

GENWORTH FINANCIAL INC

Form 424B3

September 23, 2005

Table of Contents

Filed Pursuant to Rule 424(b)(3)

Registration No. 333-127472

PROSPECTUS SUPPLEMENT

(To Prospectus dated September 12, 2005)

21,000,000 Shares

Class A Common Stock

This prospectus supplement relates to an aggregate of up to 21,000,000 shares (or up to 24,150,000 shares if the underwriters of the SynDECS offering referred to below exercise their over-allotment option) of our Class A Common Stock owned by GE Financial Assurance Holdings, Inc., the selling stockholder and an indirect subsidiary of General Electric Company.

The selling stockholder has agreed to sell to Citigroup Global Markets Inc., or CGMI, 21,000,000 shares of our Class A Common Stock in connection with an offering by Citigroup Funding Inc., or CFI, an affiliate of CGMI, of 29,166,667 Variable Rate Exchangeable Notes, or SynDECSSM. CGMI may purchase from the selling stockholder up to an additional 3,150,000 shares of our Class A Common Stock if the underwriters of the SynDECS offering exercise their over-allotment option. Pursuant to the SynDECS, CFI, as issuer of the SynDECS, will deliver between 24,305,556 and 29,166,667 shares of our Class A Common Stock to holders of the SynDECS or their value in cash or a combination of both, based on a formula linked to the market price of our Class A Common Stock. Following the completion of the selling stockholder's sale of up to 24,150,000 shares of Class A Common Stock to CGMI, neither we nor the selling stockholder will have any obligation to deliver additional shares of Class A Common Stock to CGMI or CFI or any obligation to deliver shares of Class A Common Stock to any holder of the SynDECS. We will not receive any proceeds from the sale of our Class A Common Stock offered through this prospectus supplement or from the sale of the SynDECS.

The SynDECS are being sold in an offering described in a separate prospectus supplement and accompanying prospectus of CFI. This prospectus supplement relates only to the shares of our Class A Common Stock that may be delivered as described above. **We take no responsibility for any information included in or omitted from the prospectus supplement and accompanying prospectus for the SynDECS.** That prospectus supplement and the accompanying prospectus of CFI do not constitute a part of this prospectus supplement or the accompanying prospectus.

Edgar Filing: GENWORTH FINANCIAL INC - Form 424B3

In a concurrent offering, the selling stockholder is offering 80,000,000 shares of Class A Common Stock through the underwriters named in the prospectus supplement relating to that offering. The selling stockholder has granted the underwriters of that offering the right to purchase up to an additional 12,000,000 shares of Class A Common Stock to cover over-allotments, if any.

Our shares of Class A Common Stock are listed on the New York Stock Exchange under the symbol GNW. The last reported sale price of our Class A Common Stock on the New York Stock Exchange on September 21, 2005 was \$29.60 per share.

Investing in our Class A Common Stock involves risks. See Risk Factors beginning on page 3 of the accompanying prospectus.

Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

September 21, 2005

Table of Contents**Table of Contents****Prospectus Supplement**

	Page
<u>Prospectus Supplement Summary</u>	S-1
<u>Use of Proceeds</u>	S-11
<u>Price Range of Common Stock</u>	S-11
<u>Dividend Policy</u>	S-11
<u>Capitalization</u>	S-12
<u>Selected Historical and Pro Forma Financial Information</u>	S-14
<u>Selling Stockholder</u>	S-19
<u>Certain United States Federal Tax Consequences for Non-U.S. Holders of Our Common Stock</u>	S-20
<u>Underwriting</u>	S-23
<u>Legal Opinions</u>	S-26
<u>Experts</u>	S-26

Prospectus

	Page
Where You Can Get More Information	1
Our Company	2
Risk Factors	3
Forward-Looking Statements	34
Use of Proceeds	34
Selling Stockholder	35
Description of Capital Stock	36
Plan of Distribution	46
Legal Opinions	49
Experts	49

You should rely only on the information incorporated by reference or provided in this prospectus supplement and the accompanying prospectus. Neither we nor the underwriters have authorized anyone to provide you with additional or different information. If anyone provided you with additional or different information, you should not rely on it. Neither we nor the underwriters are making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information contained in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference is accurate only as of their respective dates. Our business, financial condition, results of operations and prospects may have changed since those dates.

Table of Contents

PROSPECTUS SUPPLEMENT SUMMARY

This summary highlights information contained elsewhere or incorporated by reference in this prospectus supplement and accompanying prospectus and may not contain all of the information that may be important to you. You should read this entire prospectus supplement, the accompanying prospectus and the information and documents incorporated herein and therein by reference carefully, including the information set forth in the accompanying prospectus under Risk Factors, before making an investment decision. In this prospectus supplement and accompanying prospectus, unless the context otherwise requires, Genworth, we, us, and our refer to Genworth Financial, Inc. and its subsidiaries and include the operations of the businesses acquired from GE Financial Assurance Holdings, Inc. (GEFAHI) and other subsidiaries of General Electric Company (GE) in connection with our corporate reorganization.

Genworth Financial, Inc.

We are a leading insurance company in the U.S., with an expanding international presence, serving the life and lifestyle protection, retirement income, investment and mortgage insurance needs of more than 15 million customers. We have leadership positions in key products that we expect will benefit from a number of significant demographic, governmental and market trends. We distribute our products and services through an extensive and diversified distribution network that includes financial intermediaries, independent producers and dedicated sales specialists. We conduct operations in 24 countries and have approximately 6,500 employees. We have the following three operating segments:

Protection. We offer U.S. customers life insurance, long-term care insurance and, primarily for companies with fewer than 1,000 employees, group life and health insurance. In Europe, we offer payment protection insurance, which helps consumers meet their payment obligations in the event of illness, involuntary unemployment, disability or death. In 2004 and the first six months of 2005, we were the leading provider of individual long-term care insurance and a leading provider of term life insurance in the U.S., according to LIMRA International (in each case based upon annualized first-year premiums). We believe we are a leading provider of term life insurance through brokerage general agencies in the U.S. and that this channel is the largest and fastest-growing distribution channel for term life insurance. Our leadership in long-term care insurance is based upon 30 years of product underwriting and claims experience. This experience has enabled us to build and benefit from what we believe is the largest actuarial database in the long-term care insurance industry. For the year ended December 31, 2004 and the six months ended June 30, 2005, our Protection segment had pro forma segment net earnings of \$527 million and segment net earnings of \$271 million, respectively.

