

# China Oceanwide Acquisition Status Update

## August 22 – Genworth U.S. Mortgage Insurance

On October 23, 2016, our parent company, Genworth Financial, Inc., (“Genworth”) announced that it was being acquired by China Oceanwide (“Oceanwide”). **We understand that you have questions regarding this transaction—and we will update this resource to provide you as much information as we can on the transaction when we are able to do so.** As you have questions, please let your sales representative know, so we can work to ensure this resource continues to provide you the information you need.

While our company works through this process, please know that it does not change the level of commitment and service that you’ve come to expect from Genworth MI. We remain focused on providing an exceptional customer experience and partnering with you to help more people realize the dream of homeownership.

### Transaction Process Updates

#### Genworth and Oceanwide Announce Finalization of Their Agreement to Extend Termination Date under Merger Agreement to November 30, 2017

On August 21, Genworth and Oceanwide announced they have finalized their agreement to extend the August 31 termination date under the Merger Agreement to November 30, 2017. The extension of the Merger Agreement allows both Genworth and Oceanwide to continue to work with regulators and satisfy closing conditions under the Merger Agreement. Genworth and Oceanwide remain committed to satisfying the closing conditions as soon as possible. The parties continue to target completion of the transaction during the fourth quarter of 2017.

As part of the agreement, Genworth waived any right it otherwise would have had to receive a \$210 million termination fee from Oceanwide under certain circumstances relating to Oceanwide’s inability to receive regulatory approval in China. Genworth is not obligated to pay a termination fee to Oceanwide if it does not receive regulatory approval in the U.S. Additionally, Genworth and Oceanwide acknowledged that there has not been any breach of the Merger Agreement by either party as of August 21, 2017, and irrevocably waived any claims against each other on or prior to August 21, 2017.

#### CFIUS Application Withdrawn and Refiled – July 13, 2017

On July 13, 2017, Genworth and Oceanwide withdrew and refiled their joint voluntary notice to the Committee on Foreign Investment in the United States (“CFIUS”) for a second time to provide CFIUS more time to review and discuss the proposed transaction. CFIUS’ acceptance of the refiled joint voluntary notice commenced a new 30-day review period, which may be followed by an additional 45-day investigation period.

There has been a lot of speculation recently in the media, given that a few companies have withdrawn and refiled their applications with CFIUS. We can’t comment or speculate on CFIUS’ review process or the situation with those particular companies. In terms of Genworth, we are actively engaging with CFIUS during their review of our pending application, discussing with them the importance of the transaction to Genworth as well as its implications to the nation’s ability to finance burgeoning long term care costs. [You can read more about this announcement here.](#)

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For a full view of the required approvals we'll be working toward, you can read the *Regulatory Matters / Governmental Approvals Required for the Merger* section (p.105) of our [definitive merger proxy statement](#).

To learn more about the transaction, visit [genworth.com/investors](http://genworth.com/investors). Additionally, you can reference a set of [Frequently Asked Questions](#) that was made available to the public upon the announcement of the transaction.

If you have additional questions or concerns, please contact your Genworth sales representative. We look forward to our continued partnership.

## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This communication includes certain statements that may constitute "forward-looking statements" within the meaning of the federal securities laws, including Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements may be identified by words such as "expects," "intends," "anticipates," "plans," "believes," "seeks," "estimates," "will" or words of similar meaning and include, but are not limited to, statements regarding the outlook for the company's future business and financial performance. Forward-looking statements are based on management's current expectations and assumptions, which are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. Actual outcomes and results may differ materially from those in the forward-looking statements and factors that may cause such a difference include, but are not limited to, risks and uncertainties related to: (i) the risk that the transaction may not be completed in a timely manner or at all, which may adversely affect Genworth's business and the price of Genworth's common stock; (ii) the ability of the parties to obtain regulatory approvals, or the possibility that regulatory approvals may further delay the transaction or will not be received prior to November 30, 2017 (and either or both of the parties may not be willing to further waive their end date termination rights beyond November 30, 2017) or that materially burdensome or adverse regulatory conditions may be imposed in connection with any such regulatory approvals (including those conditions that either or both of the parties may be unwilling to accept); (iii) the risk that a condition to closing of the transaction may not be satisfied; (iv) potential legal proceedings that may be instituted against Genworth following announcement of the transaction; (v) the risk that the proposed transaction disrupts Genworth's current plans and operations as a result of the announcement and consummation of the transaction; (vi) potential adverse reactions or changes to Genworth's business relationships with clients, employees, suppliers or other parties or other business uncertainties resulting from the announcement of the transaction or during the pendency of the transaction, including but not limited to such changes that could affect Genworth's financial performance; (vii) certain restrictions during the pendency of the transaction that may impact Genworth's ability to pursue certain business opportunities or strategic transactions; (viii) continued availability of capital and financing to Genworth before the consummation of the transaction; (ix) further rating agency actions and downgrades in Genworth's financial strength ratings; (x) changes in applicable laws or regulations; (xi) Genworth's ability to recognize the anticipated benefits of the transaction; (xii) the amount of the costs, fees, expenses and other charges related to the transaction; (xiii) the risks related to diverting management's attention from Genworth's ongoing business operations; (xiv) the impact of changes in interest rates and political instability; and (xv) other risks and uncertainties described in the Definitive Proxy Statement, filed with the SEC on January 25, 2017, and Genworth's Annual Report on Form 10-K, filed with the SEC on February 27, 2017. Unlisted factors may present significant additional obstacles to the realization of forward-looking statements. Consequences of material differences in results as compared with those anticipated in the forward-looking statements could include, among other things, business disruption, operational problems, financial loss, legal liability to third parties and similar risks, any of which could have a material adverse effect on Genworth's consolidated financial condition, results of operations, credit rating or liquidity. Accordingly, forward-looking statements should not be relied upon as representing Genworth's views as of any subsequent date, and Genworth does not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date they were made, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws.