

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

**FORM 8-K**

**CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(d)  
OF THE SECURITIES EXCHANGE ACT OF 1934**

**March 2, 2021  
Date of Report  
(Date of earliest event reported)**



**GENWORTH FINANCIAL, INC.**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction  
of incorporation)

**001-32195**  
(Commission  
File Number)

**80-0873306**  
(I.R.S. Employer  
Identification No.)

**6620 West Broad Street, Richmond, VA**  
(Address of principal executive offices)

**23230**  
(Zip Code)

**(804) 281-6000**  
(Registrant's telephone number, including area code)

**N/A**  
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2 below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol	Name of each exchange on which registered
Class A Common Stock, par value \$.001 per share	GNW	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.



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**Item 2.01. Completion of Acquisition or Disposition of Assets.**

On March 2, 2021 (New York time), Genworth Financial, Inc. (the “Company”) completed a sale of its entire ownership interest of approximately 52% in Genworth Mortgage Insurance Australia Limited (“Genworth Australia”) through an underwritten agreement. The Company sold approximately 214.3 million shares for AUD2.28 per share and received proceeds of approximately AUD483 million, net of transaction related closing costs. Genworth Australia will therefore be reported as discontinued operations in the first quarter of 2021. In connection with the accounting for the sale of the business, the Company will reflect any after-tax gain (loss) on the disposition of Genworth Australia in the first quarter of 2021.

The sale transaction resulted in a payment of approximately \$247 million to AXA S.A. (“AXA”) under the Company’s outstanding secured promissory note with AXA, dated as of July 20, 2020, as amended by the parties in connection with this transaction. Following this payment, the net proceeds received by the Company was approximately \$123 million.

The Company is including in this report the unaudited pro forma condensed consolidated balance sheet as of December 31, 2020 giving effect to the net proceeds and sale of the assets and liabilities of Genworth Australia. In addition, as the Company’s most recent filing is its 2020 Form 10-K, the Company is including in this report the unaudited pro forma condensed consolidated statements of income for the years ended December 31, 2020, 2019 and 2018 giving effect to the sale of Genworth Australia.

The unaudited pro forma condensed consolidated balance sheet of Genworth Financial, Inc. as of December 31, 2020 and notes thereto and the unaudited pro forma condensed consolidated statements of income of Genworth Financial, Inc. for the years ended December 31, 2020, 2019 and 2018 and notes thereto are filed as Exhibit 99.2 and incorporated by reference herein.

**Item 9.01. Financial Statements and Exhibits.****Pro Forma Financial Information.**

The unaudited pro forma condensed consolidated balance sheet of Genworth Financial, Inc. as of December 31, 2020 and notes thereto and the unaudited pro forma condensed consolidated statements of income of Genworth Financial, Inc. for the years ended December 31, 2020, 2019 and 2018 and notes thereto are filed as Exhibit 99.2 hereto and incorporated by reference herein.

Exhibits.

The following is filed as an exhibit to this report:

<b>Number</b>	<b>Description</b>
99.1	Press Release issued by the Company, dated February 28, 2021 ( <a href="#">incorporated by reference to Exhibit 99.1 to the Current Report on Form 8-K filed on March 1, 2021</a> )
99.2	<a href="#">Unaudited Pro Forma Condensed Consolidated Balance Sheet of Genworth Financial, Inc. as of December 31, 2020 and notes thereto and Unaudited Pro Forma Condensed Consolidated Statements of Income of Genworth Financial, Inc. for the years ended December 31, 2020, 2019 and 2018 and notes thereto</a>
104	Cover Page Interactive File (the cover page tags are embedded within the Inline XBRL document)

#### **Cautionary Note Regarding Forward-Looking Statements**

This Report contains forward-looking statements. 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 sale of Genworth Australia and its anticipated financial impact. We cannot predict with certainty the impact that foreign exchange fluctuations or interest rates, among other items, will have on the final after-tax gain (loss) on sale. Actual results may vary materially from those contained in the forward-looking statements.

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: March 8, 2021

GENWORTH FINANCIAL, INC.

By: \_\_\_\_\_ /s/ Matthew D. Farney  
**Matthew D. Farney**  
**Vice President and Controller**  
**(Principal Accounting Officer)**

**Genworth Financial, Inc.**  
**Unaudited Pro Forma Condensed Consolidated Financial Statements**

The following unaudited pro forma condensed consolidated financial statements and related notes are presented to show the effect on the historical condensed consolidated financial statements of Genworth Financial, Inc. (the “Company”) of the sale of the Company’s attributable share of its Australian mortgage insurance business (the “Sale”) consisting of approximately 52% of the outstanding common stock of the following subsidiary: Genworth Mortgage Insurance Australia Limited (collectively, the “Sale Company”). The Sale closed on March 2, 2021 (New York time).

The unaudited pro forma condensed consolidated balance sheet as of December 31, 2020 is based on the assumption that the Sale was completed on December 31, 2020. The unaudited pro forma condensed consolidated statements of income for the years ended December 31, 2020, 2019 and 2018 is based on the assumption that the Sale was completed on January 1, 2018.

The unaudited pro forma financial statements as of and for the periods presented are for illustrative and informational purposes only and are not intended to represent, or be indicative of, what the Company’s financial position or results of operations would have been had the Sale been completed on the dates noted above. The unaudited pro forma condensed consolidated financial statements also should not be considered representative of the Company’s future financial position or results of operations. The actual financial position and results of operations may differ significantly from the pro forma amounts reflected herein due to a variety of factors.

The pro forma adjustments are based upon currently available factual information and certain assumptions that the Company believes are reasonable under the circumstances. Actual amounts could differ materially from these estimates. The pro forma results should be read in conjunction with the financial statements and notes thereto in the Company’s Annual Report on Form 10-K for the year ended December 31, 2020.

GENWORTH FINANCIAL, INC.

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET  
(Amounts in millions, except per share amounts)

As of December 31, 2020

	Historical	Adjustments	Pro Forma
<b>Assets</b>			
Investments:			
Fixed maturity securities available-for-sale, at fair value (amortized cost of \$55,676 and allowance for credit losses of \$4)	\$ 65,790	\$ (2,295)(a)	\$ 63,495
Equity securities, at fair value	476	(90)(a)	386
Commercial mortgage loans (net of unamortized balance of loan origination fees and costs of \$4)	6,774	—	6,774
Less: Allowance for credit losses	(31)	—	(31)
Commercial mortgage loans, net	6,743	—	6,743
Policy loans	1,978	—	1,978
Other invested assets	2,253	(154)(a)	2,099
Total investments	77,240	(2,539)	74,701
Cash, cash equivalents and restricted cash	2,656	28(a),(c)	2,684
Accrued investment income	671	(16)(a)	655
Deferred acquisition costs	1,529	(42)(a)	1,487
Intangible assets	200	(43)(a)	157
Reinsurance recoverable	16,864	—	16,864
Less: Allowance for credit losses	(45)	—	(45)
Reinsurance recoverable, net	16,819	—	16,819
Other assets	444	(40)(a)	404
Deferred tax asset	107	(42)(a)	65
Separate account assets	6,081	—	6,081
Total assets	<u>\$105,747</u>	<u>\$ (2,694)</u>	<u>\$ 103,053</u>
<b>Liabilities and equity</b>			
Liabilities:			
Future policy benefits	\$ 42,695	\$ —	\$ 42,695
Policyholder account balances	21,503	—	21,503
Liability for policy and contract claims	11,817	(331)(a)	11,486
Unearned premiums	1,968	(1,193)(a)	775
Other liabilities	1,718	(104)(a)	1,614
Long-term borrowings	3,548	(145)(a)	3,403
Separate account liabilities	6,081	—	6,081
Liabilities related to discontinued operations	597	(247)(c)	350
Total liabilities	<u>89,927</u>	<u>(2,020)</u>	<u>87,907</u>
Commitments and contingencies			
Equity:			
Class A common stock, \$0.001 par value; 1.5 billion shares authorized; 594 million shares issued; 506 million shares outstanding	1	—	1
Additional paid-in capital	12,008	—	12,008
Accumulated other comprehensive income (loss)	4,425	(59)(b)	4,366
Retained earnings	1,584	(113)(d)	1,471
Treasury stock, at cost (88 million shares)	(2,700)	—	(2,700)
Total Genworth Financial, Inc.'s stockholders' equity	15,318	(172)	15,146
Noncontrolling interests	502	(502)(a)	—
Total equity	15,820	(674)	15,146
Total liabilities and equity	<u>\$105,747</u>	<u>\$ (2,694)</u>	<u>\$ 103,053</u>