Retirement Income and Investments. We offer U.S. customers fixed and variable deferred annuities, income annuities, variable life insurance, asset management, and specialized products, including guaranteed investment contracts, or GICs, funding agreements and structured settlements. We are an established provider of these products. In 2004 and the first six months of 2005, according to VARDS, we were the largest provider of variable income annuities in the U.S., and according to LIMRA International, we were the second-largest provider of fixed income annuities in the U.S. (in each case based upon total premiums and deposits). For the year ended December 31, 2004 and the six months ended June 30, 2005, our Retirement Income and Investments segment had pro forma segment net earnings of \$148 million and segment net earnings of \$120 million, respectively.

Table of Contents

Mortgage Insurance. In the U.S., Canada, Australia, New Zealand and Europe, we offer mortgage insurance products that facilitate homeownership by enabling borrowers to buy homes with low-down-payment mortgages. These products generally also aid financial institutions in managing their capital efficiently by reducing the capital required for low-down-payment mortgages. According to *Inside Mortgage Finance*, we were the fifth-largest provider of mortgage insurance in the U.S. in 2004 (based upon total new insurance written) and in the first six months of 2005 (based upon flow new insurance written). We also believe we are the largest provider of private mortgage insurance outside the U.S. (based upon flow new insurance written), with leading mortgage insurance operations in Canada, Australia and the U.K. and a growing presence in Continental Europe. The net premiums written in our international mortgage insurance business have increased by a compound annual growth rate of 45% for the three years ended December 31, 2004. For the year ended December 31, 2004 and the six months ended June 30, 2005, our Mortgage Insurance segment had pro forma segment net earnings of \$426 million and segment net earnings of \$262 million, respectively.

We also have a Corporate and Other segment which consists primarily of unallocated corporate income and expenses (including amounts incurred in settlement of class action lawsuits), the results of several small, non-core businesses that are managed outside our operating segments, most of our interest and other financing expenses and net realized investment gains (losses). For the year ended December 31, 2004 and the six months ended June 30, 2005, our Corporate and Other segment had pro forma segment net earnings of \$29 million and a segment net loss of \$46 million, respectively.

We had \$13.5 billion of total stockholders' interest and \$104.5 billion of total assets as of June 30, 2005. For the year ended December 31, 2004, on a pro forma basis, our revenues were \$10.2 billion and our net earnings from continuing operations were \$1.1 billion, and for the six months ended June 30, 2005, our revenues were \$5.2 billion and our net earnings from continuing operations were \$607 million. Our principal life insurance companies have financial strength ratings of AA- (Very Strong) from S&P, Aa3 (Excellent) from Moody's, A+ (Superior) from A.M. Best and AA- (Very Strong) from Fitch, and our rated mortgage insurance companies have financial strength ratings of AA (Very Strong) from S&P, Aa2 (Excellent) from Moody's and AA (Very Strong) from Fitch. The AA and AA- ratings are the third- and fourth-highest of S&P's 21 ratings categories, respectively. The Aa2 and Aa3 ratings are the third- and fourth-highest of Moody's 21 ratings categories, respectively. The A+ rating is the second-highest of A.M. Best's 15 ratings categories. The AA and AA- ratings are the third- and fourth-highest of Fitch's 24 ratings categories, respectively.

Market Environment and Opportunities

We believe we are well positioned to benefit from a number of significant demographic, governmental and market trends, including the following:

Aging U.S. population with growing retirement income needs, resulting from large numbers of baby boomers approaching retirement and significant increases in life expectancy that heighten the risk that individuals will outlive their retirement savings.

Growing lifestyle protection gap, with individuals lacking sufficient resources, including insurance coverage, to support their desired lifestyle due to declining individual savings rates, rising healthcare and nursing care costs and a shifting of the burden for funding protection needs from governments and employers to individuals.

Increasing opportunities for mortgage insurance internationally and in the U.S., resulting from increasing homeownership levels, expansion of low-down payment mortgage loan offerings, the potential for favorable legislative and regulatory policies, and expansion of secondary mortgage markets that require credit enhancements.

Table of Contents

Competitive Strengths

We believe the following competitive strengths will enable us to capitalize on opportunities in our targeted markets:

Leading positions in diversified targeted markets. We believe our leading positions in our targeted markets, including individual long-term care insurance, term life insurance and income annuities in the U.S., payment protection insurance in Europe and international mortgage insurance, provide us with the scale necessary to compete effectively in these markets as they grow. We also believe our strong presence in multiple markets provides balance to our business, reduces our exposure to adverse economic trends affecting any one market and provides stable cash flow to fund growth opportunities.

Product innovation and breadth. We offer a breadth of products that meet the needs of consumers throughout the various stages of their lives, thereby positioning us to benefit from the current trend among distributors to reduce the number of insurers with whom they maintain relationships. We are selective in the products we offer and strive to maintain appropriate return and risk thresholds when we expand the scope of our product offerings.

Extensive, multi-channel distribution network. We have extensive distribution reach and offer consumers access to our products through a broad network of financial intermediaries, independent producers and dedicated sales specialists. In addition, we maintain strong relationships with leading distributors by providing a high level of specialized and differentiated distribution support and through technology solutions that support the distributors' sales efforts.

