Genworth MI Canada Inc.

delivering
exceptional
value

September, 2014



Forward-looking and non-IFRS statements

This presentation relating to Genworth MI Canada Inc. (the "Company", "Genworth Canada" or "MIC") 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, losses on claims and investment income, 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 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 17, 2014, its Short Form Base Shelf Prospectus dated June 18, 2014, 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-IFRS financial measures. Non-IFRS financial measures include net operating income, interest and dividend income (net of investment expenses), operating earnings per common share (basic), operating earnings per common share (diluted), shareholders' equity excluding accumulated other comprehensive income ("AOCI"), operating return on equity and underwriting ratios such as loss ratio, expense ratio and combined ratio. 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.

Agenda

- Business overview
- Market dynamics and portfolio
- Financial performance
- Strategic priorities
- Key takeaways

Mortgage insurance enables homeownership



Product characteristics

- Mandatory for less than 20% down payment
- Upfront borrower paid premium
- Lender receives protection against loss from mortgage default
- Mortgage insurance portfolio diversified by lender, geography and vintage
- Backed by government and regulated by OSFI

Genworth MI Canada (TSX: MIC) – Who we are

Business Highlights

- 20 years in market
- Leading private sector MI
- $5.7 billion assets
- $3.6 billion shareholders' equity
- Publicly traded on TSX for 5 years

Differentiating Factors

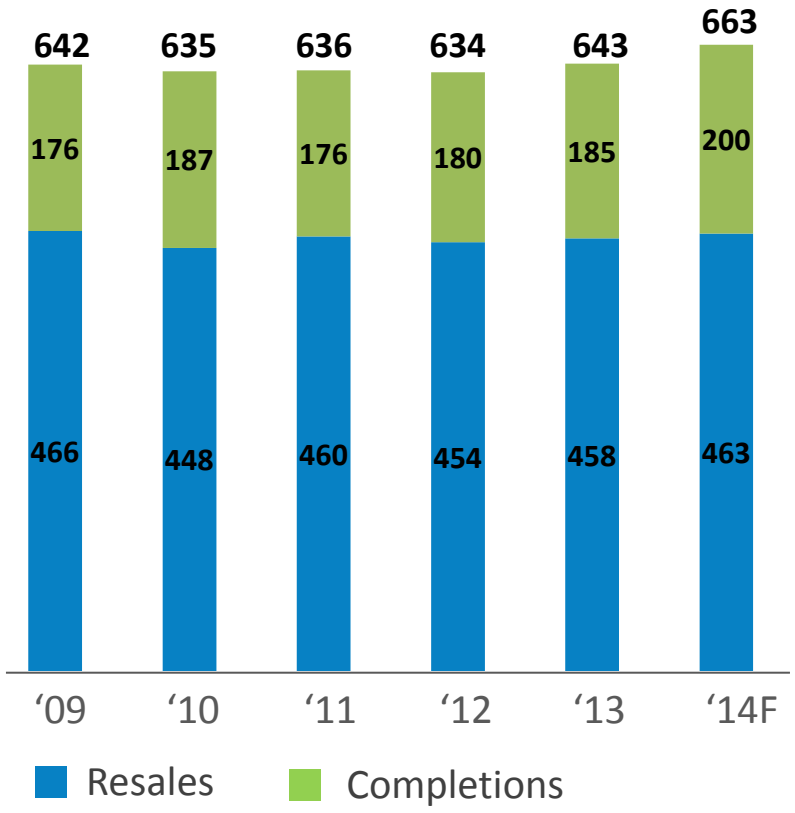
- Value added service
- Risk management
- Regulatory expertise
- Capital management
- Strong market presence

Focused on strong business execution

Influences of our business – the market

Housing Resales and Completions

(units in thousands)



Source: Canadian Real Estate Association and Conference Board of Canada

Key messages

- "New to Canada" a key component of growth
- Balanced housing markets
- Stable unemployment outlook
- Low interest rates helping affordability
- Improving consumer confidence

