

Consolidated Financial Statements of

GENWORTH MI CANADA INC.

Three months ended
March 31, 2010 and 2009
(Unaudited)

GENWORTH MI CANADA INC.

Consolidated Balance Sheet
(In thousands of dollars)

	March 31, 2010 (Unaudited)	December 31, 2009
Assets		
Invested assets:		
Cash and cash equivalents (note 4)	\$ 68,127	\$ 377,512
Short-term securities (note 4)	91,563	253,527
Bonds and debentures:		
Held-for-trading (note 4)	37,032	34,485
Available-for-sale (note 4)	4,033,264	3,743,867
Preferred shares (note 4)	30,145	423
Government guarantee fund (note 5)	587,306	576,417
	<u>4,847,437</u>	<u>4,986,231</u>
Other:		
Accrued investment income and accounts receivable	72,775	28,869
Income taxes recoverable (note 6)	13,138	-
Salvage and subrogation	20,162	13,646
Deferred policy acquisition costs	145,765	146,840
Goodwill	11,172	11,172
Intangible assets	16,017	16,307
Premises and equipment	3,862	3,844
Other assets	3,197	3,017
	<u>286,088</u>	<u>223,695</u>
	<u>\$ 5,133,525</u>	<u>\$ 5,209,926</u>

GENWORTH MI CANADA INC.

Consolidated Balance Sheet
(In thousands of dollars)

	March 31, 2010	December 31, 2009
	(Unaudited)	
Liabilities and Shareholders' Equity		
Policy liabilities:		
Loss reserves	\$ 232,652	\$ 236,181
Unearned premium reserves (note 3)	1,909,872	1,971,396
	<u>2,142,524</u>	<u>2,207,577</u>
Other liabilities:		
Accounts payable and accrued liabilities	72,786	27,811
Due to parent and companies under common control (note 7)	24	775
Income taxes payable	-	116,230
	<u>72,810</u>	<u>144,816</u>
Net future income taxes (note 6)	204,805	203,218
Accrued net benefit liability under employee benefit plans	<u>12,526</u>	<u>11,088</u>
Total liabilities	2,432,665	2,566,699
Shareholders' equity:		
Share capital	1,734,376	1,734,376
Retained earnings	870,257	811,927
Accumulated other comprehensive income	96,227	96,924
	<u>2,700,860</u>	<u>2,643,227</u>
	<u>\$ 5,133,525</u>	<u>\$ 5,209,926</u>

See accompanying notes to consolidated financial statements.

On behalf of the Board:

“Brian Hurley” _____ Director

“Brian Kelly” _____ Director

GENWORTH MI CANADA INC.

Consolidated Statements of Income
(In thousands of dollars, except per share amounts)
(Unaudited)

	Three months ended March 31,	
	2010	2009
Gross premiums written	\$ 97,674	\$ 68,196
Net premiums written	\$ 94,211	\$ 64,338
Net premiums earned (note 3)	\$ 155,735	\$ 147,270
Initial Impact of change in premium recognition curve (note 3)	-	100,144
Fees and other income	19	9
Underwriting revenues	155,754	247,423
Losses on claims and expenses:		
Losses on claims	59,297	60,343
Sales, underwriting and administrative (note 10)	25,920	19,383
Initial impact of change in premium recognition curve on change in deferred policy acquisition costs (note 3)	-	6,370
	85,217	86,096
Net underwriting income	70,537	161,327
Investment income:		
Interest	43,142	47,157
Dividends	86	-
Net realized gains on sale of investments	1,211	4
Change in unrealized loss on held-for-trading securities	2,548	(4,040)
Equity in earnings of government guarantee fund (note 5)	2,900	1,543
General investment expenses	(1,079)	(1,265)
	48,808	43,399
Related party interest expense	-	(692)
Income before income taxes	119,345	204,034
Income taxes (note 6):		
Current	32,705	64,271
Future	2,548	1,708
	35,253	65,979
Net income	\$ 84,092	\$ 138,055
Income per share (note 9):		
Basic	\$ 0.72	\$ 1.23
Diluted	0.71	1.23

See accompanying notes to consolidated financial statements.

GENWORTH MI CANADA INC.

