

Customer contract update – NAB

(SYDNEY) 20 May 2020: Genworth Mortgage Insurance Australia Limited (Genworth or the Company) (ASX:GMA) provides the following update in relation to its Supply and Service contract with National Australia Bank (NAB).

In February 2020, NAB issued a Request for Proposal relating to its Lenders Mortgage Insurance (LMI) requirements. NAB has advised that following the RFP process, Genworth's Supply and Service contract with the Company will not be renewed and will expire on 20 November 2020. NAB has the option, at its sole discretion, to extend the Supply and Service Contract with Genworth for up to four periods of three months each by providing notice to Genworth. The LMI business underwritten under this contract represented approximately 12 per cent of Gross Written Premium (GWP) in FY2019.

Ms Pauline Blight-Johnston, Chief Executive Officer and Managing Director of Genworth, said, "We are disappointed in the outcome given our longstanding relationship with NAB and would have welcomed the opportunity to continue the partnership. We believe we presented a strong offer that reflected the risk of the portfolio while maintaining adequate returns on equity for our shareholders. We will continue to work closely with NAB through to November to ensure we are supporting them and their borrowers and maintaining our service standards."

Genworth has relationships with over 100 lender customers across Australia, including major and regional banks, building societies, credit unions and non-bank mortgage originators. Genworth recently renewed its largest customer, CBA for a further three years effective January 2020. The Company also recently secured other customer renewals including an exclusive LMI relationship with a non-major bank, renewed for three years from April 2020; as well as extending its relationship with a mutual lender, for the first time on an exclusive basis, for a three-year period from April 2020.

For more information, analysts, investors and other interested parties should contact:

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The release of this announcement was authorised by the Disclosure Committee.

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.