

Genworth and Oceanwide Announce Completion of CFIUS Review

You can view the full [news release](#) here.

Today, Genworth announced that the Committee on Foreign Investment in the United States (CFIUS) has completed its review of Genworth’s proposed transaction with Oceanwide and concluded that there are no unresolved national security concerns with respect to the proposed transaction.

Key Messages

- Completion of CFIUS review is a critical milestone in the process towards completing the merger with Oceanwide.
- In connection with the CFIUS review, Genworth and Oceanwide entered into a mitigation agreement, which among other things, requires Genworth to use a U.S.-based third-party service provider to manage and protect the personal data of Genworth’s U.S. policyholders.
- While specific details around this mitigation agreement remain confidential, Genworth will provide updates as it works to implement it.
- It is important to keep in mind that this does not mean the transaction will close immediately.
- The closing of the transaction remains subject to other conditions, including the receipt of required regulatory approvals in the U.S., China and other international jurisdictions.
- Genworth and Oceanwide are engaging the relevant regulators regarding the pending applications.
- Genworth continues to believe the transaction is in the best interest of stockholders and all of its stakeholders—and is working to close the transaction as quickly as possible.

Q&A

What is included in the mitigation agreement to which Genworth has agreed?

Generally speaking, Genworth has committed to reducing customer information in its system, while carefully controlling access to this data. Additionally, the agreement includes using a U.S.-based third-party service provider to manage and protect the personal data of Genworth’s U.S. policyholders.

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What were the national security concerns and how did Genworth address them?

Every regulator looks at proposed transactions through a different lens. CFIUS reviews transactions that could result in control of a U.S. business by a foreign person, in order to determine the effect of such transactions on the national security of the United States.

Their concerns were addressed through the mitigation agreement referenced in the press release that, among other things, requires Genworth to use a U.S.-based third-party service provider to manage and protect the personal data of Genworth's U.S. policyholders.

Now that CFIUS has completed its review, when does Genworth expect the transaction with Oceanwide to close?

In addition to CFIUS review, the closing of the transaction remains subject to other conditions, including the receipt of required regulatory approvals in the U.S., China and other international jurisdictions, so it is difficult to predict when the closing will occur.

Does completing CFIUS review guarantee that the deal will close?

Completing CFIUS review is a critical step in the process, but the deal still must be approved by numerous other state, federal and country regulatory jurisdictions. Genworth and Oceanwide continue to work closely with the regulators reviewing the transaction to close the transaction as soon as possible.

What are next steps in Genworth's efforts to close the deal?

Genworth will be focusing on gaining approval for the transaction from the remaining regulators who must approve the transaction, as well as implementing the measures to which it has agreed.

Does Genworth anticipate having to extend the merger agreement beyond July 1?

Please keep in mind that the termination date simply signifies the date at which either party can choose to terminate the proposed transaction without penalty—not that the efforts will come to an end. Both Genworth and Oceanwide remain committed to closing the transaction as soon as possible. Genworth will provide an update as soon as it can.

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 closing of the transaction and obtaining relevant regulatory approvals. 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 parties' inability to obtain regulatory approvals, or the possibility that regulatory approvals may further delay the transaction or will not be

received prior to July 1, 2018 (and either or both of the parties may not be willing to further waive their End Date termination rights beyond July 1, 2018) 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 28, 2018. 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.