Influences of our business – housing risk

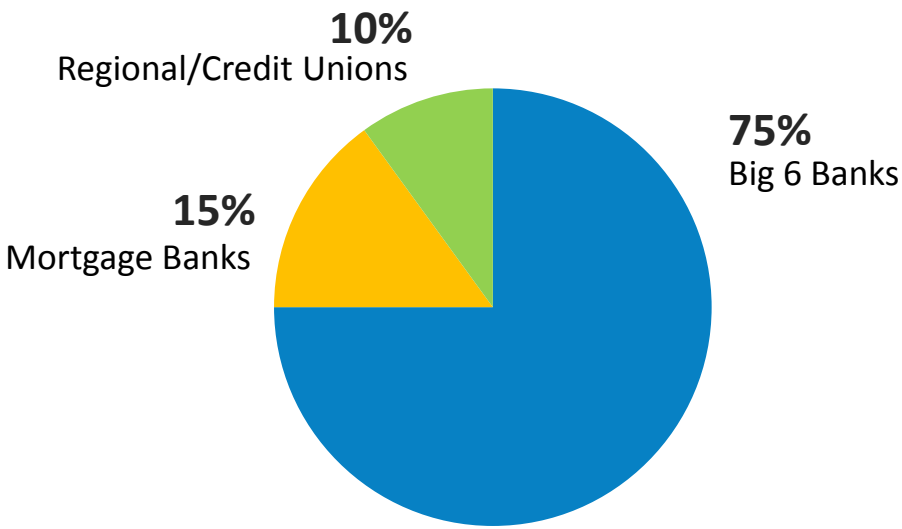
Housing risk scorecard

		Key Risks	Risk Level	Assessment / Actions
Macro	**British Columbia**	Overvaluation	●	Rebound in consumer confidence Resale volumes returning to long term trend
	Alberta	Supply	●	Stronger economic conditions Labour force growth boosting housing demand
	Ontario	Economic	●	Economic growth supported by U.S. recovery Stable resale volumes and modest price gains
Watch areas	**Toronto Condos**	Oversupply	●	Increased scrutiny on new projects Rental market remains tight
	Toronto Single Family	Affordability	●	Increased attention on income / qualifying Strong borrower quality … avg. score 739
	Montreal Condos	New projects	●	Increased scrutiny on builder quality Strong borrower quality … avg. score 750

● Acceptable ● Monitoring

Who do we insure?

