Genworth Canada

First Quarter 2017 Results

May 2nd, 2017

Forward-looking and non-IFRS statements

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Public communications, including oral or written communications such as this document, relating to Genworth MI Canada Inc. (the "Company", "Genworth Canada" or "MIC") often contain certain forward-looking statements. These forward-looking statements include, but are not limited to, statements with respect to the implementation of changes introduced by the Government and the potential impact on new insurance written, as well as the Company's future operating and financial results, sales expectations regarding premiums written, capital expenditure plans, dividend policy and the ability to execute on its future operating, investing and financial strategies, the Canadian housing market, and other statements that are not historical facts. These forward-looking statements may be identified by their use of words such as "may", "would", "could", "will," "intend", "plan", "anticipate", "believe", "seek", "propose", "estimate", "expect", and similar expressions. These statements are based on the Company's current assumptions, including assumptions regarding economic, global, political, business, competitive, market and regulatory matters. These forward-looking statements are inherently subject to significant risks, uncertainties and changes in circumstances, many of which are beyond the ability of the Company to control or predict. The Company's actual results may differ materially from those expressed or implied by such forward-looking statements, including as a result of changes in the facts underlying the Company's assumptions, and the other risks described in the Company's Annual Information Form dated March 15, 2017, its Short Form Base Shelf Prospectus dated August 9, 2016, its most recently issued Management's Discussion and Analysis and all documents incorporated by reference in such documents. Management's current views regarding the Company's financial outlook are stated as of the date hereof and may not be appropriate for other purposes. Other than as required by applicable laws, the Company undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future developments or otherwise.

To supplement its financial statements, the Company uses select non-IFRS financial measures. Such non-IFRS financial measures include net operating income, operating earnings per common share (basic), operating earnings per common share (diluted), operating return on equity, insurance in-force, new insurance written, loss ratio, expense ratio, combined ratio, investment yield, and Minimum Capital Test ("MCT"). The Company believes that these non-IFRS financial measures provide meaningful supplemental information regarding its performance and may be useful to investors because they allow for greater transparency with respect to key metrics used by management in its financial and operational decision making. Non-IFRS measures do not have standardized meanings and are unlikely to be comparable to any similar measures presented by other companies. These measures are defined in the Company's glossary, which is posted on the Company's website at http://investor.genworthmicanada.ca. A reconciliation from non-IFRS financial measures to the most readily comparable measures calculated in accordance with IFRS, where applicable, can be found in the Company's most recent Management's Discussion and Analysis, which is posted on the Company's website and is also available at www.sedar.com.

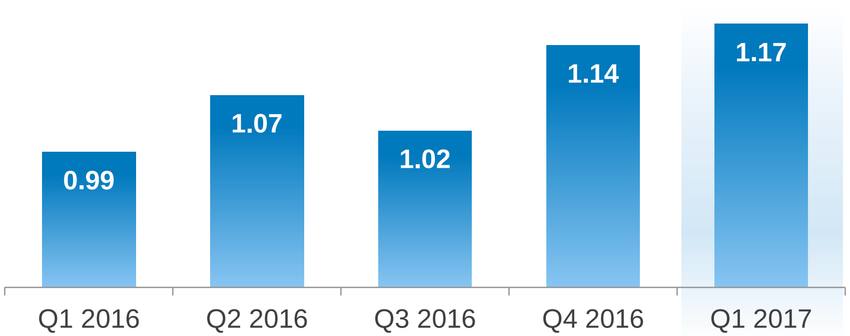
1Q17 financial results

$MM except ROE, EPS & MCT	Q1 2017	Q4 2016	Q1 2016	Q/Q	Y / Y
Premiums written	**$127**	$171	$117	-26%	+9%
Loss ratio	**15%**	18%	24%	-3 pts	-9 pts
Net Operating Income	**$107**	$105	$91	+2%	+17%
Operating ROE	**12%**	12%	11%	Flat	+1%
Operating EPS (dil.)	**$1.17**	$1.14	$0.99	+2%	+17%
MCT ratio[1]	**162%**	245%	234%	n.m.	n.m.
Internal MCT target (2017) / MCT holding target (2016)	**157%**	220%	220%	n.m.	n.m.

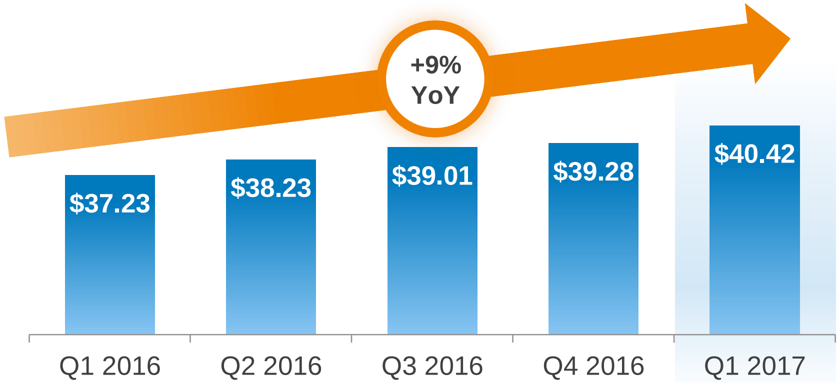
Q1 key highlights

- Premiums written YoY impacted by a smaller high LTV origination market due to 4Q16 regulatory changes
- Loss ratio of 15% reflects stable macroeconomic environment and strong housing markets in Ontario and B.C.
- Operating income +17% Y/Y, primarily due to lower losses on claims
- Ongoing capital strength with MCT ratio of 162%[1]