Technology-enhanced, scalable, low-cost operating platform. We have pursued an aggressive approach to cost-management and continuous process improvement. We also have developed sophisticated technology tools that enhance performance by automating key processes and reducing response times and process variations. In addition, we have centralized our operations and have established scalable, low-cost operating centers in Virginia, North Carolina and Ireland. Through an outsourcing provider that is 40% owned by GE, we also have a substantial team of professionals in India who provide us with a variety of support services.

Disciplined risk management with strong compliance practices. Risk management and regulatory compliance are critical parts of our business, and we are recognized in the insurance industry for our excellence in these areas. We employ comprehensive risk management processes in virtually every aspect of our operations, including product development, underwriting, investment management, asset-liability management and technology development programs. We have an experienced group of more than 150 professionals dedicated to supporting these efforts.

Strong balance sheet and high-quality investment portfolio. We believe our size, ratings and capital strength provide us with a significant competitive advantage. We have a diversified, high-quality investment portfolio with \$66.3 billion of invested assets, as of June 30, 2005. Approximately 94% of our fixed maturities had ratings equivalent to investment-grade, and less than 1% of our total investment portfolio consisted of equity securities, as of June 30, 2005.

Experienced and deep management team. Our senior management team has an average of approximately 18 years of experience in the financial services industry. We have an established track record for successfully developing managerial talent at all levels of our organization and have instilled a performance- and execution-oriented corporate culture.

Table of Contents

Growth Strategies

Our objective is to increase operating earnings and enhance returns on equity. We intend to pursue this objective by focusing on the following strategies:

Capitalize on attractive growth trends in three key markets. We have positioned our product portfolio and distribution relationships to capitalize on the attractive growth prospects in three key markets:

Retirement income, where we believe growth will be driven by a variety of favorable demographic trends and the approximately \$4.2 trillion of invested financial assets in the U.S. that are held by people within 10 years of retirement and \$2.4 trillion of invested assets that are held by individuals who are under age 70 and consider themselves retired, in each case according to a survey conducted by SRI Consulting Business Intelligence in 2004. Our products are designed to enable the growing retired population to convert their accumulated assets into reliable retirement income throughout their retirement years.

Protection, particularly long-term care insurance and payment protection insurance. In long-term care insurance, we believe growth will be driven by the increasing protection needs of the expanding aging population and a shifting of the burden for funding these needs from governments and employers to individuals. For example, approximately 70% of individuals in the U.S. age 65 and older will require long-term care at some time in their lives, according to the American Society on Aging and Conning Research & Consulting, but in 2004, less than 10% of the individuals in the U.S. age 55 and older had long-term care insurance. In our payment protection insurance business, we believe market growth will result from the increase in consumer borrowing across Europe, the expansion of the European Union and reduced unemployment benefits in the European markets where we offer our products.

International mortgage insurance, where we continue to see attractive growth opportunities with the expansion of homeownership and low-down-payment loans. The net premiums written in our international mortgage insurance business have increased at a compound annual growth rate of 45% for the three years ended December 31, 2004.

Further strengthen and extend our distribution channels. We intend to further strengthen and extend our distribution channels by continuing to differentiate ourselves in areas where we believe we have distinct competitive advantages. These areas include:

Product and service innovations, as illustrated by new product introductions, such as the introduction of our Income Distribution Series of guaranteed income products and riders, our annuities and long-term care insurance products for the group market, our private mortgage insurance products in the European market, and our service innovations, which include programs such as our policyholder wellness initiatives in our long-term care insurance business and our automated underwriting platform in our mortgage insurance business.

Collaborative approach to key distributors, which includes our joint business improvement program and our tailored approach to our sales intermediaries addressing their unique service needs, which have benefited our distributors and helped strengthen our relationships with them.

Edgar Filing: GENWORTH FINANCIAL INC - Form 424B3

Technology initiatives, such as our proprietary underwriting system, which has made it easier for distributors to do business with us, improved our term life and long-term care insurance underwriting speed and accuracy, and lowered our operating costs.

Enhance returns on capital and increase margins. We believe we will be able to enhance our returns on capital and increase our margins through the following means:

Adding new business layers at targeted returns and optimizing mix. We have introduced revised pricing and new products in a number of business lines, which we believe will increase our expected returns. In U.S. mortgage insurance, we are targeting market segments in which we can generate new business at higher returns and limiting our growth from segments that have lower returns. We have

S-4

Table of Contents

exited or placed in run-off certain product lines in blocks of business with low returns, including, for example, our older, fixed GICs, facility-only long-term care insurance policies and certain payment protection insurance contracts, mostly in the U.K. As these blocks decrease, we expect to release capital over time to deploy to higher-return products and/or businesses.

Capital efficiency and management. We continually seek opportunities to use our capital more efficiently, while maintaining our ratings and strong capital position. We have developed a capital markets solution to fund additional statutory reserves on our term life insurance policies related to Regulation XXX, and we are working to develop similar structures for other product lines, including universal life insurance. In addition, we intend to complement our core growth strategy through selective acquisitions designed to enhance product and distribution capabilities and returns, the breadth of our product portfolio, or our distribution reach. We have successfully completed the acquisition and integration of 13 key businesses since 1993. In addition to pursuing opportunities for core growth and accretive acquisitions, we also will consider making share repurchases and increasing dividends on our common stock.

Investment income enhancements. The yield on our investment portfolio is affected by the practice, prior to our separation from GE, of realizing investment gains through the sale of appreciated securities and other assets during a period of historically low interest rates. This strategy had been pursued to offset impairments in our investment portfolio, fund consolidations and restructurings in our business and provide current income. As an independent public company, our investment strategy is to optimize investment income without relying on realized investment gains. Although the interest-rate environment since our IPO in mid-2004 has been challenging, we expect over time that the yield on our investment portfolio will stabilize, with the potential for yield increases in a rising interest rate environment. We also will seek to improve our investment yield by continuously evaluating our asset class mix, pursuing additional investment classes and accepting additional credit risk when we believe that it is prudent to do so.