Consolidated Statements of Changes in Shareholders' Equity
(In thousands of dollars)
(Unaudited)

	Three months ended March 31,	
	2010	2009
Share capital		
Common shares, beginning and end of period	\$ 1,734,376	\$ 1,642,709
Retained earnings		
Retained earnings, beginning of period	\$ 811,927	\$ 461,299
Net income	84,092	138,055
Dividend	(25,762)	—
Retained earnings, end of period	\$ 870,257	\$ 599,354
Accumulated other comprehensive income (loss)		
Accumulated other comprehensive income (loss), beginning of period (a)	\$ 96,924	\$ (14,912)
Change in unrealized gains/losses on available-for-sale assets (b)	878	25,439
Recognition of realized (gains) / losses on available-for-sale assets (c)	(1,575)	—
Accumulated other comprehensive income end of period (d)	\$ 96,227	\$ 10,527
Total shareholders' equity	\$ 2,700,860	\$ 2,252,590

(a) Net of income taxes of \$43,484 as of the beginning of the quarter ended March 31, 2010 and \$(5,984) as of the beginning of the quarter ended March 31, 2009.

(b) Net of income taxes of \$111 for the quarter ended March 31, 2010 and \$8,492 for the quarter ended March 31, 2009.

(c) Net of income taxes of \$(199) for the quarter ended March 31, 2010 and \$nil as at the quarter ended March 31, 2009.

(d) Net of income taxes of \$43,396 as at the quarter ended March 31, 2010 and \$2,508 as at the quarter ended March 31, 2009.

See accompanying notes to consolidated financial statements.

GENWORTH MI CANADA INC.

Consolidated Statements of Comprehensive Income
(In thousands of dollars)
(Unaudited)

	Three months ended March 31,	
	2010	2009
Net income	\$ 84,092	\$ 138,055
Other comprehensive income (loss)	(697)	25,439
Comprehensive income	\$ 83,395	\$ 163,494

See accompanying notes to consolidated financial statements.

GENWORTH MI CANADA INC.

Consolidated Statements of Cash Flows
(In thousands of dollars)
(Unaudited)

	Three months ended March 31,	
	2010	2009
Cash provided by (used in):		
Operating activities:		
Net income	\$ 84,092	138,055
Items not involving cash:		
Amortization of premiums on investments	2,071	(4,878)
Amortization of intangible assets	864	733
Depreciation of premises and equipment	375	384
Change in deferred policy acquisition costs	1,075	5,788
Future income taxes	2,548	1,708
Net realized gains on sale of investments	(1,211)	(4)
Change in unrealized loss on held-for-trading securities	(2,548)	4,040
	87,266	145,826
Change in non-cash balances related to operations:		
Government guarantee fund	(13,054)	(8,629)
Accrued investment income and accounts receivable	(43,906)	(13,989)
Current income taxes	(130,240)	34,943
Other assets and subrogation recoverable	(6,696)	(6,858)
Accounts payable and accrued liabilities	44,975	1,766
Due to parent and companies under common control	(751)	(6,137)
Loss reserves	(3,529)	32,659
Unearned premium reserves	(61,524)	(183,075)
Accrued net benefit liability under employee benefit plans	1,438	360
	(126,021)	(3,134)
Investing activities:		
Purchase of bonds	(434,118)	(20)
Proceeds from sale of bonds	145,201	99,151
Purchase of short-term securities	(91,563)	(172,030)
Proceeds from sale of short-term securities	253,527	113,066
Purchase of preferred shares	(29,960)	—
Proceeds from sale of preferred shares	278	—
Purchase of intangible assets	(575)	(2,343)
Purchase of premises and equipment	(392)	(493)
	(157,602)	37,331
Financing activities:		
Dividends paid	(25,762)	—
	(25,762)	—
Increase (decrease) in cash and cash equivalents	(309,385)	34,197
Cash and cash equivalents, beginning of period	377,512	591,654
Cash and cash equivalents, end of period	\$ 68,127	\$ 625,851
Supplemental cash flow information:		
Income taxes paid	\$ 162,945	\$ 29,327
Interest paid on related party debt	—	1,273

See accompanying notes to consolidated financial statements.

GENWORTH MI CANADA INC.

Notes to Consolidated Financial Statements
(In thousands of dollars, except per share amounts)

Three months ended March 31, 2010 and 2009
(Unaudited)

1. Status of the Company:

Genworth MI Canada Inc. ("the Company") was incorporated under the Canada Business Corporations Act pursuant to a Certificate of Incorporation dated May 25, 2009. The Company is a subsidiary of Brookfield Life Assurance Company Limited ("Brookfield"), and its ultimate parent company is Genworth Financial Inc., a public company listed on the New York Stock Exchange.