Operating EPS (diluted)



Book Value Per Share (diluted, incl. AOCI)



1. MCT ratio denotes the Company's estimate of the Minimum Capital Test ratio for operating insurance company. Effective Jan. 1, 2017, the holding target MCT of 220% has been recalibrated to the OSFI Supervisory MCT ratio target of 150% and the minimum MCT ratio under PRMHIA has been reduced to 150%.

Note: Amounts may not total due to rounding.

Our environment today

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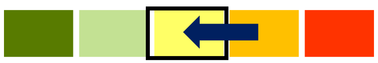
Risk	Assessment
Economic	
Housing	
Insurance Portfolio	
Regulatory	

Key takeaways

- Improved GDP growth forecast for 2017 (Canada 2.6%; US 2.1%)[1]
- Oil prices stabilizing in the US$50 to US$60 per barrel range in 2017[2]
- Stable unemployment rate at 6.7% as of March 2017[3]

- Housing risk in Toronto and surrounding areas remains elevated
- Federal and Provincial intervention expected to slow down home price appreciation

- NIW quality and mix remains strong
- Mortgage rate stress test to have positive long-term impact on portfolio quality

- Ontario "Fair Housing Plan" expected to have a positive impact on affordability and improve market stability
- New capital framework driving higher capital requirements offset by recent premium rate increase

STABLE TO IMPROVING MACROECONOMIC ENVIRONMENT

1 Source: GDP projections sourced from Bank of Canada Monetary Policy Report April 2017.
2 Management estimate.
3 Statistics Canada – Labour Force Survey (Q1 2017).

Regional risk assessment

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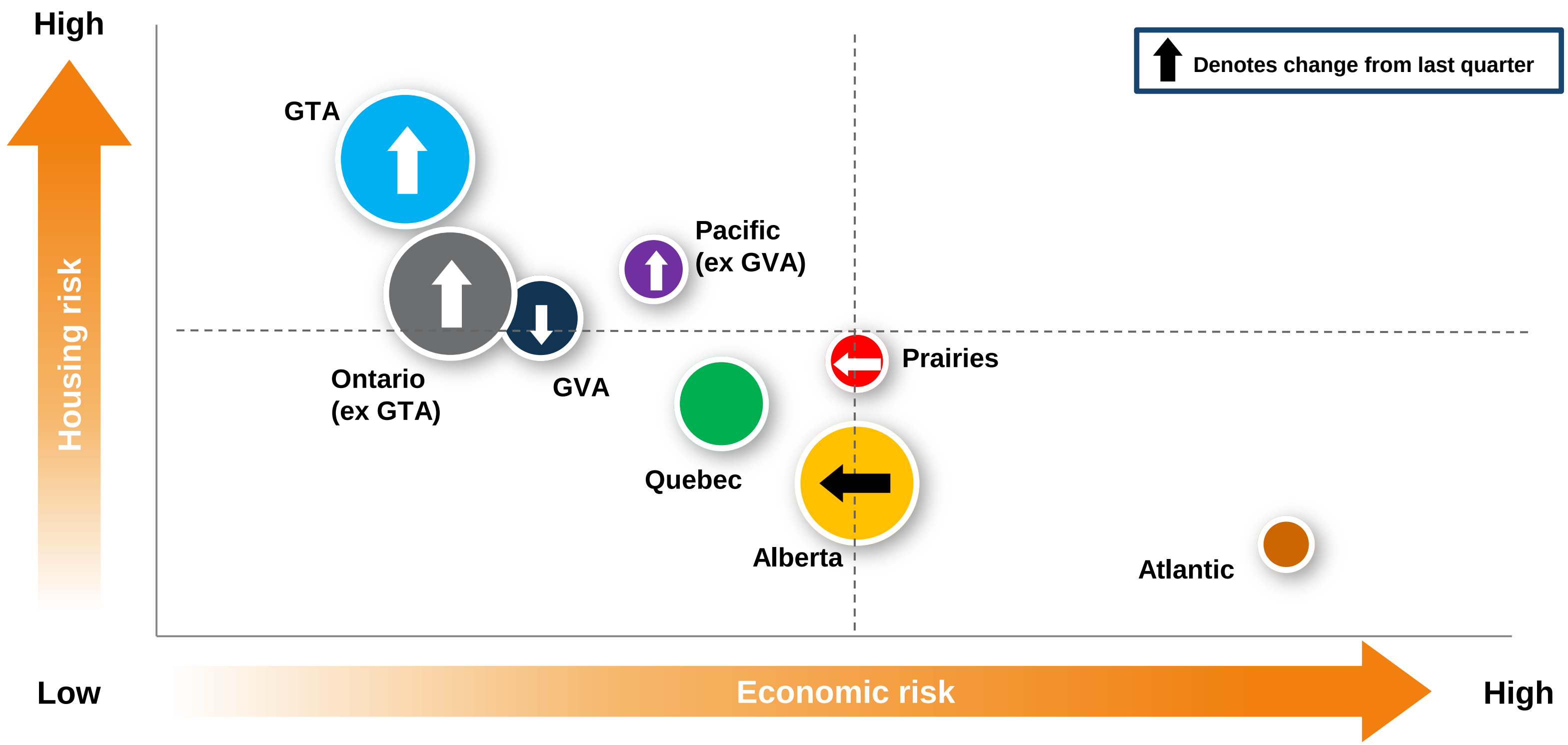
Key indicators:

- **Overvaluation**
- **Affordability**
- **Price-to-income**
- **Supply/ demand**



Key metrics: GDP forecast; UE Rate; Economic diversity

Elevated **housing risk** in Victoria, GTA and parts of Ontario

Improving **economic forecast** for Alberta and Prairies regions

Note: Based on Company's estimates of housing and economic risk as at Q1 2017.

Top line

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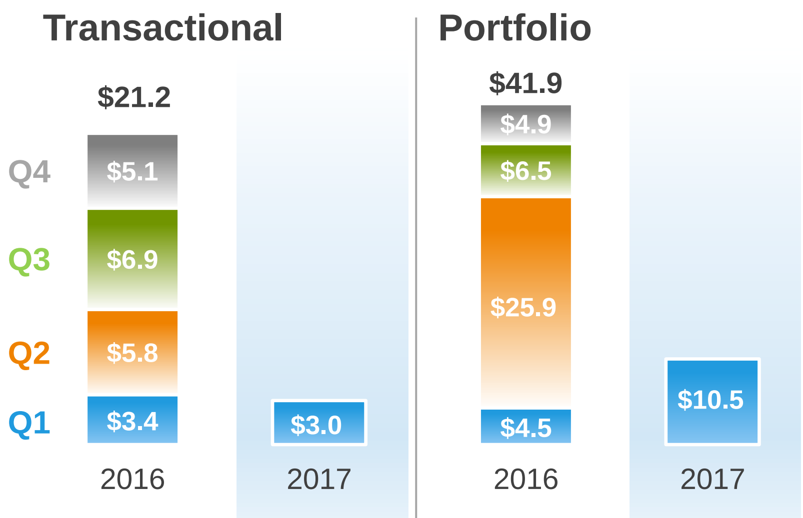
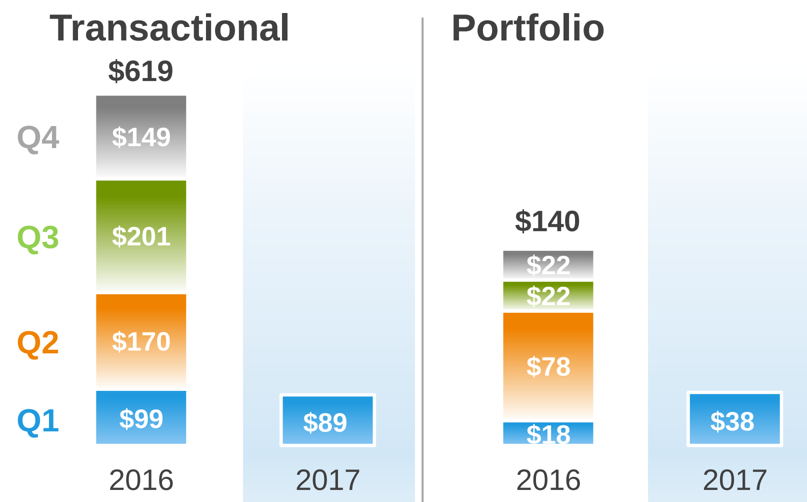
New insurance written ($ billions)



Premiums written ($ millions)



	Transactional 2016	Transactional 2017	Portfolio 2016	Portfolio 2017
Average premium rate	2.93%	2.92%	0.34%	0.36%

Transactional insurance highlights

- NIW decreased year-over-year, due to a smaller high LTV origination market resulting from 4Q16 regulatory changes
- Expecting annual volumes to decline 15%-25%
- Premium rate increase which took effect on March 17, 2017 should buoy premiums written for remainder of 2017 and in future years, partly offsetting volume decline impact

Portfolio insurance highlights

- NIW increased year-over-year, driven by the closing of several large portfolio insurance transactions on applications received in 4Q16
- Flat portfolio insurance average premium rate reflects lower average LTVs and strong credit scores
- Expecting smaller portfolio insurance market than 2016

Note: Company sources.
Note: Amounts may not total due to rounding.