Ongoing operating cost reductions and efficiencies. We continually focus on reducing our cost base while maintaining strong service levels for our customers. We expect to accomplish this goal in each of our operating units through a wide range of cost management disciplines, including consolidating operations, using low-cost operating locations, reducing supplier costs, leveraging process improvement efforts, forming focused teams to identify opportunities for cost reductions and investing in new technology, particularly for web-based, digital end-to-end processes.

Recent Developments

Dividend Increase

On September 9, 2005, our board of directors declared a quarterly dividend of \$0.075 per outstanding share of our Class A and Class B Common Stock. This represents an increase of 15% per share from our previous quarterly dividend of \$0.065 per share. The dividend is payable on October 27, 2005, to holders of record as of the close of business on October 12, 2005.

Debt offering

On September 19, 2005, we completed a public offering of \$350 million aggregate principal amount of 4.950% Senior Notes due 2015. We intend to apply the net proceeds of that offering to reduce our outstanding commercial paper borrowings. The aggregate amount of our

Edgar Filing: GENWORTH FINANCIAL INC - Form 424B3

outstanding commercial paper borrowings was \$499 million as of June 30, 2005.

Recent Financial Information

For recent financial information relating to our company, see [Selected Historical and Pro Forma Financial Information](#) in this prospectus supplement.

S-5

Table of Contents

The Concurrent Offerings

This offering is one of two concurrent offerings by the selling stockholder, which we refer to collectively as the concurrent offerings. The concurrent offerings consist of:

the offering by the selling stockholder of 80,000,000 shares of our Class A Common Stock (plus up to an additional 12,000,000 shares of our Class A Common stock pursuant to the over-allotment option granted to the underwriters of that offering).

the sale by the selling stockholder of 21,000,000 shares of our Class A Common Stock (plus up to an additional 3,150,000 shares of our Class A Common Stock if the underwriters of the SynDECS offering described below exercise their over-allotment option) to Citigroup Global Markets Inc., or CGMI, in connection with an offering by its affiliate, Citigroup Funding Inc., or CFI, of 29,166,667 Variable Rate Exchangeable Notes Due 2008, or SynDECS. Pursuant to the terms of the SynDECS, CFI, as issuer of the SynDECS, will deliver at maturity between 24,305,556 and 29,166,667 shares of our Class A Common Stock (assuming no exercise of the over-allotment option granted to the underwriters of the SynDECS offering) to holders of the SynDECS, or their value in cash or a combination of both, based on a formula linked to the market price of our Class A Common Stock. Following the completion of the selling stockholder's sale of 21,000,000 shares of Class A Common Stock to CGMI (or 24,150,000 if the over-allotment option is exercised in full), neither we nor the selling stockholder will have any obligation to deliver additional shares of Class A Common Stock to CGMI or CFI or any obligation to deliver shares of Class A Common Stock to any holder of the SynDECS.

We understand that CFI expects to hedge its obligations under the SynDECS through one or more of its affiliates. This hedging activity will likely involve trading in our Class A Common Stock or in other instruments, such as options or swaps, based upon our Class A Common Stock. This hedging activity could affect the market price of our Class A Common Stock.

The closing of the Class A Common Stock offering is not contingent upon the closing of the SynDECS offering, and the closing of the SynDECS offering is not contingent upon the closing of the Class A Common Stock offering.

Until our initial public offering, or IPO, in May 2004, our business was wholly owned by GE. GE currently owns approximately 52% of our outstanding common stock. After the completion of the concurrent offerings, GE will own approximately 30% of our outstanding common stock, assuming no exercise of the underwriters' over-allotment option in this offering or the concurrent offering (approximately 27% assuming full exercise of the over-allotment options in this offering and the concurrent offering). GE indicated in May 2005 that it expects, subject to market conditions, to reduce its ownership over the following two years as we transition to full independence.

Separation from GE

Upon the closing of this offering, GE will cease to own more than 50% of our outstanding common stock. This decrease in GE's ownership of our common stock will have a number of important consequences for our company, including the following:

Edgar Filing: GENWORTH FINANCIAL INC - Form 424B3

Board Composition. Pursuant to our Amended and Restated Certificate of Incorporation, upon the completion of this offering, our Board of Directors will expand from nine members to eleven members. We expect to fill the vacancies on our Board of Directors as soon as practicable over the next several months. The new members of our Board of Directors will be independent (as defined by New York Stock Exchange listing rules and by our Governance Principles). For a description of the composition of our Board of Directors, see *Description of Capital Stock* in the accompanying prospectus and

S-6

Table of Contents

Information Relating to Directors, Director Nominees, Executive Officers and Significant Stockholders Board Composition in our proxy statement for our 2005 annual meeting, which has been incorporated by reference in the accompanying prospectus.

Board Committees. The Nominating and Corporate Governance Committee of our Board of Directors currently consists of three independent directors and one director designated by GE, and our Management Development and Compensation Committee currently consists of two independent directors and one director designated by GE. Upon the completion of this offering, these committees will consist solely of independent directors, and Mr. Dennis D. Dammerman, the director designated by GE to serve on these committees, will resign. For a description of these committees, see Information Relating to Directors, Director Nominees, Executive Officers and Significant Stockholders Board Committees in our proxy statement for our 2005 annual meeting, which is incorporated by reference in the accompanying prospectus.

Employee Benefit Plans. Upon the completion of this offering, our employees generally will cease to be eligible to participate in GE's employee benefit plans. For our U.S. employees, we have adopted our own benefit plans to provide similar benefits that will become effective upon the completion of this offering. For our non-U.S. employees, we will have up to six months after the completion of this offering to complete the transition to our benefit plans. We do not expect to incur material expenses in connection with the transition from GE plans to our plans. For a description of certain of our U.S. employee benefit plans, see our current reports on Form 8-K, filed on July 22, 2005 and September 6, 2005, which are incorporated by reference in the accompanying prospectus, as well as Executive Compensation in our proxy statement for our 2005 annual meeting, which is incorporated by reference in the accompanying prospectus.

