Genworth MI Canada Inc.

NEWS RELEASE

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Genworth MI Canada Inc. Reports Fourth Quarter and 2009 Year End Results

Sequential Improvement to Net Operating Income

Toronto, ON (January 28, 2010) – Genworth MI Canada Inc. (the "Company") (TSX: MIC) today reported solid results for the fourth quarter of 2009 with net income of $87 million or $0.74 per diluted share and net operating income of $85 million or $0.72 per diluted share. Excluding the cumulative impact from a reduction in the tax rate applicable to future taxes, net income was $79 million or $0.67 per diluted share and net operating income was $77 million or $0.66 per diluted share in the fourth quarter.

During the quarter, the Company paid its first quarterly dividend of $0.22 per common share on December 1, 2009, to shareholders on record as of November 16, 2009. In a separate news release, the Company also announced today that the Board of Directors approved its second quarterly shareholders' dividend of $0.22 per common share, payable on March 1, 2010 to shareholders of record at the close of business on February 16, 2010.

Net operating income for the full year 2009 was $371 million, representing an increase of $47 million as compared to the full year 2008. Excluding the impact from the change in the premium recognition curve in the first quarter of 2009, net operating income was $307 million for 2009, which was $17 million lower than for 2008. Operating earnings per share in 2009 were $3.23 or $2.67 excluding the premium recognition curve impact as compared to $2.91 in 2008.

"We are pleased with our results. Our strong execution against our business objectives combined with improving housing fundamentals contributed favourably to our overall results this quarter," said Brian Hurley, Chairman and Chief Executive Officer. "In addition, our proactive Homeownership Assistance Program contributed to lower delinquencies and a corresponding lower loss ratio. We are making solid progress against our strategic objectives."

Fourth Quarter Key Financial Metrics:

- **Net premiums written** were $110 million representing an increase of $6 million over the third quarter and a $42 million decrease over the fourth quarter in 2008. Sequential top line improvement was impacted favourably by a strong housing market, improving consumer confidence, and market position gains with key lenders.

- **Net premiums earned** of $155 million were $1 million higher than in the third quarter and $18 million higher than the fourth quarter in 2008. The year-over-year increase was due to the continued seasoning of the large 2007 and 2008 books. As at the end of the quarter, the Company had $2.0 billion in unearned premium reserves.

- **Losses on claims** of $60 million were $4 million lower than in the third quarter and $2 million higher than the fourth quarter in 2008. The loss ratio of 39% in the fourth quarter was 3 points lower than in the third quarter and 3 points lower than in the fourth quarter of 2008. An improving economic environment drove fewer delinquencies which in combination with the continued impact of the Company's Homeownership Assistance Program (HAP) contributed to lower losses on claims this quarter.

- **Investment Income** of $46 million (including gains) was $3 million lower than in the third quarter and $2 million higher than the fourth quarter in 2008. The sequential decrease was due to lower unrealized gains.

- **Net operating income** of $85 million was $10 million higher than the third quarter and $10 million higher than the fourth quarter in 2008 driven by higher earned premiums. On a sequential basis, approximately $7 million or $0.06 per share of this increase over the third quarter was attributed to the change in rate applied to future tax liabilities.

- **The expense ratio** was 16%, one point higher than in the third quarter and 3 points lower than in the fourth quarter in 2008.

- **The combined ratio** of 55% was 2 points lower than in the third quarter and 7 points lower than in the fourth quarter in 2008.

- **The regulatory capital ratio** or **Minimum Capital Test ratio** was 149%, representing a two point increase compared to the third quarter and a 22 point increase over the fourth quarter in 2008. This is in excess of the regulatory supervisory target of 120% and the Company's internal regulatory target of 135%.

- **Operating return on equity** was 14% for the quarter, representing a 2 point increase from the third quarter. The increase was primarily due to the impact of the reduction in tax rate as described earlier.

Operational Highlights:

During the fourth quarter of 2009, the Company made progress on its strategic objectives. As indicated previously, the overall business strategy is to:

- Grow premiums written through outstanding customer service and technology;
- Mitigate losses on claims and manage risks prudently;
- Enhance investment portfolio yield; and
- Optimize capital structure.

Key operating highlights for the fourth quarter were:

- The Company's continued execution of its customer sales and service strategy contributed positively to the 5% increase in new insurance written over the third quarter. The Company made progress with key lenders and continues to be focused on top line growth.

- The overall delinquency rate remained flat at 0.28% compared to the third quarter and 3 basis points higher than in the fourth quarter in 2008. The Company's Homeownership Assistance Program helped almost 1,400 families stay in their homes this quarter, representing an increase of 4% over the third quarter.

- The Company's conservatively managed fixed income investment portfolio of $5.0 billion added stability to its financial performance in 2009. During the quarter, the Company continued its focus on improving the overall investment yield. At December 31, 2009, cash and cash equivalents were $378 million, representing a decrease of $127 million over the third quarter. As in previous quarters, there were no impairments this quarter. The Company's investment portfolio had an average duration of 3.1 years as at the end of the quarter, which is relatively unchanged from the third quarter.