High portfolio quality

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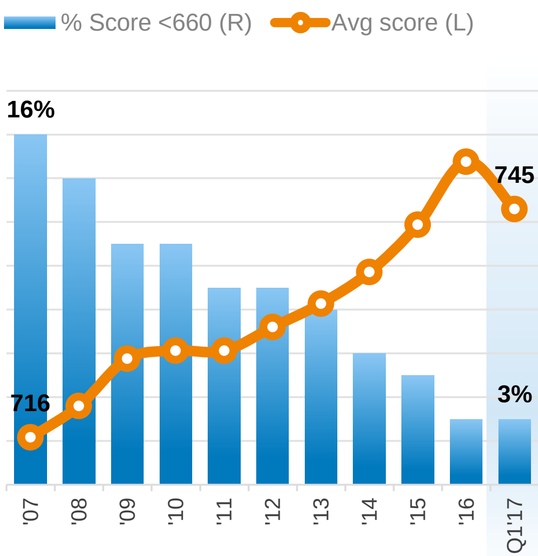
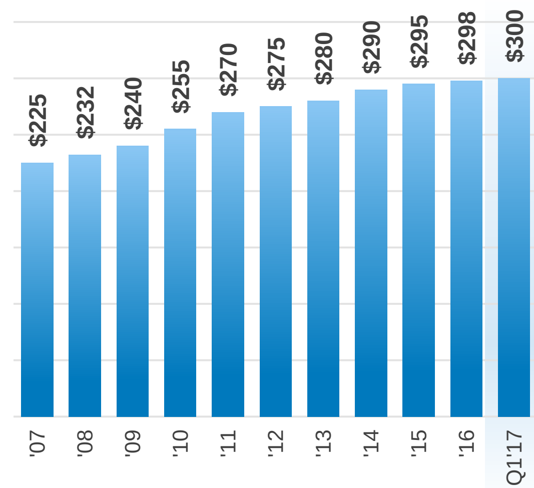
Credit score[1]

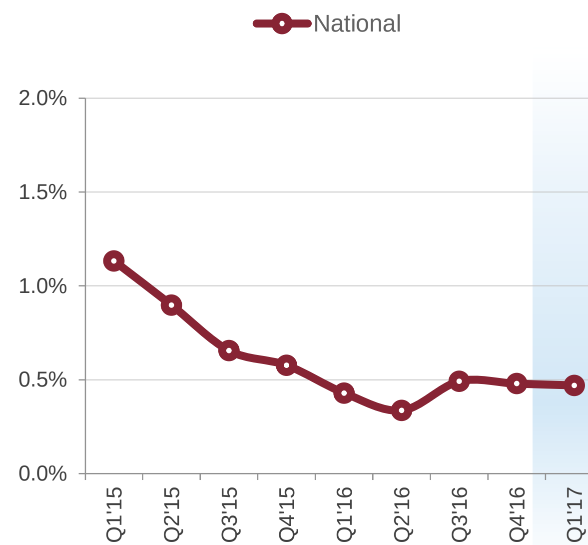


Median home price[2]

(In '$000s)



Stacked risk factors[3]



Highlights

Credit quality remains very strong

Stable home prices for First Time Homebuyer

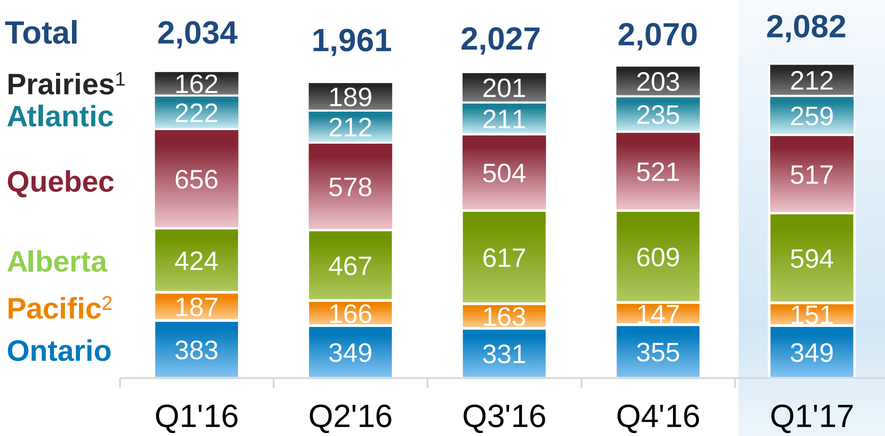
Limited exposure to loans with **stacked risk factors**

