

Genworth announces on-market share buy-back

(SYDNEY) 2 August 2017: Genworth Mortgage Insurance Australia Limited (Genworth or the Company) (ASX: GMA) today announced its intention to commence, with effect from 21 August 2017, an on-market share buy-back for shares up to a maximum aggregate value of \$100 million.

Based on Genworth's closing share price of \$3.02 on 1 August 2017, this would represent 6.5 per cent of the Company's issued share capital or around 33.1 million ordinary shares. The total number of shares to be purchased by Genworth under the on-market share buy-back will depend on business and market conditions, the prevailing share price, market volumes and other considerations.

The proposed on-market share buy-back is a continuation of the capital management actions that are designed to bring Genworth's solvency ratio more in line with the Board's target capital range of 1.32 to 1.44 times the Prescribed Capital Amount (PCA) on a Level 2 basis. The Company has received consent from its majority shareholder, Genworth Financial, Inc. (Genworth Financial), under the Shareholder Agreement, and the necessary regulatory approvals to commence the on-market share buy-back.

Ms Georgette Nicholas, Chief Executive Officer and Managing Director of Genworth, said, "The on-market share buy-back is consistent with Genworth's stated strategy of pursuing capital management initiatives that ensure an efficient capital structure and help us deliver improved returns to shareholders. Genworth will consider implementing the buy-back where opportunities exist to buy back securities at a discount to book value per share. Buy back acquisitions would therefore be accretive to earnings and net assets per share of the Group."

Genworth Financial has communicated to the Company that it is supportive of the buy-back. Genworth Financial has also indicated that it presently intends to engage in on-market sale transactions during the buy-back in order to maintain its approximately 52 per cent stake in the Company, subject to matters including the prevailing market price of the Company's shares during the buy-back, market trading volumes and applicable legal constraints.

An Appendix 3C in respect of the on-market share buy-back is attached. Genworth reserves the right to vary, suspend or terminate the buy-back at any time and there is no guarantee that the Company will purchase any or all of the shares referred to above.

Macquarie Securities (Australia) Limited has been appointed as the Company's transaction broker in relation to the on-market buy-back.

For more information:

Analysts and Investors should contact:

Media should contact:

Luke Oxenham

Genworth Chief Financial Officer
T: +61 2 8022 7343

Mark Westfield

M: +61 457 805 838

About Genworth

Genworth Mortgage Insurance Australia Limited (Genworth), through its subsidiary companies Genworth Financial Mortgage Insurance Pty Ltd and Genworth Financial Mortgage Indemnity Ltd (together, the Genworth Group or the Group), is the leading provider of Lenders Mortgage Insurance (LMI) in the Australian residential mortgage lending market. The Genworth Group has been part of the Australian residential mortgage lending market for over 50 years since the Housing Loans Insurance Corporation was founded by the Australian Government in 1965 to provide LMI in Australia. Genworth is currently a subsidiary of Genworth Financial, Inc. and part of the Genworth Financial, Inc. group of companies. The Genworth Financial, Inc. group of companies' current ownership interest in Genworth is approximately 52% of the issued shares in Genworth.

Appendix 3C

Announcement of buy-back (except minimum holding buy-back)

Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/9/99. Origin: Appendix 7B. Amended 13/3/2000, 30/9/2001, 11/01/10

Name of entity

ABN/ARSN

Genworth Mortgage Insurance Australia Limited

72 154 890 730

We (the entity) give ASX the following information.

Information about buy-back

1	Type of buy-back	On-market
2	*Class of shares/units which is the subject of the buy-back (eg, ordinary/preference)	Ordinary shares
3	Voting rights (eg, one for one)	One for one
4	Fully paid/partly paid (and if partly paid, details of how much has been paid and how much is outstanding)	Fully paid
5	Number of shares/units in the *class on issue	509,365,050
6	Whether shareholder/unitholder approval is required for buy-back	No
7	Reason for buy-back	Ongoing capital management

* See chapter 19 for defined terms.

- 8 Any other information material to a shareholder's/unitholder's decision whether to accept the offer (*eg, details of any proposed takeover bid*)

Nil

On-market buy-back

- 9 Name of broker who will act on the company's behalf

Macquarie Securities (Australia) Limited

- 10 Deleted 30/9/2001.

Not applicable

- 11 If the company/trust intends to buy back a maximum number of shares - that number

Note: This requires a figure to be included, not a percentage.

That number of shares having an aggregate value of up to \$100,000,000

The Company reserves the right to vary, suspend or terminate the buy-back at any time

- 12 If the company/trust intends to buy back shares/units within a period of time - that period of time; if the company/trust intends that the buy-back be of unlimited duration - that intention

Buy-back to commence on 21 August 2017 and continue until 21 February 2018. Prior to 21 February 2018, the Company will assess the buy-back and may seek to extend the buy-back period subject to any regulatory or other approvals required

The Company reserves the right to vary, suspend or terminate the buy-back at any time

- 13 If the company/trust intends to buy back shares/units if conditions are met - those conditions

Not applicable

Questions 14 to 22 are not applicable

* See chapter 19 for defined terms.

Compliance statement

1. The company is in compliance with all Corporations Act requirements relevant to this buy-back.

or, for trusts only:

1. The trust is in compliance with all requirements of the Corporations Act as modified by Class Order 07/422, and of the trust's constitution, relevant to this buy-back.
2. There is no information that the listing rules require to be disclosed that has not already been disclosed, or is not contained in, or attached to, this form.

Sign here:


.....
(Director/Company secretary)

Date: 2 August 2017

Print name:

Prudence Milne

⁺ See chapter 19 for defined terms.