Investor Day

Genworth MI Canada, Inc.
November 18, 2013

Actionable Strategies for 2014
Welcome

Genworth MI Canada Inc. Investor Day

November 18, 2013

Actionable Strategies for 2014
Forward-looking and non-IFRS statements

This presentation includes certain forward-looking statements. These forward-looking statements include, but are not limited to, statements with respect to the Company’s future operating and financial results, expectations regarding premiums written, capital expenditure plans, dividend policy and the ability to execute on its future operating, investing and financial strategies, 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,” “expects,” “anticipates,” “contemplates,” “intends,” “plans,” “believes,” “seeks,” “estimates,” or words of similar meaning. 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 control of the Company. 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 29, 2013, its Short Form Base Shelf Prospectus dated May 31, 2012, the Prospectus Supplements thereto and all documents incorporated by reference in such documents. 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-IFRSs financial measures. Non-IFRSs measures used by the Company to analyze performance include underwriting ratios such as loss ratio, expense ratio and combined ratio, as well as other performance measures such as net operating income and return on net operating income. The Company believes that these non-IFRSs 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-IFRSs 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-IFRSs financial measures to the most readily comparable measures calculated in accordance with IFRSs can be found in the Company’s most recent financial statements, which are posted on the Company’s website and are also available at www.sedar.com.
Agenda

PANEL 1: Driving Core Growth
PANEL 2: Proactively Mitigating Risk
PANEL 3: Sustaining Profitability

Actionable Strategies for 2014
INTRO

Moderator

Brian Hurley
Chairman, Chief Executive Officer

PANEL MEMBERS

Stuart Levings
Debbie McPherson
Susan Noonan
Lisa Trudell

Robert Kirby
Craig Sweeney
Jamie Woods

Rick Barnett
Winsor Macdonell
Philip Mayers

PANEL 1
PANEL 2
PANEL 3
PANEL 1

DRIVING CORE GROWTH

Moderator

Brian Hurley
Chairman, Chief Executive Officer

Stuart Levings
Senior Vice President, Chief Operating Officer

Debbie McPherson
Senior Vice President, Sales and Marketing

Susan Noonan
Vice President, Operations

Lisa Trudell
Vice-President, Business Development
## Genworth Served Market

<table>
<thead>
<tr>
<th></th>
<th>Average home price</th>
<th>Average income</th>
<th>Average gross debt servicing</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Genworth</td>
<td>Market</td>
<td>% Variance</td>
</tr>
<tr>
<td>Vancouver</td>
<td>$454K</td>
<td>$784K</td>
<td>-42%</td>
</tr>
<tr>
<td>GTA</td>
<td>$417K</td>
<td>$526K</td>
<td>-21%</td>
</tr>
<tr>
<td>Calgary</td>
<td>$387K</td>
<td>$439K</td>
<td>-12%</td>
</tr>
<tr>
<td>Montreal</td>
<td>$303K</td>
<td>$325K</td>
<td>-7%</td>
</tr>
<tr>
<td>Canada</td>
<td>$307K</td>
<td>$389K</td>
<td>-21%</td>
</tr>
</tbody>
</table>

Note: Genworth averages based on Q22013 data; market averages for property price from CREA, GDS is gross debt service ratio.

Our average home price ~21% lower than market average.
## Average High Ratio Borrower ~ 95% LTV

### Attributes

<table>
<thead>
<tr>
<th></th>
<th>2007</th>
<th>Q3 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Credit Score</td>
<td>713</td>
<td>729</td>
</tr>
<tr>
<td>Total Debt Service Ratio</td>
<td>34%</td>
<td>33%</td>
</tr>
<tr>
<td>Refinance</td>
<td>13%</td>
<td>0%</td>
</tr>
<tr>
<td>Amortization</td>
<td>32</td>
<td>25</td>
</tr>
<tr>
<td>Fixed Interest Rate</td>
<td>80%</td>
<td>92%</td>
</tr>
<tr>
<td>Purchase Plus (Renovation)</td>
<td>2%</td>
<td>7%</td>
</tr>
</tbody>
</table>

### Observations

- 16 point increase in credit score
- Stable debt ratios despite prices
- 100% purchase transactions
- 25 year amortization the norm
- First-time buyers locking in rates
- “Buy then renovate” more popular

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**Borrower quality improved since 2007**

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Genworth MI Canada Inc. (TSX:MIC)  6  Actionable Strategies for 2014
Delivering Value Beyond Mortgage Insurance