PORTFOLIO QUALITY SIGNIFICANTLY IMPROVED SINCE 2007

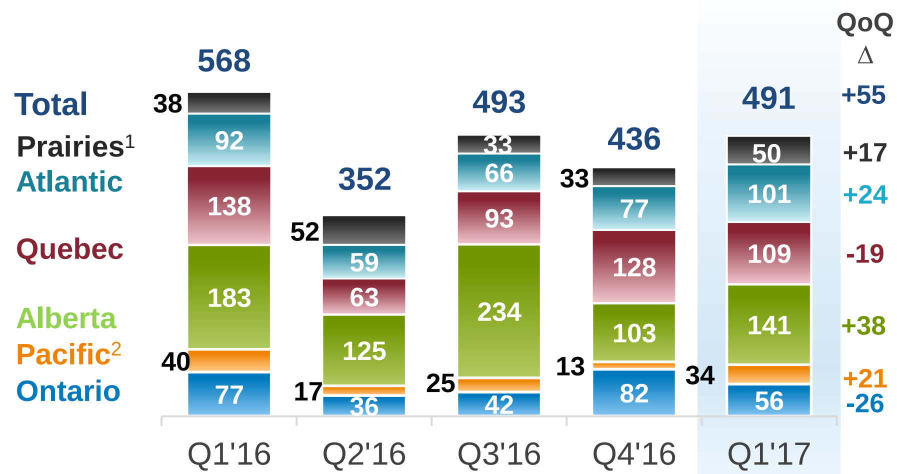
1 Company sources for transactional new insurance written. Average score for all borrowers.
2 Company sources for transactional new insurance written, purchase only.
3 Stacked risk factors: 90%+ LTV and <= 660 credit score, and >40 TDSR.

Delinquency trends

Delinquencies outstanding



New delinquencies, net of cures, by region



Loss ratio	24%	21%	25%	18%	15%

Delinquency ratio based on reported outstanding balances[3]

	Q2'16	Q3'16	Q4'16	Q1'17
Transactional	0.33%	0.33%	0.33%	0.34%
Portfolio	0.06%	0.07%	0.08%	0.08%
Total	**0.20%**	**0.21%**	**0.21%**	**0.21%**

Alberta delinquencies

	Q1'16	Q2'16	Q3'16	Q4'16	Q1'17
New delqs	293	277	386	335	328
Cures	110	152	152	232	187
New delqs, net of cures	183	125	234	103	141

REVISED 2017 FULL YEAR LOSS RATIO RANGE EXPECTED TO BE 20% - 30%

Company sources. [1] Prairies include MB and SK. [2] Pacific includes B.C. and the Territories. [3] Delinquency rates are based on the Company's estimate of outstanding insured mortgage balances as at the end of the quarter and exclude delinquencies that have been incurred but not reported.

Strong financial performance

$MM except EPS & BVPS	Q1'17	Q4'16	Q1'16
Transactional premiums written	$89	$149	$99
Portfolio premiums written	38	22	18
Total premiums written	**$127**	**$171**	**$117**
Premiums earned	167	164	154
Losses on claims	(26)	(29)	(37)
Expenses	(34)	(33)	(28)
Underwriting income	$107	$103	$88
Net investment income (excl. realized gains / losses)	45	46	41
Net operating income	**$107**	**$105**	**$91**
Operating EPS (diluted)	**$1.17**	**$1.14**	**$0.99**
Book value per share (diluted, incl. AOCI)	**$40.42**	**$39.28**	**$37.23**