See Notes to Unaudited Pro Forma Condensed Consolidated Balance Sheet

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**Genworth Financial, Inc.**  
**Notes to Unaudited Pro Forma**  
**Condensed Consolidated Balance Sheet**

- (a) Adjustments reflect the disposition of the assets and liabilities of the Sale Company previously consolidated as assets and liabilities in the Company's consolidated balance sheet, and the deconsolidation of the ownership interest attributable to noncontrolling interests of the Sale Company.
- (b) Adjustment reflects the de-recognition of the cumulative net unrealized investment gains and foreign currency translation adjustment gains included in accumulated other comprehensive income (loss) of the Sale Company.
- (c) Adjustment reflects net sale proceeds of approximately \$370 million, of which, approximately \$247 million was distributed as a payment related to the Company's outstanding secured promissory note issued to AXA. The Company retained the remaining net proceeds of approximately \$123 million. Proceeds are net of estimated expenses related to the Sale, including transaction related closing costs. The Company assumed these expenses were paid on December 31, 2020.
- (d) Adjustment reflects the estimated pre-tax loss from the Sale as of December 31, 2020. The after-tax gain (loss) remains unknown at the time of this current report filed on Form 8-K. The Company will reflect the after-tax gain (loss) from the disposition in the first quarter of 2021 as part of its financial statements included in its report filed on Form 10-Q. In addition, the pro forma condensed consolidated statements of income do not include any gain (loss) as it is considered to be nonrecurring in nature.