Agreements with GE. In connection with our IPO, we entered into a number of agreements with GE that govern the relationship between GE and us. Some of these agreements obligate GE to provide to us a number of services, including, among others, treasury, tax, payroll, employee benefits, email and other network services. GE will cease to be obligated to provide us with many of these services upon completion of this offering, when GE will cease to own more than 50% of our outstanding common stock. We have arranged for the transition of these services from GE to us or to third-party providers. In the aggregate, we expect that our total costs for procuring corporate services that previously had been provided by GE will not materially exceed the amounts we historically have paid to GE for these services, including GE's allocation to us for its corporate overhead. For a description of our arrangements with GE, see Certain Relationships and Transactions in our proxy statement for our 2005 annual meeting, which is incorporated by reference in the accompanying prospectus.

Although GE will cease to own more than 50% of our outstanding common stock after the completion of this offering, so long as it has a significant ownership interest in our company, it will have the right to elect members of our board of directors, its consent will be required for us to take certain significant corporate actions, including mergers, acquisitions and incurrence of indebtedness, and we will continue to provide it with certain information regarding our company. As a result, GE will continue to exercise significant control over our company. See Risk Factors GE has significant control over us and may not exercise its control in a way that benefits our public securityholders in the accompanying prospectus.

Risks Relating to Our Company

As part of your evaluation of our company, you should consider the risks associated with our business, our separation from GE and this offering. These risks include:

Risks relating to our businesses, including interest rate fluctuations, downturns and volatility in equity markets, defaults in portfolio securities, downgrades in our financial strength and credit ratings, insufficiency of reserves, legal constraints on dividend distributions by subsidiaries, illiquidity of

S-7

Table of Contents

investments, competition, inability to attract or retain independent sales intermediaries and dedicated sales specialists, defaults by counterparties, foreign exchange rate fluctuations, regulatory restrictions on our operations and changes in applicable laws and regulations, legal or regulatory actions or investigations, political or economic instability, the failure or any compromise of the security of our computer systems and the occurrence of natural or man-made disasters;

Risks relating to our Protection and Retirement Income and Investments segments, including unexpected changes in mortality, morbidity and unemployment rates, accelerated amortization of deferred acquisition costs and present value of future profits, goodwill impairments, medical advances such as genetic mapping research, unexpected changes in persistency rates, increases in statutory reserve requirements, the failure of demand for long-term care insurance to increase as we expect and changes in tax and securities laws;

Risks relating to our Mortgage Insurance segment, including the influence of Fannie Mae, Freddie Mac and a small number of large mortgage lenders and investors, increased regulatory scrutiny of Fannie Mae and Freddie Mac resulting in possible regulatory changes, decreases in the volume of high loan-to-value mortgage originations, increases in mortgage insurance cancellations, increases in the use of simultaneous second mortgages and other alternatives to private mortgage insurance and reductions by lenders in the level of coverage they select, unexpected increases in mortgage insurance default rates or severity of defaults, deterioration in economic conditions, insufficiency of premium rates to compensate us for risks associated with mortgage loans bearing high loan-to-value ratios, increases in the use of captive reinsurance in the mortgage insurance market, changes in the demand for mortgage insurance that could arise as a result of efforts of large mortgage investors, legal or regulatory actions or investigations under applicable laws and regulations, including the Real Estate Settlement Practices Act and the Federal Fair Credit Reporting Act, potential liabilities in connection with contract underwriting services and growth in the European mortgage insurance market that is lower than we expect;

Risks relating to our separation from GE, including the loss of benefits associated with GE's brand and reputation, our need to establish our new Genworth brand identity quickly and effectively, the lack of comparability between our financial information for periods before the IPO and for periods after the IPO, the possibility that we will not be able to replace services previously provided by GE on terms that are at least as favorable, the possibility that in certain circumstances we will be obligated to make payments to GE under our tax matters agreement even if our corresponding tax savings either are delayed or never materialize, the possibility that in the event of a change in control of our company we would have insufficient funds to meet accelerated obligations under the tax matters agreement, GE's control over certain tax matters that could have an impact on us, potential conflicts of interest with GE and GE's engaging in the same type of business as we do in the future; and

Risks relating to this offering, including future sales of stock by GE that may depress the price of our shares, fluctuations in our share price and regulatory and statutory requirements and contractual arrangements that may delay or prevent a takeover of our business.

Additional Information

Our principal executive offices are located at 6620 West Broad Street, Richmond, Virginia 23230. Our telephone number at that address is (804) 281-6000. We maintain a variety of websites to communicate with our distributors, customers and investors and to provide information about various insurance and investment products to the general public. None of the information on our websites is part of this prospectus.

Table of Contents**The SynDECS Offering**

We understand that CFI will sell SynDECS (Variable Rate Exchangeable Notes). The SynDECS are a series of debt securities of CFI that will be mandatorily exchanged upon maturity into an aggregate of between 24,305,556 and 29,166,667 shares of our Class A Common Stock or their value in cash or a combination of both, based on a formula linked to the market price of our Class A Common Stock. In connection with that offering, the selling stockholder has agreed to sell CGMI 21,000,000 shares of our Class A Common Stock (or 24,150,000 shares if the over-allotment option is exercised in full). Following the completion of the selling stockholder's sale of up to 24,150,000 shares of Class A Common Stock to CGMI, neither we nor the selling stockholder will have any obligation to deliver additional shares of Class A Common Stock to CGMI or CFI or any obligation to deliver shares of Class A Common Stock to any holder of the SynDECS.