Key Stakeholders

- Branches, Specialists, Underwriting Centres
- Mortgage Business Line
- Risk and Treasury
- C-Suite

Genworth Team Support

Underwriting | Operations | Sales | Risk | Sr. Leadership

Acknowledged strategic partner
TAKEAWAYS

- The first-time buyer market will continue to drive demand for mortgage insurance
- We strategically add value to our lenders
- We have the momentum to drive core growth
PANEL 1

OPEN Q&A

Moderator

Brian Hurley
Chairman, Chief Executive Officer

Stuart Levings
Senior Vice President, Chief Operating Officer

Debbie McPherson
Senior Vice President, Sales and Marketing

Susan Noonan
Vice President, Operations

Lisa Trudell
Vice-President, Business Development

Genworth MI Canada Inc. (TSX:MIC)
PROACTIVELY MITIGATING RISK

Moderator

Brian Hurley
Chairman, Chief Executive Officer

Robert Kirby
Vice President, Loss Mitigation and Investigations

Craig Sweeney
Senior Vice President, Chief Risk Officer

Jamie Woods
Regional Risk Manager
**Risk Management Framework**

### Risk Framework

**Identify and assess key performance risks**
- Macro-economic environment
- Housing market trends
- Regional risk factors

**Manage and control quality of new business**
- Underwriting guidelines/policy
- Risk limits and triggers
- Robust quality assurance

**Monitor and communicate on portfolio performance**
- Portfolio analytics
- Identifying emerging loss trends
- Dynamic underwriting policies

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**PANEL 2**

**PROACTIVELY MITIGATING RISK**

Craig Sweeney
Senior Vice President, Chief Risk Officer
## Housing Risk Scorecard

### Watch Areas

<table>
<thead>
<tr>
<th>Key Risks</th>
<th>Risk Level</th>
<th>Assessment / Actions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Toronto Condos</td>
<td>Oversupply</td>
<td>Increased scrutiny on new projects&lt;br&gt;Rental Market remains tight</td>
</tr>
<tr>
<td>Toronto Single Family</td>
<td>Affordability</td>
<td>Increased attention on income / qualifying&lt;br&gt;Strong borrower quality … avg. score 736</td>
</tr>
<tr>
<td>Vancouver</td>
<td>Overvaluation</td>
<td>Market has normalized&lt;br&gt;Opportunity to expand risk appetite</td>
</tr>
<tr>
<td>Montreal Condos</td>
<td>New projects</td>
<td>Increased scrutiny on builder quality&lt;br&gt;Strong borrower quality … avg. score 746</td>
</tr>
</tbody>
</table>

- **Acceptable**
- **Monitoring**
**Delinquency Cycle - Integration is Key**

- **Assessment** 1 - 3 Months
- **Foreclosure & Sale** 4 - 18 Months
- **Recovery** 18 + Months

**Prevent**
- Awareness/education
- Homeowner assistance program

**Engage**
- Shortfall sales
- Asset management

**Recover**
- Third parties
- Borrowers

**Best Practice Sharing**
- Risk
- Underwriting
- Audit
- Lenders
- Sales
- Finance
- Loss Mitigation

**PANEL 2**
PROACTIVELY MITIGATING RISK

Robert Kirby
Vice President, Loss Mitigation and Investigations
TAKEAWAYS

- Our comprehensive risk framework helps us stay ahead of emerging risks
- Our insurance portfolio quality continues to be strong
- Our loss mitigation strategy is a key differentiator
PANEL 2

OPEN Q&A

Moderator

Brian Hurley
Chairman, Chief Executive Officer

Robert Kirby
Vice President, Loss Mitigation and Investigations

Craig Sweeney
Senior Vice President, Chief Risk Officer

Jamie Woods
Regional Risk Manager

Genworth MI Canada Inc. (TSX:MIC)
SUSTAINING PROFITABILITY

Moderator

Brian Hurley
Chairman, Chief Executive Officer

Rick Barnett
Vice President, Investments

Winsor Macdonell
Senior Vice President, General Counsel and Secretary

Philip Mayers
Senior Vice President, Chief Financial Officer
Genworth Served Market Trends

**Average Credit Score**
- Improving quality
- “A” quality borrower only

**Average Home Price**
- Modest price increase for balance 2013 for first-time buyer segment

**Average Gross Debt Ratios**
- Relatively stable

Source: Based on company data as at Sep. 30, 2013. Market averages for property price from CREA, GDS is gross debt service ratio