The indirect subsidiary of Genworth MI Canada Inc., Genworth Financial Mortgage Insurance Company Canada ("Genworth Mortgage Insurance Canada" or "Insurance Subsidiary"), is engaged in mortgage insurance in Canada and is regulated by the Office of the Superintendent of Financial Institutions Canada ("OSFI") as well as financial services regulators in each province.

2. Basis of presentation:

These current period financial statements and the prior period comparative financial statements reflect the consolidation of Genworth MI Canada Inc. and its subsidiaries Genworth Canada Holdings I Limited ("Holdings I") and Genworth Canada Holdings II Limited ("Holdings II"), including the subsidiary of Holdings I, Genworth Mortgage Insurance Canada.

These interim consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP") using the same accounting policies as were used in the consolidated financial statements for the year ended December 31, 2009. These interim consolidated financial statements do not contain all disclosures required by GAAP and accordingly, should be read in conjunction with the audited consolidated financial statements of the Company for the year ended December 31, 2009.

GENWORTH MI CANADA INC.

Notes to Consolidated Financial Statements (continued)
(In thousands of dollars, except per share amounts)

Three months ended March 31, 2010 and 2009
(Unaudited)

3. Change in estimate of unearned premium reserves:

Mortgage insurance premiums are taken into underwriting revenue over the terms of the related policies. The unearned portion of premiums is included in unearned premium reserves. The rates or formulae under which premiums are earned relate to the loss emergence pattern in each year of coverage as estimated by management based primarily on the past incidence of losses on claims, and are referred to as the “premium recognition curve”.

The company performs actuarial studies of its multi-year loss experience on a quarterly basis, which have indicated an acceleration of premium recognition. The impact of the experience update for the three months ended March 31, 2010 was an increase of earned premiums earned of \$12,819. The cumulative impact of the initial update of the premium recognition curve for the three months ended March 31, 2009 was \$100,144.

GENWORTH MI CANADA INC.

Notes to Consolidated Financial Statements (continued)
(In thousands of dollars, except per share amounts)

Three months ended March 31, 2010 and 2009
(Unaudited)

4. Investments:

The fair values of invested assets, excluding the government guaranteed fund, are summarized as follows:

	March 31, 2010				December 31, 2009			
	Market value	Amortized cost	Unrealized gain (loss)	% market value	Market value	Amortized cost	Unrealized gain (loss)	% market value
	(Unaudited)							
Cash and cash equivalents:								
Government treasury bills	\$ 13,814	\$ 13,814	\$ —	0.3	\$ 231,519	\$ 231,519	\$ —	5.3
Bankers' acceptances	4,684	4,684	—	0.1	64,898	64,898	—	1.5
Time deposits	11,608	11,608	—	0.3	65,943	65,943	—	1.5
Commercial paper	6,999	6,999	—	0.2	—	—	—	—
Cash	31,022	31,022	—	0.7	15,152	15,152	—	0.3
	68,127	68,127	—	1.6	377,512	377,512	—	8.6
Available-for-sale securities:								
Government bonds:								
Canadian federal	1,025,863	1,010,998	14,865	24.1	1,073,117	1,053,507	19,610	24.3
Canadian provincial	691,741	672,775	18,966	16.2	637,602	614,647	22,955	14.5
	1,717,604	1,683,773	33,831	40.3	1,710,719	1,668,154	42,565	38.8
Corporate bonds:								
Financial	1,437,225	1,381,907	55,318	33.8	1,420,446	1,370,884	49,562	32.2
Energy	273,328	262,885	10,443	6.4	230,456	220,195	10,261	5.2
Infrastructure	234,242	226,824	7,418	5.5	206,310	199,534	6,776	4.7
All other sectors	205,457	196,255	9,202	4.8	175,425	166,394	9,031	4.0
	2,150,252	2,067,871	82,381	50.5	2,032,637	1,957,007	75,630	46.1
Preferred shares:								
Financial	24,873	24,817	56	0.6	423	421	2	—
Industrial	1,401	1,406	(5)	—	—	—	—	—
Energy	3,871	3,877	(6)	0.1	—	—	—	—
	30,145	30,100	45	0.7	423	421	2	—
Asset backed bonds	256,971	251,729	5,242	6.0	254,038	252,116	1,922	5.8
	4,154,972	4,033,473	121,499	97.5	3,997,817	3,877,698	120,119	90.7
Held-for-trading securities:								
Financial	37,032	50,000	(12,968)	0.9	34,485	50,000	(15,515)	0.7
Total securities	\$ 4,260,131	\$ 4,151,600	\$ 108,531	100.0	\$ 4,409,814	\$ 4,305,210	\$ 104,604	100.0

GENWORTH MI CANADA INC.

