751 |  |  | $ | 2,226 |  |  | $ | 762 |  |  | $ | 754 |  |  | $ | 775 |  |  | $ | 763 |  |  | $ | 3,054 |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |  | | | |
| **(D) / (A)** |  | **Reported Yield** |  |  | 4.67 | % |  |  | 4.79 | % |  |  | 4.69 | % |  |  | 4.72 | % |  |  | 4.80 | % |  |  | 4.74 | % |  |  | 4.88 | % |  |  | 4.77 | % |  |  | 4.80 | % |
| **(E) / (B)** |  | **Core Yield** |  |  | 4.46 | % |  |  | 4.47 | % |  |  | 4.49 | % |  |  | 4.47 | % |  |  | 4.55 | % |  |  | 4.53 | % |  |  | 4.66 | % |  |  | 4.59 | % |  |  | 4.58 | % |
| **(F) / (C)** |  | **Core Yield (excl. Floating and Non-Recourse Funding)** |  |  | 4.63 | % |  |  | 4.68 | % |  |  | 4.74 | % |  |  | 4.68 | % |  |  | 4.80 | % |  |  | 4.82 | % |  |  | 4.98 | % |  |  | 4.93 | % |  |  | 4.88 | % |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

|  |  |
| --- | --- |
| Notes: | Columns may not add due to rounding. |

|  |  |
| --- | --- |
|  | Yields have been annualized. |

**Non-GAAP Definition for Core Yield**

The company references the non-GAAP financial measure entitled core yield as a measure of investment yield. The company defines core yield as the investment yield adjusted for items that do not reflect the underlying performance of the investment portfolio. Management believes that analysis of core yield enhances understanding of the investment yield of the company. However, core yield as defined by the company should not be viewed as a substitute for GAAP investment yield.

|  |  |
| --- | --- |
| (1) | Floating products refer to institutional products and the non-recourse funding obligations that support certain term and universal life insurance reserves in the companys life insurance business. |

|  |  |
| --- | --- |
| (2) | Represents imputed investment income related to reinsurance agreements in the lifestyle protection insurance business. |

|  |  |
| --- | --- |
| (3) | Includes cost basis adjustments on structured securities, preferred stock income and various other immaterial items. |

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**Corporate Information**

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Financial Strength Ratings**

The companys principal life insurance subsidiaries are rated in terms of financial strength by Standard & Poors Financial Services LLC (S&P), Moodys Investors Service, Inc. (Moodys) and A.M. Best Company, Inc. (A.M. Best) as follows:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |
| **Company** |  | **S&P** |  | **Moodys** |  | **A.M. Best** |
| Genworth Life Insurance Company |  | A- |  | A3 |  | A |
| Genworth Life and Annuity Insurance Company |  | A- |  | A3 |  | A |
| Genworth Life Insurance Company of New York |  | A- |  | A3 |  | A |

The companys principal mortgage insurance subsidiaries are rated in terms of financial strength by S&P and Moodys as follows:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |
| **Company** |  | **S&P** |  | **Moodys** |  |  |
| Genworth Mortgage Insurance Corporation |  | B |  | Ba2 |  |  |
| Genworth Residential Mortgage Insurance Corporation of NC |  | B |  | Ba2 |  |  |
| Genworth Financial Mortgage Insurance Pty. Limited (Australia) |  | AA- |  | A3 |  |  |
| Genworth Financial Mortgage Insurance Limited (Europe) |  | BBB- |  | Not rated |  |  |
| Genworth Financial Mortgage Insurance Company Canada(1) |  | AA- |  | Not rated |  |  |
| Genworth Seguros de Credito a la Vivienda S.A. de C.V.(2) |  | Not rated |  | Aa3.mx |  |  |

The companys principal lifestyle protection insurance subsidiaries are rated in terms of financial strength by S&P as follows:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  |  |
| **Company** |  | **S&P** |  |  |  |  |
| Financial Assurance Company Limited |  | A- |  |  |  |  |
| Financial Insurance Company Limited |  | A- |  |  |  |  |

|  |  |
| --- | --- |
| (1) | Genworth Financial Mortgage Insurance Company Canada is also rated AA by Dominion Bond Rating Service (DBRS). |

|  |  |
| --- | --- |
| (2) | Genworth Seguros de Credito a la Vivienda S.A. de C.V. is also rated Baa3 by Moodys on a Global Scale Insurance financial strength basis. |

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

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**GENWORTH FINANCIAL, INC.**

**FINANCIAL SUPPLEMENT**

**THIRD QUARTER 2013**

**Financial Strength Ratings (continued)**

S&P states that an insurer rated AA (Very Strong) has very strong financial security characteristics that outweigh any vulnerabilities, and is highly likely to have the ability to meet financial commitments. Insurers rated AA (Very Strong), A (Strong), BBB (Good) or B (Weak) have very strong, strong, good, or weak financial security characteristics, respectively. The AA, A, BBB and B ranges are the second-, third-, fourth- and sixth-highest of nine financial strength rating ranges assigned by S&P, which range from AAA to R. A plus (+) or minus (-) shows relative standing in a rating category. These suffixes are not added to ratings in the AAA category or to ratings below the CCC category. Accordingly, the AA-, A-, BBB- and B ratings are the fourth-, seventh-, tenth- and fifteenth-highest of S&Ps 21 ratings categories.

Moodys states that insurance companies rated A (Good) offer good financial security and that insurance companies rated Ba (Questionable) offer questionable financial security. The A (Good) and Ba (Questionable) ranges are the third- and fifth-highest, respectively, of nine financial strength rating ranges assigned by Moodys, which range from Aaa to C. Numeric modifiers are used to refer to the ranking within the 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 A3 and Ba2 ratings are the seventh- and twelfth-highest, respectively, of Moodys 21 ratings categories. Issuers or issues rated Aa.mx demonstrate very strong creditworthiness relative to other issuers in Mexico.

A.M. Best states that the A (Excellent) rating is assigned to those companies that have, in its opinion, an excellent ability to meet their ongoing insurance obligations. The A (Excellent) rating is the third-highest of 15 ratings assigned by A.M. Best, which range from A++ to F.

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

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

**About Genworth Financial**

Genworth is a leading financial services company meeting the retirement, longevity and lifestyle protection, investment and mortgage insurance needs of its customers, with a presence in more than 25 countries. For more information, visit www.genworth.com.

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