**GENWORTH FINANCIAL, INC.**

**UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENTS OF INCOME**

**For the Year Ended December 31, 2020**  
**(Amounts in millions, except per share amounts)**

	<u>Historical</u>	<u>Adjustments</u>	<u>Pro Forma</u>
<b>Revenues:</b>			
Premiums	\$ 4,110	\$ (274)(e)	\$ 3,836
Net investment income	3,260	(33)(e)	3,227
Net investment gains (losses)	558	(66)(e)	492
Policy fees and other income	730	(1)(e)	729
Total revenues	<u>8,658</u>	<u>(374)</u>	<u>8,284</u>
<b>Benefits and expenses:</b>			
Benefits and other changes in policy reserves	5,391	(177)(e)	5,214
Interest credited	549	—	549
Acquisition and operating expenses, net of deferrals	988	(53)(e)	935
Amortization of deferred acquisition costs and intangibles	492	(29)(e)	463
Goodwill impairment	5	(5)(e)	—
Interest expense	202	(7)(e)	195
Total benefits and expenses	<u>7,627</u>	<u>(271)</u>	<u>7,356</u>
Income from continuing operations before income taxes	1,031	(103)	928
Provision for income taxes	270	(38)(f)	232
Income from continuing operations	761	(65)	696
Loss from discontinued operations, net of taxes	(549)	—	(549)
Net income	212	(65)	147
Less: net income from continuing operations attributable to noncontrolling interests	34	(34)(e)	—
Less: net income from discontinued operations attributable to noncontrolling interests	—	—	—
Net income available to Genworth Financial, Inc.'s common stockholders	<u>\$ 178</u>	<u>\$ (31)</u>	<u>\$ 147</u>
<b>Net income (loss) available to Genworth Financial, Inc.'s common stockholders:</b>			
Income from continuing operations available to Genworth Financial, Inc.'s common stockholders	\$ 727	\$ (31)	\$ 696
Loss from discontinued operations available to Genworth Financial, Inc.'s common stockholders	(549)	—	(549)
Net income available to Genworth Financial, Inc.'s common stockholders	<u>\$ 178</u>	<u>\$ (31)</u>	<u>\$ 147</u>
<b>Income from continuing operations available to Genworth Financial, Inc.'s common stockholders per share:</b>			
Basic	<u>\$ 1.44</u>		<u>\$ 1.38</u>
Diluted	<u>\$ 1.42</u>		<u>\$ 1.36</u>
<b>Net income available to Genworth Financial, Inc.'s common stockholders per share:</b>			
Basic	<u>\$ 0.35</u>		<u>\$ 0.29</u>
Diluted	<u>\$ 0.35</u>		<u>\$ 0.29</u>
<b>Weighted-average common shares outstanding:</b>			
Basic	<u>505.2</u>		<u>505.2</u>
Diluted	<u>511.6</u>		<u>511.6</u>

See Notes to Unaudited Pro Forma Condensed Consolidated Statements of Income

**GENWORTH FINANCIAL, INC.**

**UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENTS OF INCOME**

**For the Year Ended December 31, 2019**  
**(Amounts in millions, except per share amounts)**

	<u>Historical</u>	<u>Adjustments</u>	<u>Pro Forma</u>
<b>Revenues:</b>			
Premiums	\$ 4,037	\$ (312)(e)	\$ 3,725
Net investment income	3,220	(56)(e)	3,164
Net investment gains (losses)	50	(23)(e)	27
Policy fees and other income	789	—	789
Total revenues	<u>8,096</u>	<u>(391)</u>	<u>7,705</u>
<b>Benefits and expenses:</b>			
Benefits and other changes in policy reserves	5,163	(104)(e)	5,059
Interest credited	577	—	577
Acquisition and operating expenses, net of deferrals	962	(53)(e)	909
Amortization of deferred acquisition costs and intangibles	441	(33)(e)	408
Interest expense	239	(8)(e)	231
Total benefits and expenses	<u>7,382</u>	<u>(198)</u>	<u>7,184</u>
Income from continuing operations before income taxes	714	(193)	521
Provision for income taxes	195	(56)(f)	139
Income from continuing operations	519	(137)	382
Income from discontinued operations, net of taxes	11	—	11
Net income	530	(137)	393
Less: net income from continuing operations attributable to noncontrolling interests	64	(64)(e)	—
Less: net income from discontinued operations attributable to noncontrolling interests	123	—	123
Net income available to Genworth Financial, Inc.'s common stockholders	<u>\$ 343</u>	<u>\$ (73)</u>	<u>\$ 270</u>
<b>Net income (loss) available to Genworth Financial, Inc.'s common stockholders:</b>			
Income from continuing operations available to Genworth Financial, Inc.'s common stockholders	\$ 455	\$ (73)	\$ 382
Loss from discontinued operations available to Genworth Financial, Inc.'s common stockholders	(112)	—	(112)
Net income available to Genworth Financial, Inc.'s common stockholders	<u>\$ 343</u>	<u>\$ (73)</u>	<u>\$ 270</u>
<b>Income from continuing operations available to Genworth Financial, Inc.'s common stockholders per share:</b>			
Basic	<u>\$ 0.90</u>		<u>\$ 0.76</u>
Diluted	<u>\$ 0.89</u>		<u>\$ 0.75</u>
<b>Net income available to Genworth Financial, Inc.'s common stockholders per share:</b>			
Basic	<u>\$ 0.68</u>		<u>\$ 0.54</u>
Diluted	<u>\$ 0.67</u>		<u>\$ 0.53</u>
<b>Weighted-average common shares outstanding:</b>			
Basic	<u>502.9</u>		<u>502.9</u>
Diluted	<u>509.7</u>		<u>509.7</u>