Notes to Consolidated Financial Statements (continued)
(In thousands of dollars, except per share amounts)

Three months ended March 31, 2010 and 2009
(Unaudited)

4. Investments (continued):

The fair value of invested assets, excluding the government guarantee fund, preferred shares, and cash and cash equivalents, are shown by contractual maturity of the security. Yields are based upon fair value.

	March 31, 2010		December 31, 2009	
Terms to maturity	Fair value	Yield %	Fair value	Yield %
	(Unaudited)			
Investment securities issued or guaranteed by Canadian federal government:				
1 year or less	\$ 308,502	3.3	\$ 397,527	1.8
1 - 3 years	324,836	4.3	432,129	4.3
3 - 5 years	735,015	3.7	645,613	3.7
5 - 10 years	265,911	4.9	155,254	5.1
Over 10 years	83,340	4.7	80,196	4.8
	1,717,604	4.0	1,710,719	3.6
Corporate debt:				
1 year or less	233,668	4.7	147,569	4.9
1 - 3 years	568,439	5.0	547,022	5.0
3 - 5 years	501,965	5.1	524,177	5.3
5 - 10 years	462,554	5.2	463,090	5.2
Over 10 years	677,629	5.8	639,302	5.9
	2,444,255	5.2	2,321,160	5.3
	\$ 4,161,859	4.7	\$ 4,031,879	4.6

GENWORTH MI CANADA INC.

Notes to Consolidated Financial Statements (continued)
(In thousands of dollars, except per share amounts)

Three months ended March 31, 2010 and 2009
(Unaudited)

5. Guarantee fund and Government of Canada Guarantee Agreement:

The government guarantee fund reflects the Company's proportionate interest in the assets held in the government guarantee fund established under the Government Guarantee Agreement, including accrued income and net of applicable exit fees. The fair value of the government guarantee fund as at March 31, 2010 is \$587,306 (December 31, 2009 - \$576,417).

The Company records the results of income from the fund less exit fees of \$4,947 (March 31, 2009- \$3,699) in equity in earnings of government guarantee fund.

The following table summarizes the components of the government guarantee fund:

	March 31, 2010	December 31, 2009
Invested assets at fair value (a)	\$ 712,930	\$ 699,207
Accrued contribution and accrued income (b)	16,503	14,700
Accrued exit fee and MICC liability (c)	(142,127)	(137,490)
	<u>\$ 587,306</u>	<u>\$ 576,417</u>

- (a) Investments held under the Government Guarantee Agreement including government bonds and bonds unconditionally guaranteed by the Government of Canada and cash; plus
- (b) The Company's accrued contributions of 10.5% of premiums written on insured mortgages for the quarter ended March 31, 2010 and accrued interest on invested assets; less
- (c) The cumulative exit fee applicable to the fair value of the Company's proportionate interest in investments held under the Government Guarantee Agreement and accrued contributions, and the Company's liability for the net proportionate interest in the guarantee fund of its predecessor the Mortgage Insurance Company of Canada ("MICC").

GENWORTH MI CANADA INC.

Notes to Consolidated Financial Statements (continued)
(In thousands of dollars, except per share amounts)

Three months ended March 31, 2010 and 2009
(Unaudited)

6. Income taxes:

The provision for income taxes is comprised of the following:

	Three months ended March 31,	
	2010	2009
Consolidated statements of income		
Provision for income taxes:		
Current	\$ 32,705	\$ 64,271
Future	2,548	1,708
	\$ 35,253	\$ 65,979
Consolidated shareholders' equity		
Income taxes (recovery) related to:		
Change in unrealized gains on available-for-sale securities	\$ 111	\$ 8,492
Recognition of realized (gains) / losses on available-for-sale securities	(199)	-
	\$ (88)	\$ 8,492

GENWORTH MI CANADA INC.