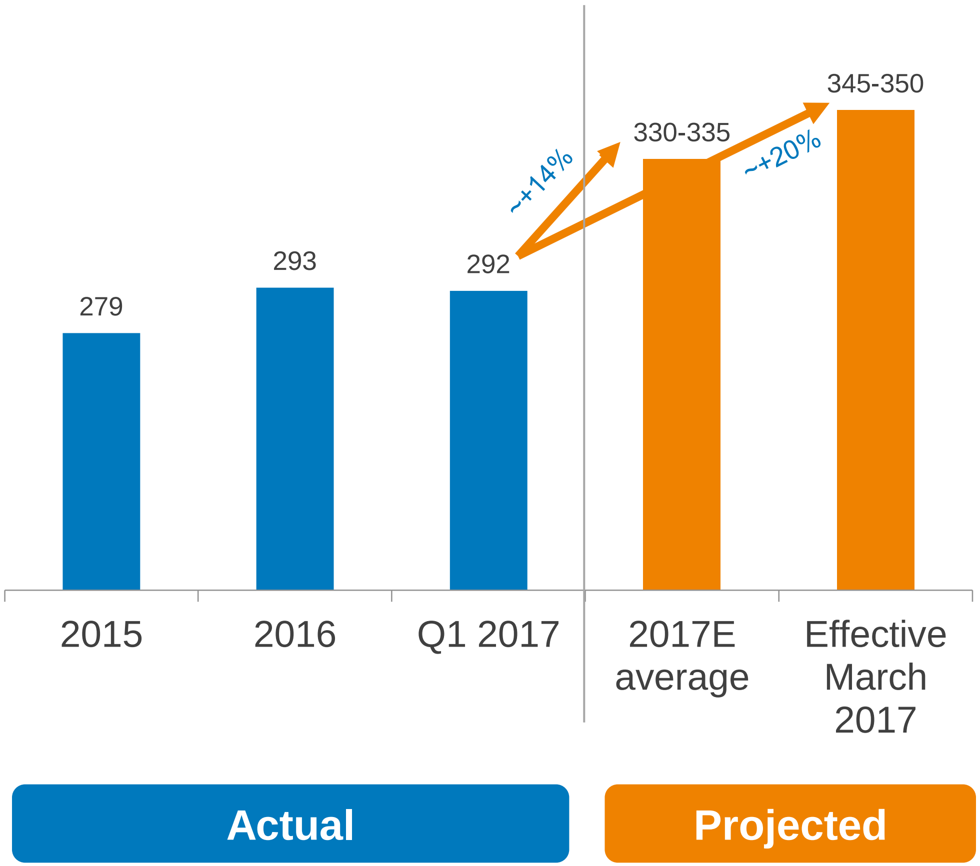
Q1 highlights

- Transactional premiums written lower by 10% Y/Y, due to smaller high LTV market
- Premiums earned increased Y/Y by 9% and 2% QoQ due to higher level of premiums written in recent years
- Loss ratio of 15%, down 3 pts Q/Q on a lower average reserve per delinquency, and favourable reserve development, partly offset by a seasonal increase in new delinquencies, net of cures
- Net investment income relatively unchanged Q/Q
- Net operating income up $2 million Q/Q primarily due to lower losses on claims and higher premiums earned
- Book value per share up 9% Y/Y to $40.42

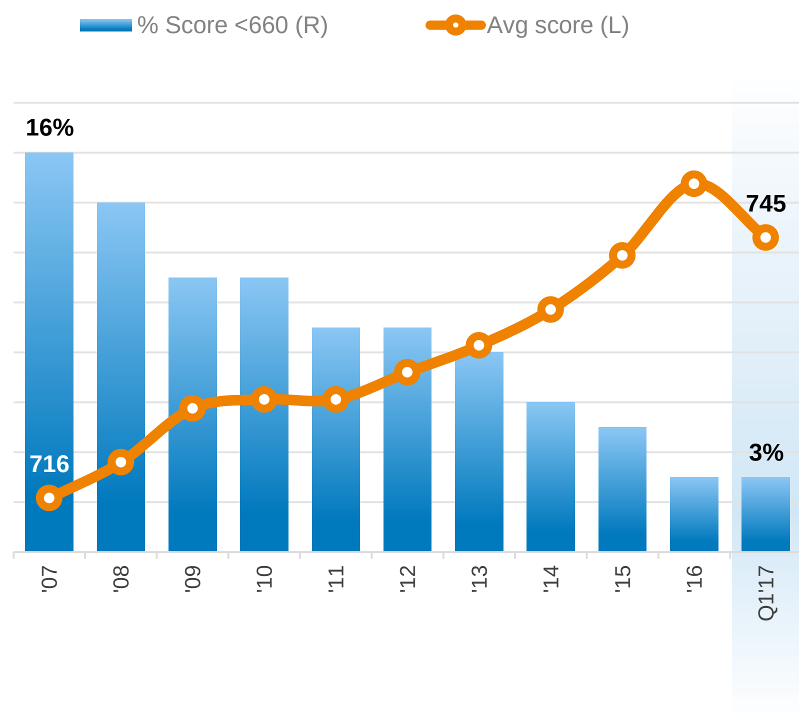
Company sources. Note: Amounts may not total due to rounding.

Premium rate increases

Transactional insurance pricing
(Average premium rate, in basis points)[1]



Insurance portfolio quality – credit score[1]



~20% TRANSACTIONAL PRICE INCREASE PLUS STRONG PORTFOLIO QUALITY…TARGETING NEW BUSINESS ROE OF 13% OR HIGHER

1 Company sources for transactional new insurance written. Average score for all borrowers.

Solid underwriting profitability

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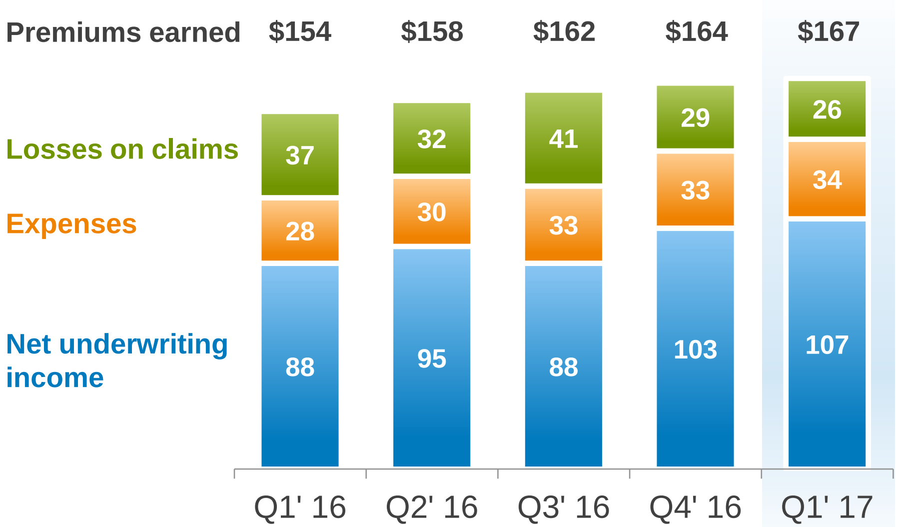
Underwriting profitability ($ millions)