- The Company continued to be well positioned with a strong capital position. In the fourth quarter, the Company paid $26 million in dividends to shareholders.

Overall, the Company is well positioned to continue to be a leading private mortgage insurer due to its significant scale, its prudent growth strategies through customer-focused sales and service, its prudent investment strategy, and strong financial position. The Company continues to target a 35-40% loss ratio, improvements in its market position, and increases in its investment yield. The Company will continue to focus on optimization of shareholder return.

Shareholders' Equity

Shareholders' equity as of December 31, 2009 was $2.6 billion, or $22.40 per share on a fully diluted basis. Shareholders' equity, excluding accumulated other comprehensive income (loss), as of December 31, 2009 was $2.6 billion, or $21.58 per share on a fully diluted basis.

Consolidated Financial Highlights

(Amounts in millions, except per share)	Three Months Ended December 31 (Unaudited)		Year Ended (Unaudited)	
	2009	2008	2009	2008
New Insurance Written	5,307	7,839	18,007	31,919
Insurance In Force	223,842	211,724	223,842	211,724
Net Premiums Written	110	152	360	706
Net Premiums Earned	155	138	710[2]	518
Losses on Claims	60	58	256	160
Investment Income	46	44	189	200
Net Income	87	74	379	337
Net Operating Income[1]	85	75	371[2]	324
Fully Diluted EPS	$0.74	$0.66	$3.30	$3.02
Fully Diluted Operating EPS [1]	$0.72	$0.67	$3.23[2]	$2.91
Loss Ratio	39%	42%	36%[2]	31%
Combined Ratio	55%	61%	50%[2]	46%
Operating Return on Equity	14%	15%	16%[2]	17%
Minimum Capital Test Ratio	149%	127%	149%	127%

[1] This is a financial measure not calculated based on Canadian generally accepted accounting principles (GAAP). See the "Non-GAAP Measures" section of this press release for additional information.

[2] Excluding the impact of change to the premium recognition curve, net premiums earned, net income, net operating income, loss ratio, combined ratio, operating return on equity and operating earnings per share for the year ended December 31, 2009 would have been $610, $315, $307, 42%, 57%, 13%, and $2.67 respectively.

Detailed Operating Results and Financial Supplement

For more information on Genworth MI Canada Inc.'s operating results, please refer to the Interim Financial Statements and Review of Performance on SEDAR and available at

http://www.sedar.com/DisplayCompanyDocuments.do?lang=EN&issuerNo=00028505.

A copy of these statements can also be found on the Company's website at http://investor.genworthmicanada.ca.

This press release and the fourth quarter 2009 financial supplement are also posted on the Company's website.

Investors are encouraged to review all of these materials.

Conference Call

Genworth MI Canada Inc.'s fourth quarter conference call will be accessible via telephone and the Internet. Slides will be posted on January 29th before the conference call. The dial-in number for the January 29th 10:30 am conference call is 1-888-300-0053 (#I.D. 48753016). The call will also be available in listen-only mode via the Internet at http://investor.genworthmicanada.ca. A replay of the call will be available from the Company's website through to March 15, 2010.

Non-GAAP Measures

To supplement its financial statements, the Company uses select non-GAAP financial measures. Non-GAAP 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 operating income and return on operating income. The Company believes that these non-GAAP 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-GAAP 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. To access the glossary, click on the "Glossary of Terms" link under "Investor Resources" subsection on the left navigation bar.

Cautionary Note Regarding Forward-Looking Statements

This press release includes certain forward-looking statements. These forward-looking statements include, but are not limited to, Genworth MI Canada's plans, objectives, expectations and intentions and other statements contained in this release that are not historical facts as well as statements identified by words such as "expects", "anticipates", "intends", "plans", "believes", "seeks", "estimates", or words of similar meaning. These statements are based on Genworth MI Canada Inc.'s current beliefs or expectations and are inherently subject to significant uncertainties and changes in circumstances, many of

which are beyond the control of Genworth MI Canada Inc. Actual results may differ materially from these expectations due to changes in global, political, economic, business, competitive, market and regulatory factors. 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.

About Genworth MI Canada Inc.

Genworth MI Canada Inc., through its subsidiary, Genworth Financial Mortgage Insurance Company Canada, has been the leading Canadian private residential mortgage insurer since 1995. Known as Genworth Financial Canada, "The Homeownership Company," it provides default mortgage insurance to Canadian residential mortgage lenders that enables low down payment borrowers to own a home more affordably and stay in their homes during difficult financial times. Genworth Financial Canada combines technological and service excellence with risk management expertise to deliver innovation to the mortgage marketplace. As of December 31, 2009, Genworth Financial Canada had $5.2 billion in total assets and $2.6 billion in shareholders' equity. Based in Oakville, Ontario, the Company employs approximately 265 people across Canada. Additional information about Genworth MI Canada Inc. is available at www.genworth.ca.

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