Notes to Consolidated Financial Statements (continued)
(In thousands of dollars, except per share amounts)

Three months ended March 31, 2010 and 2009
(Unaudited)

6. Income taxes (continued):

Income taxes are payable on the change in unrealized gains or losses reported in the Company's consolidated statement of comprehensive income in the year in which they are incurred, and are included in the income taxes payable balance on the Company's consolidated balance sheet.

Income taxes reflect an effective tax rate that differs from statutory tax rate for the following reasons:

	Three months ended March 31,	
	2010	2009
Income before income taxes	\$ 119,345	\$ 204,034
Combined basic Canadian federal and provincial income tax rate	30.0%	32.0%
Income tax expense based on statutory rate	\$ 35,804	\$ 65,291
Increase (decrease) in income tax expense resulting from:		
Non-deductible expenses	623	80
Effect of decrease in rates on future income taxes	(1,174)	(536)
Effect of tax rate adjustment relating to enactment of new legislation	—	1,144
Income tax expense	\$ 35,253	\$ 65,979

GENWORTH MI CANADA INC.

Notes to Consolidated Financial Statements (continued)
(In thousands of dollars, except per share amounts)

Three months ended March 31, 2010 and 2009
(Unaudited)

6. Income taxes (continued):

Future income tax liability is comprised of the following:

	March 31, 2010 (Unaudited)	December 31, 2009
Future income tax assets:		
Employee post employment benefits	\$ 2,736	\$ 2,881
Policy liabilities	3,965	3,070
	6,701	5,951
Future income tax liabilities:		
Investments, including unrealized losses on available-for-sale securities	(13,727)	(15,221)
Guarantee fund reserve	(147,987)	(144,594)
Policy reserves	(47,425)	(46,929)
Capital assets and intangible assets	(2,367)	(2,425)
	(211,506)	(209,169)
Net future income tax liability	\$ (204,805)	\$ (203,218)

Management reviews the valuation of future income taxes on an ongoing basis to determine if a valuation allowance is necessary. The Company expects to fully utilize the benefits available from existing future income tax assets. No valuation allowance is required as at March 31, 2010 (December 31, 2009- \$nil).

The aggregate amount of income taxes paid for the three months ended March 31, 2010 was \$162,945 (2009 - \$29,327).

GENWORTH MI CANADA INC.

Notes to Consolidated Financial Statements (continued)
(In thousands of dollars, except per share amounts)

Three months ended March 31, 2010 and 2009
(Unaudited)

7. Related party balances and transactions:

Following the closing of the Company's IPO on July 7, 2009, the Company and its Insurance Subsidiary entered into a Transition Services Agreement ("TSA") with Genworth Financial Inc., the Company's ultimate parent company. The agreement prescribes that these companies will provide certain services to one another, with most services being terminated if Genworth Financial Inc. ceases to beneficially own more than 50% of the common shares of the Company. The services rendered by Genworth Financial Inc. and affiliated companies consist of information technology, finance, human resources, legal and compliance and other specified services. The services rendered by the Company and the Insurance Subsidiary relate mainly to financial reporting and tax compliance support services. These transactions are in the normal course of business. Accordingly, they are measured at fair value. Balances owing for service transactions are non-interest bearing and are settled on a quarterly basis. The Company incurred net related party charges of \$1,564 for the three months ended March 31, 2010.

Prior to the existence of the TSA agreement, the Company was engaged in an agreement dated August 1, 2006 with Genworth Mortgage Insurance Corporation, a subsidiary of Genworth Financial, Inc., for data processing and administrative services. The transactions incurred under this agreement were in the normal course of business and were measured at fair value. Balances owing for service transactions were non-interest bearing and were settled on a quarterly basis. The Company incurred related party charges of \$398 for the three months ended March 31, 2009.

The balance owed for related party services at March 31, 2010 is \$24 (December 31, 2009 - \$775).

8. Pensions and other post-employment benefits:

The expense related to the defined contribution pension plan was \$601 for the three months ended March 31, 2010 (March 31, 2009- \$551).

The expense related to the defined benefit plan was \$264 for the three months ended March 31, 2010 (March 31, 2009- \$200).

The expense related to the other non-pension post-employment benefits was \$191 for the three months ended March 31, 2010 (March 31, 2009 - \$161).

GENWORTH MI CANADA INC.