The SynDECS are being sold in an offering described in a separate prospectus supplement and accompanying prospectus of CFI. This prospectus supplement relates only to the shares of our Class A Common Stock that may be delivered by the selling stockholder to CGMI as described above. **We take no responsibility for any information included in or omitted from the prospectus supplement and accompanying prospectus for the SynDECS.** That prospectus supplement and the accompanying prospectus of CFI do not constitute a part of this prospectus supplement or the accompanying prospectus.

In a concurrent offering, the selling stockholder is offering 80,000,000 shares of Class A Common Stock through the underwriters named in the prospectus supplement relating to that offering. The selling stockholder has granted the underwriters of that offering the right to purchase up to an additional 12,000,000 shares of Class A Common Stock to cover over-allotments, if any.

Common stock to be outstanding immediately after this offering and the concurrent offering

Class A	328,548,241 shares
---------	--------------------

Class B	142,216,559 shares
---------	--------------------

Common stock to be held by the selling stockholder immediately after this offering and the concurrent offering

Class B	142,216,559 shares
---------	--------------------

Over-allotment option	3,150,000 shares of Class A Common Stock to be sold to CGMI by the selling stockholder solely in connection with the exercise of the over-allotment option granted to the underwriters of the SynDECS offering.
-----------------------	---

Voting rights	One vote per share for all matters on which stockholders are entitled to vote, except:
---------------	--

Edgar Filing: GENWORTH FINANCIAL INC - Form 424B3

holders of Class A Common Stock will have the right separately to elect and remove a specified number of directors, and

holders of Class B Common Stock will have the right (1) separately to elect and remove a specified number of directors, and (2) to approve significant corporate actions, including mergers, acquisitions, dispositions and incurrences of debt.

S-9

Table of Contents

The specific number of directors that holders of the Class A Common Stock and the Class B Common Stock will have separate rights to elect and remove will vary, depending upon the percentage of our common stock owned by GE.

See Description of Capital Stock Common Stock in the accompanying prospectus.

Use of proceeds

We will not receive any proceeds from the sale by the selling stockholder of Class A Common Stock in this offering or the concurrent offering.

Dividend policy

On September 9, 2005, our board of directors declared a quarterly dividend of \$0.075 per outstanding share of our Class A and Class B Common Stock. The declaration and payment of future dividends to holders of our common stock will be at the discretion of our board of directors and will depend on many factors, including our financial condition, earnings, capital requirements of our subsidiaries, legal requirements, regulatory constraints and other factors as the board of directors deems relevant.

New York Stock Exchange symbol

Our Class A Common Stock is listed on the New York Stock Exchange under the symbol GNW.

Unless otherwise indicated, all information in this prospectus supplement assumes the underwriters' over-allotment options in this offering and the concurrent offering have not been exercised.

Table of Contents**USE OF PROCEEDS**

We will not receive any proceeds from the sale by the selling stockholder of Class A Common Stock in this offering.

PRICE RANGE OF COMMON STOCK

Our Class A Common Stock is listed on the New York Stock Exchange under the symbol GNW. The following table sets forth the high and low intraday sales prices per share of our Class A Common Stock, as reported by the New York Stock Exchange, since our initial public offering for the periods indicated.

	<u>High</u>	<u>Low</u>
2004:		
Second Quarter (commencing May 25, 2004)	\$ 23.04	\$ 18.75
Third Quarter	\$ 23.99	\$ 20.75
Fourth Quarter	\$ 27.84	\$ 22.77
2005:		
First Quarter	\$ 29.80	\$ 25.72
Second Quarter	\$ 31.00	\$ 26.80
Third Quarter (through September 12, 2005)	\$ 33.50	\$ 29.60

The last reported sale price of our Class A Common Stock on the New York Stock Exchange on September 21, 2005 was \$29.60 per share.

As of September 21, 2005, we had 96 holders of record of our Class A Common Stock.

All the shares of Class B Common Stock are owned by GEFAHI, and there is no public market for these shares.

DIVIDEND POLICY

On September 9, 2005, our board of directors declared a quarterly dividend of \$0.075 per outstanding share of our Class A and Class B Common Stock. This represents an increase of 15% per share from our previous quarterly dividend of \$0.065 per share. The dividend is payable on October 27, 2005, to holders of record as of the close of business on October 12, 2005.

The board of directors decided to increase the quarterly dividend after considering our financial condition, earnings, capital requirements of our subsidiaries, legal requirements, regulatory constraints and other factors. The declaration and payment of future dividends to holders of our

Edgar Filing: GENWORTH FINANCIAL INC - Form 424B3

common stock will be at the discretion of our board of directors and will depend on the board of directors' consideration of factors that it deems relevant.

We are a holding company and have no direct operations. As a result, our ability to pay dividends in the future will depend on receiving dividends from our subsidiaries. Our insurance subsidiaries are subject to the laws of the jurisdictions in which they are domiciled and licensed and consequently are limited in the amount of dividends that they can pay. See Item 1. Business Regulation in our annual report on Form 10-K, which is incorporated by reference in the accompanying prospectus.

S-11

Table of Contents**CAPITALIZATION**

The following table sets forth our cash and cash equivalents and capitalization as of June 30, 2005. Neither this offering nor the concurrent offering will have an impact on the amounts shown in this table (except for the reclassification of issued and outstanding shares from Class B Common Stock to Class A Common Stock).

You should read this information in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations and our financial statements and the related notes included in our annual report on Form 10-K and our quarterly reports on Form 10-Q incorporated by reference in the accompanying prospectus.

