

Genworth renews contract as Lenders Mortgage Insurance provider for Commonwealth Bank of Australia

(SYDNEY) 3 November 2016 – Genworth Mortgage Insurance Australia Limited (Genworth or the Company) (ASX: GMA) today announced that it has renewed its Supply and Service Contract with the Commonwealth Bank of Australia (CBA) for the provision of Lenders Mortgage Insurance with effect from 1 January 2017. This contract represented 43 per cent of Gross Written Premium in 1H16.

Ms Georgette Nicholas, Chief Executive Officer and Managing Director of Genworth, said, “We look forward to continuing our long-standing partnership with CBA under the new agreement. Our value proposition to customers remains strong and we continue to invest in our relationship with CBA through technology, policy and services that provide a better borrower experience. Importantly for our shareholders, we renewed our agreement with CBA on terms that we expect will secure appropriate returns.

“As we navigate cyclical changes in the market we remain focused on maintaining our risk management discipline. At the same time, we are committed to enhancing the current business model so that it meets the capital and risk management needs of our lender customers.”

CBA’s Executive General Manager, Home Buying, Dan Huggins, said “Genworth plays an important role in helping Commonwealth Bank meet the home buying needs of our customers, we are pleased to be continuing our long-standing relationship with Genworth.”

Key Terms

- A term of 3 years through to 31 December 2019.
- Genworth will be the exclusive provider of Lenders Mortgage Insurance to CBA for a minimum specified percentage of new high LVR residential mortgage loans¹.
- The minimum specified Lenders Mortgage Insurance percentage is consistent with the level set in 2014 and is fixed for the duration of the renewed term.

¹ Determined by number of funded applications for new loans.

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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 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.

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