See Notes to Unaudited Pro Forma Condensed Consolidated Statements of Income

**GENWORTH FINANCIAL, INC.**

**UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENTS OF INCOME**

**For the Year Ended December 31, 2018**  
**(Amounts in millions, except per share amounts)**

	<u>Historical</u>	<u>Adjustments</u>	<u>Pro Forma</u>
<b>Revenues:</b>			
Premiums	\$ 3,994	\$ (373)(e)	\$ 3,621
Net investment income	3,121	(68)(e)	3,053
Net investment gains (losses)	(9)	15(e)	6
Policy fees and other income	795	(2)(e)	793
Total revenues	<u>7,901</u>	<u>(428)</u>	<u>7,473</u>
<b>Benefits and expenses:</b>			
Benefits and other changes in policy reserves	5,606	(110)(e)	5,496
Interest credited	611	—	611
Acquisition and operating expenses, net of deferrals	943	(53)(e)	890
Amortization of deferred acquisition costs and intangibles	348	(43)(e)	305
Interest expense	256	(9)(e)	247
Total benefits and expenses	<u>7,764</u>	<u>(215)</u>	<u>7,549</u>
Income (loss) from continuing operations before income taxes	137	(213)	(76)
Provision for income taxes	70	(67)(f)	3
Income (loss) from continuing operations	67	(146)	(79)
Income from discontinued operations, net of taxes	230	—	230
Net income	297	(146)	151
Less: net income from continuing operations attributable to noncontrolling interests	70	(70)(e)	—
Less: net income from discontinued operations attributable to noncontrolling interests	108	—	108
Net income available to Genworth Financial, Inc.'s common stockholders	<u>\$ 119</u>	<u>\$ (76)</u>	<u>\$ 43</u>
Net income (loss) available to Genworth Financial, Inc.'s common stockholders:			
Loss from continuing operations available to Genworth Financial, Inc.'s common stockholders	\$ (3)	\$ (76)	\$ (79)
Income from discontinued operations available to Genworth Financial, Inc.'s common stockholders	122	—	122
Net income available to Genworth Financial, Inc.'s common stockholders	<u>\$ 119</u>	<u>\$ (76)</u>	<u>\$ 43</u>
Loss from continuing operations available to Genworth Financial, Inc.'s common stockholders per share:			
Basic	<u>\$ (0.01)</u>		<u>\$ (0.16)</u>
Diluted	<u>\$ (0.01)</u>		<u>\$ (0.16)</u>
Net income available to Genworth Financial, Inc.'s common stockholders per share:			
Basic	<u>\$ 0.24</u>		<u>\$ 0.09</u>
Diluted	<u>\$ 0.24</u>		<u>\$ 0.09</u>
Weighted-average common shares outstanding:			
Basic	<u>500.4</u>		<u>500.4</u>
Diluted	<u>500.4</u>		<u>500.4</u>

See Notes to Unaudited Pro Forma Condensed Consolidated Statements of Income

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**Genworth Financial, Inc.**  
**Notes to Unaudited Pro Forma**  
**Condensed Consolidated Statements of Income**

- (e) Adjustments reflect the elimination of revenues and expenses of the Sale Company, including operations attributable to noncontrolling interests, from the Company's historical results as if the Sale occurred on January 1, 2018.
- (f) Adjustment represents the income tax effect of the elimination of the revenue and expenses of the Sale Company. The tax effect was calculated using the historical statutory rates in effect for the periods presented and adjusted to reflect the unique tax attributes of the Sale Company, such as permanent differences between U.S. GAAP and local tax law.