<u>(Dollar amounts in millions)</u>	<u>June 30, 2005</u>
Cash and cash equivalents	\$ 1,518
Borrowings and other obligations:	
Short-term borrowings(1)	529
Long-term borrowings:	
Yen notes(2)	521
Senior notes(3)	1,895
Total long-term borrowings	2,416
Non-recourse funding obligations(4)	1,100
Borrowings related to securitization entities(5)	754
Senior notes underlying Equity Units(6)	600
Series A Preferred Stock, mandatorily redeemable, liquidation preference \$50 per share	100
Total borrowings and other obligations	5,499
Stockholders' interest:	
Class A Common Stock, \$0.001 par value; 1.5 billion shares authorized; 246.9 million shares issued and outstanding (including 19.4 million shares held in treasury)	
Class B Common Stock, \$0.001 par value; 700 million shares authorized; 243.2 million shares issued and outstanding	
Additional paid-in capital	10,651
Total paid-in capital	10,651
Accumulated non-owner changes in stockholders' interest	2,164
Retained earnings	1,191
Treasury stock, at cost (19.4 million shares as of June 30, 2005)	(500)
Total stockholders' interest	13,506
Total capitalization	\$ 19,005

(1)

Edgar Filing: GENWORTH FINANCIAL INC - Form 424B3

On September 19, 2005, we completed a public offering of \$350 million aggregate principal amount of 4.950% Senior Notes due 2015. We intend to apply the net proceeds to reduce our outstanding commercial paper borrowings, included in short-term borrowings.

- (2) Represents 1.6% notes due 2011, denominated in Japanese yen. For a description of the Yen notes, see note 14 to our financial statements included in our annual report on Form 10-K, which is incorporated by reference in the accompanying prospectus.
- (3) Represents LIBOR floating rate senior notes due 2007, 4.75% senior notes due 2009, 5.75% senior notes due 2014 and 6.50% senior notes due 2034. For a description of the senior notes, see note 14 to our financial statements included in our annual report on Form 10-K, which is incorporated by reference in the accompanying prospectus. As described in note 1 above, on September 19, 2005, we completed a public offering of \$350 million aggregate principal amount of 4.950% Senior Notes due 2015.

S-12

Table of Contents

- (4) For a description of our outstanding non-recourse funding obligations, see note 14 to our financial statements included in our annual report on Form 10-K, which is incorporated by reference in the accompanying prospectus. We intend, from time to time, to engage in similar non-recourse funding transactions to finance statutory reserves required by the Valuation of Life Insurance Policies Regulation (known as Regulation XXX).
- (5) Reflects borrowings associated with certain securitization entities that we were required to include in our financial statements upon adoption of FASB Interpretation 46, Consolidation of Variable Interest Entities. Upon its adoption, GE Capital, of which we are an indirect subsidiary, was required to consolidate the funding conduit it sponsored. As a result, assets and liabilities of certain previously off-balance sheet securitization entities were required to be included in our financial statements because the funding conduit no longer qualified as a third party. For more information regarding these arrangements, see Management's Discussion and Analysis of Financial Condition and Results of Operations - Off-balance Sheet Transactions in our annual report on Form 10-K, which is incorporated by reference in the accompanying prospectus.
- (6) Represents notes forming part of our 6.00% Equity Units, which we refer to as the Equity Units. For a description of the terms of our Equity Units, see note 14 to our financial statements included in our annual report on Form 10-K, which is incorporated by reference in the accompanying prospectus.

Table of Contents

SELECTED HISTORICAL AND PRO FORMA FINANCIAL INFORMATION

The following table sets forth selected historical and pro forma financial information. The selected historical financial information as of December 31, 2004 and 2003, and for the years ended December 31, 2004, 2003 and 2002 has been derived from our financial statements, which have been audited by KPMG LLP and are included in our annual report on Form 10-K, which is incorporated by reference in the accompanying prospectus. The selected historical financial information as of June 30, 2005 and for the six months ended June 30, 2005 and 2004 has been derived from our unaudited combined financial statements, which are included in our quarterly report on Form 10-Q for the quarter ended June 30, 2005, which is incorporated by reference in the accompanying prospectus. The selected pro forma financial information for the year ended December 31, 2004 and as of and for the six months ended June 30, 2004 is unaudited and has been derived from our financial statements. You should read this information in conjunction with the information under Management's Discussion and Analysis of Financial Condition and Results of Operations, our financial statements, the related notes and the accompanying independent registered public accounting firm's report (which refers to a change in accounting for certain nontraditional long-duration contracts and for separate accounts in 2004, variable interest entities in 2003 and goodwill and other intangible assets in 2002), which are included in our annual report on Form 10-K and our quarterly reports on Form 10-Q, which are incorporated by reference in the accompanying prospectus.

In connection with the IPO, we acquired substantially all of the assets and liabilities of GEFAHI. We also acquired certain other insurance businesses that were owned by other GE subsidiaries but managed by members of the Genworth management team. These businesses include international mortgage insurance, payment protection insurance based in Europe, a Bermuda reinsurer and mortgage contract underwriting. In consideration for the assets that we acquired and the liabilities that we assumed in connection with our corporate reorganization, we issued to GEFAHI 489.5 million shares of our Class B Common Stock, \$600 million of our Equity Units, \$100 million of our Series A Preferred Stock, a \$2.4 billion note and a \$550 million contingent note. Shortly after the completion of the IPO, we refinanced the \$2.4 billion note with the proceeds of \$1.9 billion of senior notes and \$500 million of commercial paper.

We have prepared our financial statements as if Genworth had been in existence throughout all relevant periods. Our historical financial statements include all businesses that were owned by GEFAHI, including those that were not transferred to us, as well as the other insurance businesses that we acquired from other GE subsidiaries, each in connection with our corporate reorganization.