Smaller... but higher quality borrower profile
Multiple Top Line Growth Levers

**Gross Premiums Written ($MM)**

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>9 Months</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>374</td>
<td>370</td>
<td>549</td>
<td>525</td>
<td>483</td>
<td>382</td>
</tr>
<tr>
<td>Portfolio Insurance</td>
<td>4</td>
<td>16</td>
<td>19</td>
<td>77</td>
<td></td>
<td>54</td>
</tr>
<tr>
<td>Flow</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>329</td>
</tr>
</tbody>
</table>

**Growth Levers**

- Larger high loan-to-value market
- Higher market penetration ... capitalize on current momentum
- Potential for pricing increase to reflect higher capital levels
Underwriting Profits

<table>
<thead>
<tr>
<th>($MM)</th>
<th>2009¹</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>Q3 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Premiums Earned</td>
<td>610</td>
<td>621</td>
<td>612</td>
<td>589</td>
<td>431</td>
</tr>
<tr>
<td>Expenses</td>
<td>91</td>
<td>103</td>
<td>101</td>
<td>105</td>
<td>80</td>
</tr>
<tr>
<td>Losses on Claims</td>
<td>256</td>
<td>206</td>
<td>225</td>
<td>194</td>
<td>111</td>
</tr>
<tr>
<td>Underwriting Profit</td>
<td>263</td>
<td>312</td>
<td>287</td>
<td>291</td>
<td>240</td>
</tr>
</tbody>
</table>

Notes: Amounts may not total due to rounding.
1. Including the impact of change to the premium recognition curve in the first quarter of 2009, financial measures for the year ended December 31, 2009 would have been: earned premium $710, underwriting profit $357 and loss ratio 36%.

- Loss ratio improvement driving higher underwriting profits
- $1.7 billion unearned premiums represent future revenues ... earnings visibility

Philip Mayers
Senior Vice-President, Chief Financial Officer
## Earnings Profile

<table>
<thead>
<tr>
<th>($MM)</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>Q3 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Income</td>
<td>307</td>
<td>343</td>
<td>318</td>
<td>339</td>
<td>264</td>
</tr>
<tr>
<td>Investment Income (After Tax)</td>
<td>120</td>
<td>118</td>
<td>110</td>
<td>125</td>
<td>89</td>
</tr>
<tr>
<td>Underwriting Profit (After Tax)</td>
<td>188</td>
<td>225</td>
<td>208</td>
<td>214</td>
<td>174</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>9 Months</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loss Ratio</td>
<td>42%</td>
<td>33%</td>
<td>37%</td>
<td>33%</td>
<td>26%</td>
</tr>
<tr>
<td>Operating EPS</td>
<td>$2.67¹</td>
<td>$3.01</td>
<td>$3.08</td>
<td>$3.43²</td>
<td>$2.70</td>
</tr>
<tr>
<td>Operating ROE</td>
<td>13%¹</td>
<td>14%</td>
<td>13%</td>
<td>13%²</td>
<td>12%</td>
</tr>
</tbody>
</table>

¹. Excludes the impact of change to the premium recognition curve in the first quarter of 2009,
². Excludes the impact of the Government Guarantee Fund exit fee reversal of $166 million, related to 2011 and prior years.

**Strong and sustainable profitability**
Fixed Income - $4.9 Billion (As at Sept 30, 2013)

MIC vs. Bond Universe & Peers

- EMD: 3% (MIC), 3% (DEX), 3% (Peers)
- Corporate: 40% (MIC), 30% (DEX), 37% (Peers)
- Provincials: 20% (MIC), 31% (DEX), 34% (Peers)
- Federal: 37% (MIC), 39% (DEX), 29% (Peers)

Total Return
- Q3 13: 3.8%
- YTD: (1.6)%
- Peers: 0%

Source for Peers: Median portfolio mix from Q2 2013 survey of large property & casualty insurers conducted by PCIM Global Manager Research

- Quality focus ... diversified sector allocations
- Short duration major contribution to returns out performance
- Diversified corporate asset mix
Equities Portfolio - $219 Million (as at Sept 30, 2013)

<table>
<thead>
<tr>
<th>Portfolio Size</th>
<th>Total Returns</th>
</tr>
</thead>
<tbody>
<tr>
<td>($MM)</td>
<td></td>
</tr>
<tr>
<td>Q4 2012</td>
<td>328</td>
</tr>
<tr>
<td>Q1 2013</td>
<td>313</td>
</tr>
<tr>
<td>Q2 2013</td>
<td>251</td>
</tr>
<tr>
<td>Q3 2013</td>
<td>219</td>
</tr>
<tr>
<td>MIC</td>
<td>8.70%</td>
</tr>
<tr>
<td>TSX</td>
<td>5.31%</td>
</tr>
</tbody>
</table>