	Q1' 16	Q2' 16	Q3' 16	Q4' 16	Q1' 17
Loss ratio	24%	21%	25%	18%	15%
Expense ratio	19%	19%	20%	20%	20%
Combined ratio	42%	40%	45%	38%	36%
Avg. reserve per delq. ($000s)	$70.9	$75.4	$79.5	$79.0	$75.6
New delqs. net of cures	568	352	493	436	491

Highlights

- Ten consecutive quarters of Q/Q increases in premiums earned driven by higher level of premiums written in last three years
- Modest Y/Y increase in premiums earned expected for 2017; premium rate increases positive for premiums earned in future years
- Q1 loss ratio of 15% driven primarily by:
  - Lower Q/Q average reserve per delinquency reflecting stable or strong housing markets in most regions
  - Favourable reserve development
- 2017 full year loss ratio expected range revised lower to 20% to 30%

Company sources. Amounts may not total, due to rounding.

Investments contribute steady income

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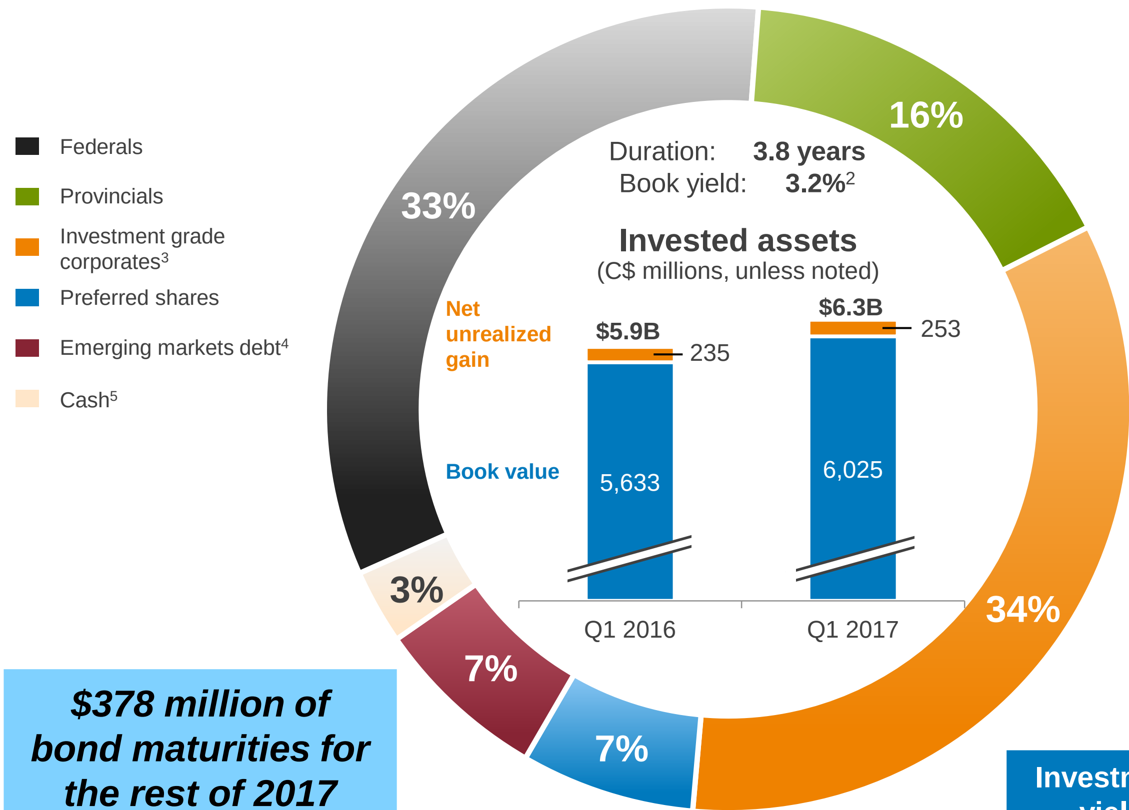
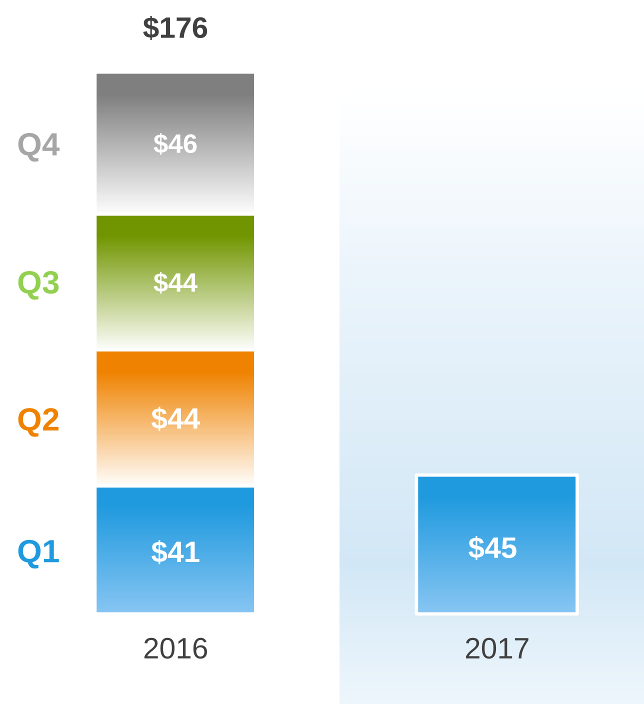
Total Invested Assets ($6.3B portfolio[1])