Prior to the completion of the IPO, we entered into several significant reinsurance transactions with Union Fidelity Life Insurance Company, or UFLIC, an indirect, wholly-owned subsidiary of GE. As part of these transactions, we ceded to UFLIC, effective as of January 1, 2004, policy obligations under our structured settlement contracts, which had reserves of \$12.0 billion, and our variable annuity contracts, which had general account reserves of \$2.8 billion and separate account reserves of \$7.9 billion, each as of December 31, 2003. These contracts represent substantially all of our contracts that were in force as of December 31, 2003 for these products. In addition, effective as of January 1, 2004, we ceded to UFLIC policy obligations under a block of long-term care insurance policies that we reinsured from The Travelers Life Insurance Company, which had reserves of \$1.5 billion, as of December 31, 2003. In the aggregate, these blocks of business did not meet our target return thresholds, and although we remain liable under these contracts and policies as the ceding insurer, the reinsurance transactions have the effect of transferring the financial results of the reinsured blocks to UFLIC. In addition, as part of the reinsurance transactions, UFLIC ceded to us substantially all of its in-force blocks of Medicare supplement insurance. As of December 31, 2003, these blocks of business had aggregate reserves of \$19 million.

The unaudited pro forma financial information set forth below reflects our historical financial information, as adjusted to give effect to the transactions described below, as if each had occurred as of January 1, 2004. The following transactions are reflected in the pro forma financial information:

the removal of certain businesses of GEFAHI that were not transferred to us in connection with our corporate reorganization;

Table of Contents

the reinsurance transactions with UFLIC, including a capital contribution of \$1.836 billion to UFLIC;

the issuance of equity and debt securities to GEFAHI in exchange for the assets that we acquired and the liabilities that we assumed in connection with our corporate reorganization; and

the issuance and sale of \$1.9 billion aggregate principal amount of senior notes and \$500 million of commercial paper.

For more information on these and other pro forma adjustments see the pro forma financial information contained in our annual report on Form 10-K and our quarterly reports on Form 10-Q, which are incorporated by reference in the accompanying prospectus.

The unaudited pro forma financial information below is based upon available information and assumptions that we believe are reasonable. The unaudited pro forma financial information is for illustrative and informational purposes only and is not intended to represent or be indicative of what our results of operations would have been had the transactions described above occurred as of January 1, 2004. The unaudited pro forma financial information also should not be considered representative of our future results of operations.

In addition to the pro forma adjustments to our historical statement of earnings, various other factors will have an effect on our financial condition and results of operations, including those discussed under "Risk Factors" in the accompanying prospectus and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the annual report on Form 10-K and the quarterly reports on Form 10-Q, which are incorporated by reference in the accompanying prospectus.

Table of Contents

(Amounts in millions, except per share amounts)	Historical						Pro forma		
	Six months ended June 30,		Years ended December 31,				Six months ended June 30,	Year ended December 31,	
	2005	2004	2004	2003(1)	2002	2001	2000(2)	2004	2004
Statement of Earnings Information									
Revenues:									
Premiums	\$ 3,219	\$ 3,430	\$ 6,559	\$ 6,707	\$ 6,107	\$ 6,012	\$ 5,233	\$ 3,259	\$ 6,388
Net investment income	1,693	2,038	3,648	4,051	3,979	3,895	3,678	1,550	3,160
Net realized investment gains	(6)	24	26	10	204	201	262	21	23
Policy fees and other income	315	453	824	915	939	993	1,053	293	664
Total revenues	5,221	5,945	11,057	11,683	11,229	11,101	10,226	5,123	10,235
Benefits and expenses:									
Benefits and other changes in policy reserves	2,126	2,641	4,804	5,270	4,640	4,474	3,586	2,177	4,340
Interest credited	687	760	1,432	1,624	1,645	1,620	1,456	647	1,319
Underwriting, acquisition, and insurance expenses, net of deferrals	935	1,034	1,902	2,003	1,808	1,823	1,813	879	1,747
Amortization of deferred acquisition costs and intangibles(3)	436	600	1,064	1,264	1,221	1,237	1,394	498	962
Interest expense	141	94	217	140	124	126	126	120	243
Total benefits and expenses	4,325	5,129	9,419	10,301	9,438	9,280	8,375	4,321	8,611
Earnings from continuing operations before income taxes									
	896	816	1,638	1,382	1,791	1,821	1,851	802	1,624
Provision for income taxes	289	288	493	413	411	590	576	289	494
Net earnings from continuing operations	\$ 607(4)	\$ 528	\$ 1,145	\$ 969	\$ 1,380	\$ 1,231	\$ 1,275	\$ 513(4)	\$ 1,130(4)
Net earnings from continuing operations per share(5):									
Basic	\$ 1.27	\$ 1.08	\$ 2.34	\$ 1.98	\$ 2.82			\$ 1.05	\$ 2.31
Diluted	\$ 1.25	\$ 1.08	\$ 2.33	\$ 1.98	\$ 2.82			\$ 1.05	\$ 2.30
Shares outstanding(5):									
Basic	479.6	489.5	489.5	489.5	489.5			489.5	489.5
Diluted	485.9	490.1	490.5	489.5	489.5			490.1	490.5
Selected Segment Information									
Total revenues:									
Protection	\$ 3,047	\$ 3,083	\$ 6,064	\$ 6,143	\$ 5,605	\$ 5,443	\$ 4,917	\$ 2,954	\$ 5,935
Retirement Income and Investments	1,470	1,945	3,361	3,803	3,756	3,721	3,137	1,475	2,891
Mortgage Insurance	594	529	1,090	982	946	965	895	529	1,090
Affinity(6)		218	218	566	588	687	817		
Corporate and Other	110	170	324	189	334	285	460	165	319
Total	\$ 5,221	\$ 5,945	\$ 11,057	\$ 11,683	\$ 11,229	\$ 11,101	\$ 10,226	\$ 5,123	\$ 10,235

Edgar Filing: GENWORTH FINANCIAL INC - Form 424B3

Net earnings (loss) from continuing operations:																		
Protection	\$	271	\$	253	\$	528	\$	487	\$	554	\$	538	\$	492	\$	252	\$	527
Retirement Income and Investments		120		78		153		151		186		215		250		73		148
Mortgage Insurance		262		217		426												