- Focus on high quality dividend paying stocks... beta of 0.7 vs. TSX
- Monetized gains as equity markets have rallied

Active investment portfolio management
Fixed Income Portfolio Performance

Source: Q2 2013 Survey of large property & casualty insurers conducted by PCIM Global Manager Research

Favorable risk adjusted return over last 4 years
Active dialogue with OSFI on capital levels

1. Adjusted for Guarantee Fund which was deducted from regulatory capital available prior to its elimination on Jan 1, 2013
MIC Capital Management Objectives

Maintain Strong Claim Paying Ability
- “AA” rating for insurance co.
- Stress testing
- New capital test for 2015

Capital Strength

Capital Flexibility

Capital Efficiency

Ongoing Access to Capital Markets
- Staggered debt maturities
- Leverage <20%

Optimize Shareholder Returns
- Return of capital (buybacks, special dividends)
- Ordinary dividends
- Leverage

PANEL 3
SUSTAINING PROFITABILITY
Philip Mayers
Senior Vice President, Chief Financial Officer
# Ideal Mortgage Insurance Market

<table>
<thead>
<tr>
<th>Principle</th>
<th>Benefit to Canadians</th>
</tr>
</thead>
<tbody>
<tr>
<td>Disciplined underwriting</td>
<td>Insurers act as second set of eyes</td>
</tr>
<tr>
<td>Rigorous claims process</td>
<td>Clear industry-wide standards and shared accountability</td>
</tr>
<tr>
<td>Active regulator</td>
<td>Well capitalized, prudent risk management, responsible loan and insurance products, sound guidelines and oversight</td>
</tr>
<tr>
<td>Strong product mix</td>
<td>Consumer-friendly products, portable, serving all regions</td>
</tr>
<tr>
<td>Diverse lender base</td>
<td>Fair access to mortgage insurance and funding via government securitization programs enables competition</td>
</tr>
<tr>
<td>Government maintains policy levers</td>
<td>Government guarantee gives policy lever ... mandatory requirement for mortgage insurance</td>
</tr>
<tr>
<td>Commercial pricing</td>
<td>Commercial return on capital ... easy for consumers to understand</td>
</tr>
<tr>
<td>De-risk taxpayers</td>
<td>Private capital  at risk ahead of taxpayer funds</td>
</tr>
<tr>
<td>Level playing field</td>
<td>Drives innovation, customer service and consumer focus</td>
</tr>
</tbody>
</table>
TAKEAWAYS

- Mortgage insurance is an essential element of Canada’s housing finance system
- Several levers for core growth
- Active investment portfolio management
- Balancing capital strength, flexibility and efficiency
- Well positioned to deliver sustainable profitability
Open Q&A Panel 3

Moderator
Brian Hurley
Chairman, Chief Executive Officer

Rick Barnett
Vice President, Investments

Winsor Macdonell
Senior Vice President, General Counsel and Secretary

Philip Mayers
Senior Vice President, Chief Financial Officer
Wrap-up

Actionable Strategies for 2014
BIOGRAPHIES

Brian Hurley
Chairman and CEO

Brian led the establishment of Genworth into the Canadian marketplace in 1994 and later led it through its initial public offering in 2009. He has more than 20 years of senior management experience in the mortgage insurance industry worldwide. From 2004 - 2009 he led Genworth’s activities and expansion in key international markets. Prior roles includes Senior Vice President, International of General Electric’s U.S. mortgage insurance business and Senior Vice President of Sales and Operations.

Stuart Levings
Senior Vice President, Chief Operating Officer

Stuart Levings is a qualified Chartered Accountant with over 15 years of professional experience in a variety of industry sectors. Since joining the Company in July 2000 as the Financial Controller, Stuart has held positions in finance and product development, including five years as Chief Financial Officer prior to becoming the Chief Risk Officer in January 2008. Before that, Stuart spent seven years with Deloitte & Touche. Stuart holds a Bachelor of Accounting Science degree from the University of South Africa and is a member of both the South African and Canadian Institutes of Chartered Accountants.
BIOGRAPHIES

Debbie McPherson
Senior Vice President, Sales and Marketing

Debbie is responsible for developing and executing sales and marketing strategies, including key initiatives such as customer segmentation and sales program development. She brings more than 20 years of experience and proven success in sales and quality management. Debbie holds an AMP designation and plays an active role in many mortgage industry organizations including the Canadian Real Estate Association, the Canadian Association of Accredited Mortgage Professionals and the Canadian Homebuilders Association.