Mortgage Originators



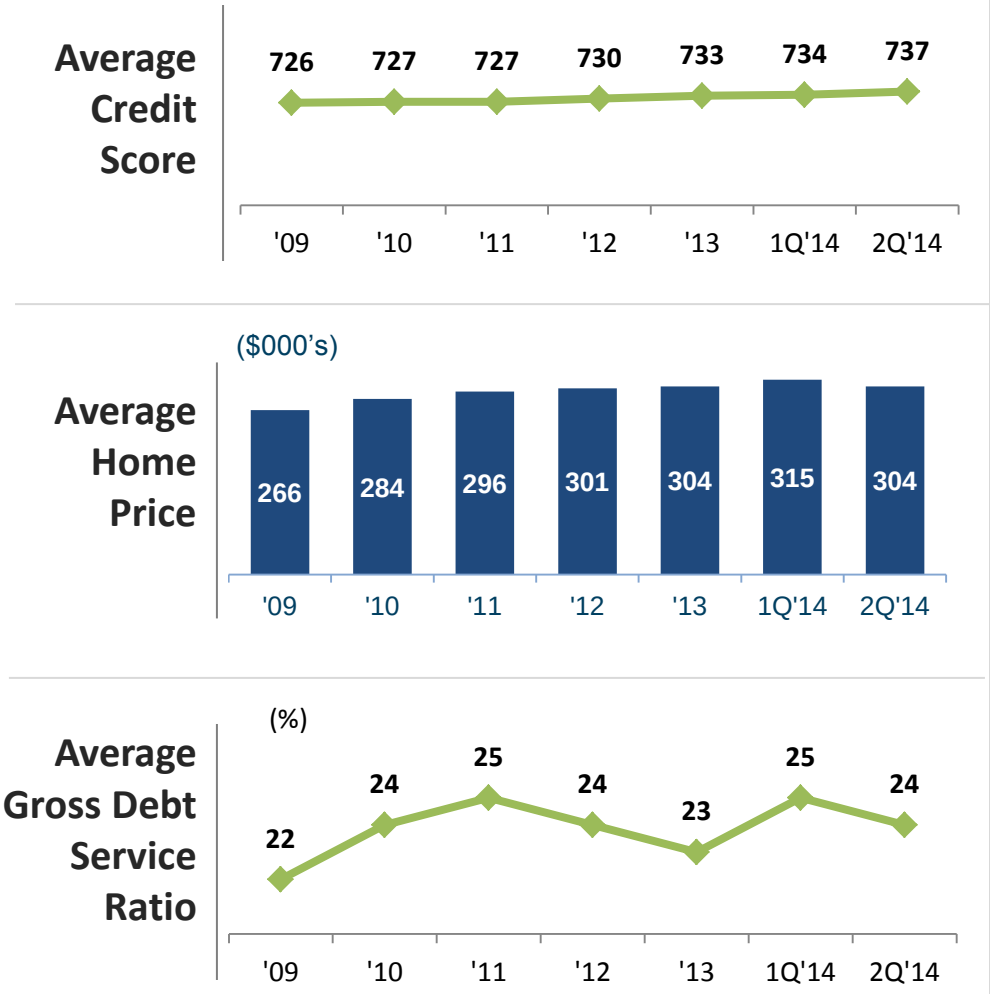
Source: Statistics Canada

Borrower demographics

- First-time home buyers
- Prime borrowers with strong credit profiles
- Primarily fixed rate loans
- 25 year amortization

First-time home buyers will continue to drive demand

High quality insurance portfolio



Source: Company data

Key Messages

- Credit score up 11 pts
- Modest home price appreciation
- Gross debt ratios stable, strong preference for 5-yr fixed rate mortgages
- Financially disciplined borrowers

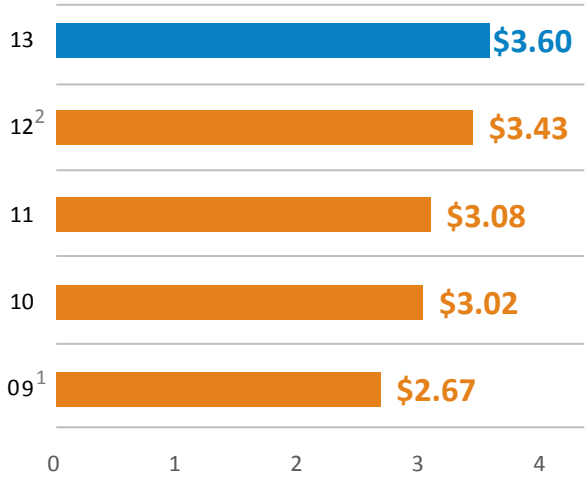
Solid financial performance

	1H 2014	1H 2013
Net premiums written	$244 million	$221 million
Underwriting profits	$183 million	$156 million
Investment income	$97 million	$108 million
Net operating income	$190 million	$173 million
Operating EPS (diluted)	$2.00	$1.75
Operating return on equity	13%	12%
Book value/share (diluted, with AOCI)	$34.17	$30.94
Loss ratio	16%	28%
Minimum capital test ratio	230%	216%

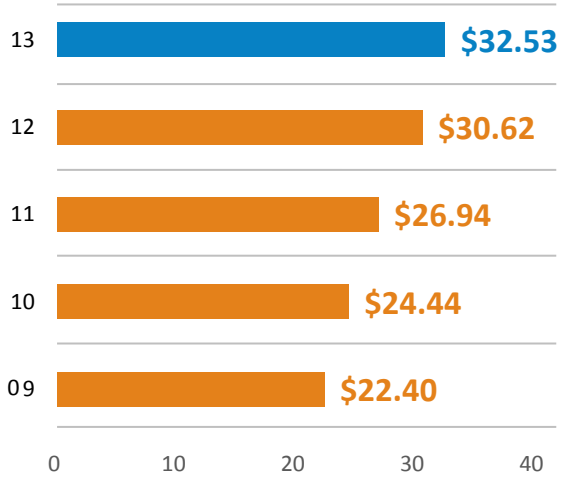
Strong top line and low losses driving performance

Strong track record – 5 years as public company

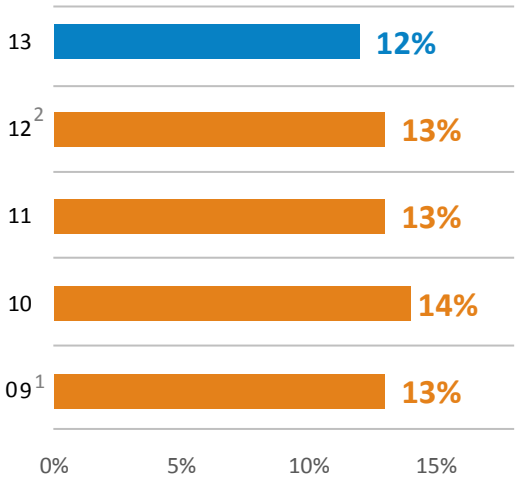
Operating earning per share
(diluted)