$378 million of bond maturities for the rest of 2017

Net Investment Income ($ millions)[6]



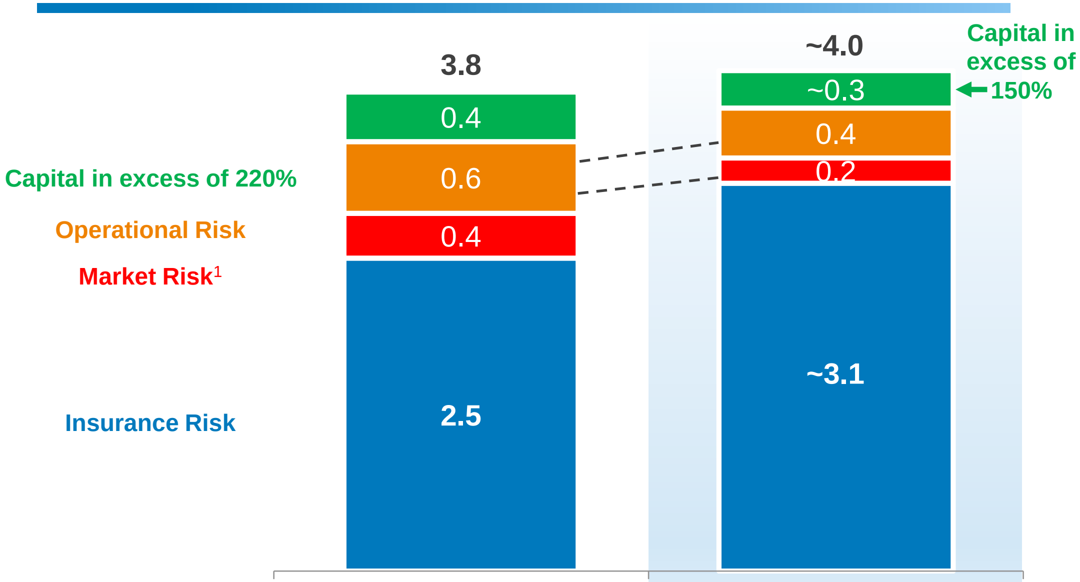
	2016	2017
Investment yield	**3.2%**	**3.2%**

MAINTAINING QUALITY FOCUS IN LOW RATE ENVIRONMENT ... SELECTIVELY ADDING INVESTMENT GRADE PREFERRED SHARES WITH ATTRACTIVE YIELD

Note: Company sources.
1. Represents market value. 2. Investment yield represents pre-tax equivalent book yield after dividend gross-up of portfolio (as at Mar. 31st, 2017).
3. Market value, includes CLOs. 4. ~99% Investment grade. 5. Cash includes short-term investments. 6. Excludes realized and unrealized gains and losses.

Capital management

Regulatory capital as at March 31st, 2017
(by category, $ billions unless otherwise noted)



	2016 MCT	Mar. 31, 2017 MCT estimate[3]
MCT ratio	**245%**	**162%**
Internal MCT target	**185%**	**157%**
Holding Target	**220%**	**n.a.**
MCT Supervisory Target	**150%**	**150%**
Holdco cash[2]	**$180 million**	**$189 million**

Highlights

Strong capital position with ~162% MCT ratio under 2017 capital framework

- 2016 holding target of 220% recalibrated to OSFI supervisory target of 150%
- Minimum MCT for government guarantee reduced to 150%
- New internal MCT target of 157%
- Normal course operating range of 160% to 165%

Note: Company sources. MCT denotes ratio for operating insurance company.
1. Market risk includes interest rate, credit, equity risk, and foreign exchange risk.
2. Represents liquid investments and cash held in addition to capital in operating insurance company
3. Mar. 31, 2017 MCT is the Company's estimate under the new capital framework that became effective January 1, 2017.

Key takeaways

Keen focus on **risk management**

Balanced approach to writing new business

Proactive **loss mitigation** programs

Investing in our **customer experience strategy**

Proven business model has positioned MIC for **future performance**

Genworth Canada

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