Notes to Consolidated Financial Statements (continued)
(In thousands of dollars, except per share amounts)

Three months ended March 31, 2010 and 2009
(Unaudited)

9. Earnings per share:

Basic and diluted earnings per share have been calculated using the weighted average and dilutive number of shares outstanding during the three months ended March 31, 2010 of 117,100,000 (2009 - 111,999,999) and 118,096,422 (2009 - 111,999,999), respectively. The difference between basic and diluted earnings per share is caused by the grant of employee stock options, Restricted Stock Units ("RSUs"), Directors' Deferred Share Units ("DSUs") and Performance Share Units ("PSUs").

The effect is computed below:

	Three months ended March 31, 2010	Three months ended March 31, 2009
Basic earnings per share:		
Net income	\$ 84,092	\$ 138,055
Weighted average common shares outstanding	117,100,000	111,999,999
Basic net earnings per common share	\$ 0.72	\$ 1.23
Diluted earnings per share		
Weighted average common shares outstanding	118,096,422	111,999,999
Diluted net earnings per common share	\$ 0.71	\$ 1.23

GENWORTH MI CANADA INC.

Notes to Consolidated Financial Statements (continued)
(In thousands of dollars, except per share amounts)

Three months ended March 31, 2010 and 2009
(Unaudited)

10. Share-based compensation:

During the three months ended March 31, 2010, the Company granted 181,700 stock options ("Options"), 42,450 Restricted Share Units ("RSU"s) and 1,530 Directors' Deferred Share Units ("DSU"s) to its employees and directors.

On February 18, 2010, the Company granted 18,000 Performance Share Units ("PSU"s) to its senior executive employees. The PSUs vest three years from the date of grant provided that certain performance conditions are met by the Company. The performance conditions are based on the Company's earnings per share, net income, contribution margin, underwriting income and investment income. Upon vesting, the PSUs entitle the senior executive employees to receive an amount equal to the fair market value of the Company's shares and may be settled in shares or cash.

PSUs granted by the Company are measured at the quoted market value of the Company's shares at the end of each reporting period. These awards are recorded as compensation expense over the PSU vesting period, with a corresponding entry to accrued liability under employee benefit plans based on management's best estimate of the outcome of the performance conditions.

PSUs may participate in dividend equivalents at the discretion of the Company's Board of Directors. Dividend equivalents are calculated based on the market value of the Company's shares on the date the dividend equivalents are credited to the PSU account and are recorded as additional compensation expense.

GENWORTH MI CANADA INC.

Notes to Consolidated Financial Statements (continued)
(In thousands of dollars, except per share amounts)

Three months ended March 31, 2010 and 2009
(Unaudited)

10. Share-based compensation (continued):

The following table summarizes information about these share-based compensation plans:

	Number of stock options	Weighted average exercise price	Weighted average fair value at March 31, 2010	Number of RSUs	Weighted average fair value at March 31, 2010	Number of DSUs	Weighted average fair value at March 31, 2010	Number of PSUs	Weighted average fair value at March 31, 2010
Outstanding, beginning of period	810,000	\$ 19.16	\$ 6,715	84,406	\$ 2,317	3,257	\$ 89	—	\$ —
Granted	181,700	27.12	60	42,450	1,165	1,530	42	18,000	494
Dividends equivalents granted	—	—	—	679	19	27	1	—	—
Forfeited	2,500	19.00	21	2,017	56	—	—	—	—
Outstanding, end of period	989,200	\$ 20.62	\$ 6,754	125,518	\$ 3,445	4,814	\$ 132	18,000	494
Weighted average period (in years) over which expense is recognized	2.6	—	—	2.7	—	—	—	3.0	—
Outstanding as a percentage of outstanding shares	0.84%	—	—	0.11%	—	0.00%	—	0.02%	—

The total compensation expense related to stock options, RSUs, DSUs and PSUs for the three months ended March 31, 2010 is \$726, \$270, \$44 and \$17 respectively for a total of \$1,057 recognized in sales, underwriting and administrative expenses. (March 31, 2009 – \$nil).

GENWORTH MI CANADA INC.

Notes to Consolidated Financial Statements (continued)
(In thousands of dollars, except per share amounts)

Three months ended March 31, 2010 and 2009
(Unaudited)

11. Comparative figures:

Certain comparative figures have been reclassified to conform to the financial statement presentation adopted in the current quarter.