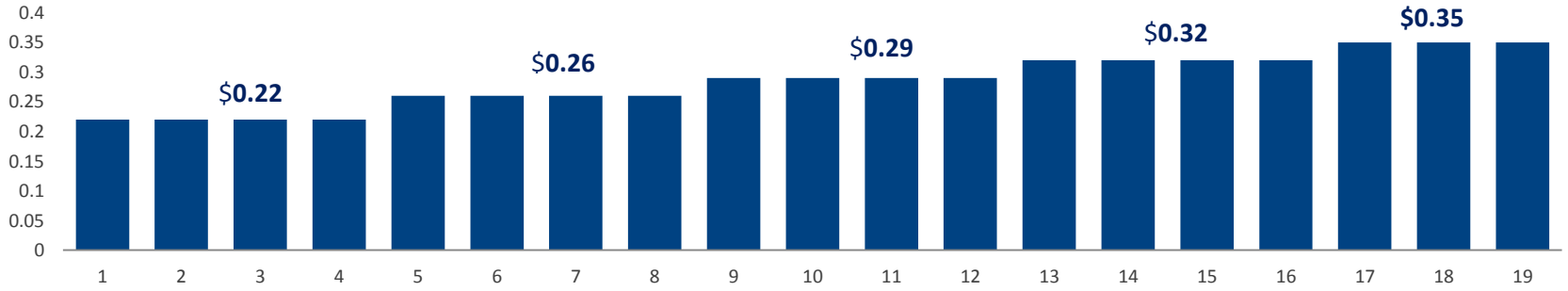
Book value per share
(diluted, including AOCI)



Operating return on equity
(%)



Common Dividends Paid/Share
($)



[1] Including impact to premium recognition curve for the quarter ended March 31, 2009, operating earnings per share and ROE would have been $3.23 and 16%, respectively
[2] Including impact of government guarantee fee reversal in 2012, operating earnings per share and ROE would have been $4.67 and 17%, respectively

Our strategic priorities

- Prudently grow market position
- Proactively manage risk
- Actively drive loss mitigation
- Maintain strong government relations
- Explore strategic opportunities
- Maintain solid financial and capital position

Targeted approach to strategic growth

Market position	▪ Leverage favourable private MI sentiment ▪ Execute on delivering the best customer service ▪ Selectively offer portfolio insurance
Risk	▪ Proactively manage housing risk and emerging risks ▪ Enhance governance and oversight ▪ Continuously refine and review risk appetite ▪ Expand loss mitigation strategies
Government and regulatory relations	▪ Continue to help shape regulatory environment through relationships, education, thought leadership
Other strategic opportunities	▪ Evaluate alignment with customer interests ▪ Assess impact on customer value proposition and perception ▪ Assess efficiency or effectiveness of current processes

Key takeaways (MIC: TSX)

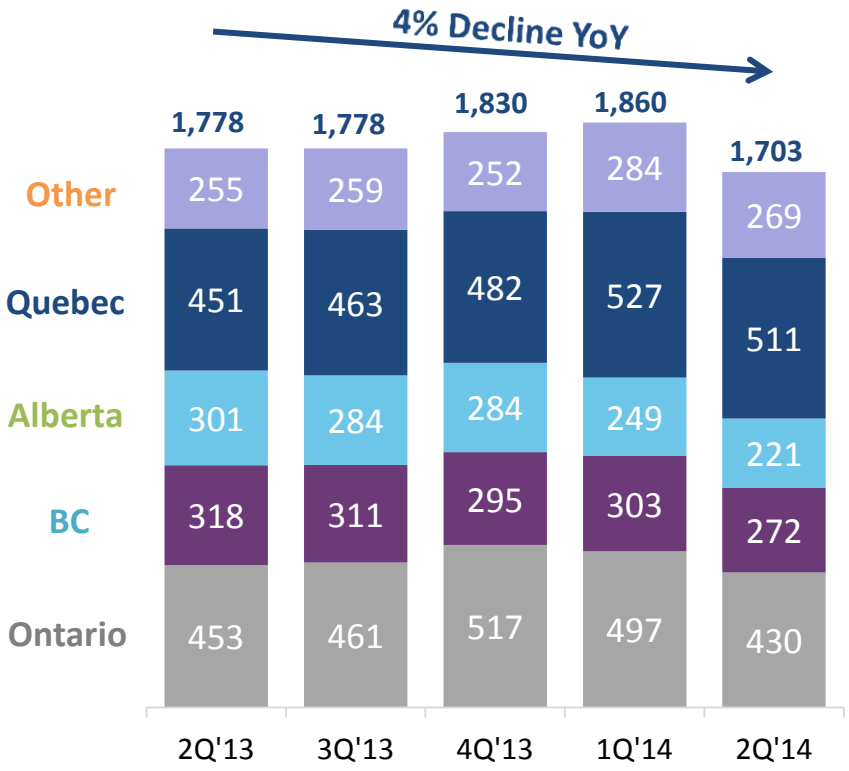
- Leading private residential mortgage insurer
- Stable housing and mortgage market
- Positive sentiment towards private MI
- Prudent risk management
- Track record of solid profitability
- Strong capital generation