Susan Noonan
Vice President, Operations

Susan is responsible for developing and executing the customer experience strategies within the Canadian underwriting and call centres. Key initiatives include lender and regional specific underwriting, productivity, process efficiencies and bringing innovation to mortgage underwriting. Susan has more than 20 years of industry experience. Since joining the company in 1995, she has held positions in Sales, Risk and Operations. Susan is a member of the Canadian Association of Accredited Mortgage Professionals and an active volunteer for the United Way and Habitat for Humanity.
BIOGRAPHIES

Lisa Trudell
Vice-President, Business Development

Lisa is responsible for managing key mortgage lender relationships at a national level to develop mutually beneficial strategies and resolve customer issues with the goal of increasing customer satisfaction, market share and revenue. Lisa has more than 25 years of professional experience in the financial services industry and a proven track record in sales & sales management, strategic planning and product development. She holds an MBA from the Ivey School of Business and is a member of the Canadian Association of Accredited Mortgage Professionals. She joined Genworth Canada in 2004.

Robert Kirby
Vice President, Loss Mitigation and Investigations

Robert is responsible for Claims management, Default Management, Quality Assurance, Appraisal Management and our Special Investigations Unit. Since joining the company in 1998, Rob has held the position of Manager, Loss Mitigation; Quality Leader; and, most recently, Leader, Loss Mitigation and Investigations. Rob’s previous experience includes 8 years with the Bank of Nova Scotia in Ottawa, holding various management positions within a specialized collection unit.
BIOGRAPHIES

Craig Sweeney
Senior Vice President, Chief Risk Officer

Craig has more than 17 years of professional experience in the mortgage and banking industry. Since joining the Company in 1998, he has held senior positions in Operations and Business Development, including Director of Risk Operations and Director of Product Development.

Jamie Woods
Regional Risk Manager

In his role as a Regional Risk Manager, Jamie provides constant analysis of the impacts of the economy on different segments of the housing market and how it affects Genworth Canada’s business. Prior to joining Genworth Canada in 2007, Jamie spent 5 years with the National Bank of Canada and 4 years with HSBC Bank Canada. He holds a bachelor’s degree in business administration with a minor in economics and is a member of the Canadian Association of Accredited Mortgage Professionals. He is also a member of the Quebec Board of Directors of Habitat for Humanity.
BIOGRAPHIES

Rick Barnett
Vice President, Investments

Rick joined Genworth Canada in 2008 after a career of over 20 years of capital markets trading and investment experience. Prior to joining the company, Rick was a Managing Director and Partner with Cornerstone Capital Partners, a Canadian Hedge Fund specializing in global fixed income and currencies, relative value investing. Rick spent the majority of his career at RBC Capital Markets where he was a Managing Director and held senior positions within the firm. Rick is a graduate of University of Toronto with a degree in economics.

Winsor Macdonell
Senior Vice President, General Counsel and Secretary

Winsor is responsible for all of the Company’s legal and compliance matters, as well as government relations. Winsor joined the Company in 1999. Prior to joining the Company, he spent several years in the life and property and casualty industry. Winsor received an honours Bachelor of Commerce degree from Queen’s University in 1988 and his LL.B. from Dalhousie University in 1992.
Philip Mayers  
Senior Vice President, Chief Financial Officer  

Philip became Chief Financial Officer of the Company in 2009. He has over 20 years of finance and general management experience in financial services businesses. Since joining the Company in 1995, Phillip has held several senior positions, including Vice President, Finance, Vice President, Operations, and Senior Vice President, Business Development. Prior to joining the Company, he held finance positions with MICC, Esso Petroleum Canada and Deloitte & Touche. He holds CPA, CA, CMA and AMP professional designations and has a Master of Accounting degree from the University of Waterloo.

Samantha Cheung  
Vice President, Investor Relations  

Samantha joined the Company in 2009 at the time of the IPO to establish and lead the Investor Relations platform. Prior to this, she was with CIBC World Markets and Merrill Lynch Canada, in a variety of capital markets roles, including debt origination, derivatives, investment banking and equity research. She is a graduate of engineering from Queen’s University and obtained an MBA from the Rotman School of Management in Toronto. Samantha also holds an active board position with Women in Capital Markets.
Investor Day 2013

Actionable Strategies for 2014

CONTACT:
Samantha Cheung, Vice President, Investor Relations
905 287 5482  Samantha.Cheung@genworth.com