Appendix

- Delinquency trends
- Effective loan-to-value
- Stress test scenario
- Investment income
- Selected biographies

Declining delinquency trends

Number of reported delinquencies



Key Messages

- 4% decrease in delinquencies Y/Y
- Downward trend driven by strong portfolio quality, employment
- Declining trend led by Alberta, BC, and Ontario

Seasoning reduces loss exposure

Estimated current effective loan-to-value for high loan-to-value insurance in-force

Book Year	Insurance In-Force $ billions	Insurance In-Force % of total	Original Loan-to-Value	Effective Loan-to-Value	
2006 and Prior	100	40%	90%	39%	Lower risk of loss exposure
2007	29	12%	91%	65%	
2008	22	9%	92%	71%	
2009	15	6%	91%	70%	
2010	22	9%	91%	77%	
2011	22	9%	90%	81%	Higher risk of loss exposure
2012	21	8%	90%	87%	
2013	19	8%	91%	91%	
Total	250	100%	90%	57%(1)	

1. Overall estimated effective loan-to-value is calculated by weighting the book year estimated effective loan-to-value percentages based on the number of policies in force by book year (as at December 31, 2013)

Risk of loss declines as borrower equity increases

Premiums cover losses in stress scenario

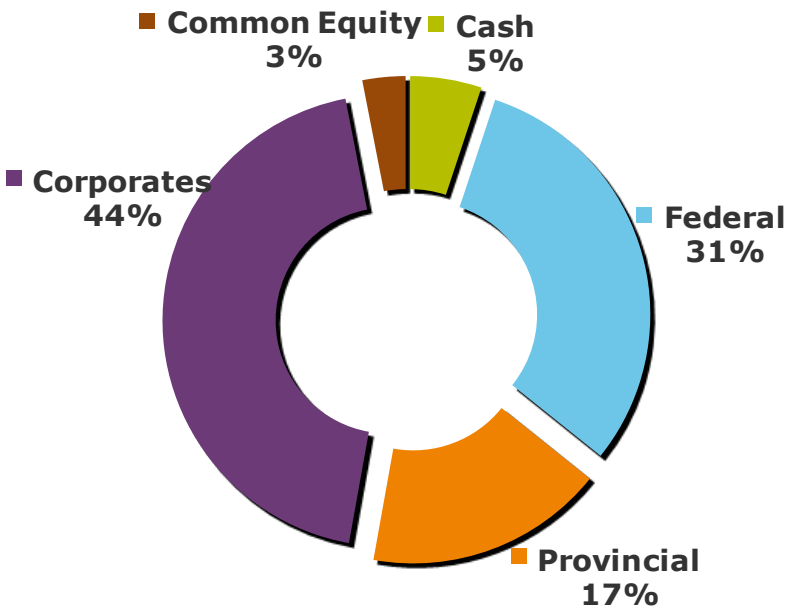
2011 Book Example	Full Cycle Scenario	Stress Scenario (Early 90's recession)
New Insurance in Force	$22 B	$22 B
Claim Severity	27%	35%
Gross Exposure	$6 B	$8 B
Claim Frequency	3%	6%
Loss Exposure	$181 MM	$480 MM
Premiums Written	$514 MM	$514 MM
Loss Ratio	35%	92%

Unemployment rose from 8 to 11% and home prices declined by 15% from 1991 to 1994

Diversified books help business withstand varying economic conditions

Investments contribute steady income

$5.3 billion



Key Messages

- Focus on high investment quality
- Diversified portfolio with over 50% in government securities and cash
- Pre-tax yield of 3.6%[1]
- Duration of 3.7 years

1. Pre-tax equivalent book yield after dividend gross-up of general portfolio (as at June 30, 2014)

Biographies



Brian Hurley

Chairman and CEO

Effective Jan 1, 2015
Executive Chairman

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

Chief Operating Officer

Effective Jan 1, 2015
President and CEO

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



Philip Mayers

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.



Investor Contact:

Samantha Cheung

VP Investor Relations

905.287.5482

samantha.cheung@genworth.com

www.genworth.ca