NEWS RELEASE

7 May 2009

Old Mutual plc Interim Management Statement
For the three months ended 31 March 2009

Group capital position further strengthened

- Pro-forma FGD surplus at 31 March 2009 of £0.9 billion (31 December 2008: £0.7 billion)
- Individual businesses remain well capitalised

Group sales resilient in light of market conditions

- Long-term savings sales down 14% to £315 million: single premium business affected by low consumer confidence
- Bermuda closed to new business and US Life sales reduced in line with strategy
- Unit trust sales down 14% to £1,458 million: shift by consumers to lower-risk products
- Strong sales growth in South Africa and Nordic, but reductions in UK and International

Solid net client cash flows ("NCCF") and funds under management ("FUM") relative to fall in equity markets

- NCCF of £(2.9) billion: good inflows in Europe of £0.6 billion, but certain PIC funds withdrawn in South Africa as anticipated
- FUM down 6% to £245 billion from 31 March 2008: significantly less than the reduction in market levels due to solid investment performance and favourable currency effects

Further de-risking of Bermuda and US Life businesses

- Bermuda hedging effectiveness further improved to 95% and soft-close of higher-risk funds
- US Life operations restructured and product range significantly rationalised in line with plan
- Increased cash holdings in US Life asset portfolio
- Quarterly impairment charge in US Life significantly declined and no bond defaults experienced

Julian Roberts, Group Chief Executive, commented:

"The Group has delivered a solid performance for the first quarter despite the operating environment being profoundly different to the same period last year. Sales were affected by a shift in consumer sentiment, the closure of Bermuda to new business and the deliberate downsizing of our US Life business. Our Nordic and South African businesses, where we have significant scale, once again performed well.

Funds under management have held up well over the past year relative to the marked fall in equity markets, and we continue to tighten expenses across the Group.

Strengthening our capital position remains a key priority for the Group and I am pleased to report that our FGD surplus now stands at £0.9 billion, a significant increase on the year end principally as a result of accrued profits and a Nedbank subordinated debt issue."

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GROUP RESULTS

Group Highlights at 31 March 2009 (£m)	**Q1 YTD 2009**	Q1 YTD 2008	% Change	Constant currency % Change
Life assurance sales (APE)	**316**	**423**	**(25%)**	**(33%)**
Long-Term Savings - Life assurance sales (APE)	315	368	(14%)	(20%)
OMSA and Rest of Africa	*81*	*77*	*5%*	*1%*
Europe	*213*	*259*	*(18%)*	*(21%)*
US Life	*21*	*32*	*(34%)*	*(52%)*
Asia Pacific	*n/a*	*n/a*	-	-
Bermuda – Life assurance sales (APE)	1	55	*(98%)*	*(99%)*
Unit trust / mutual funds sales	**1,458**	**1,688**	**(14%)**	**(23%)**
Long-Term Savings - Unit trust / mutual fund sales	1,266	1,399	(9%)	(15%)
OMSA and Rest of Africa	*430*	*324*	*33%*	*27%*
Europe	*807*	*1,006*	*(20%)*	*(26%)*
US Life	*n/a*	*n/a*	-	-
Asia Pacific	*29*	*69*	*(57%)*	*(57%)*
US Asset Management	192	289	(34%)	(52%)
Group Highlights at 31 March 2009 (£bn)	**Q1 2009**	Q1 2008	Annualised % opening FUM	
Net Client Cash Flows	**(2.9)**	**2.1**	(4%)	
	Q1 2009	FY 2008	% Change	
Funds under management	**245.0**	**264.8***	(7%)	(8%)

Includes Australian business disposed of in 2009, which had funds under management of £3.3 billion at 31 December 2008

Overview

During the three months to 31 March 2009 ("the period"), the Old Mutual Group focused on delivering solid operational performance in significantly more challenging market conditions compared to the three months to 31 March 2008 ("the comparative period"). The weak market conditions experienced throughout 2008 continued in the first quarter of 2009 with the FTSE 100 falling 11% from the 2008 year end position and the JSE All Share Index falling 5% over the same period. Both indices were down 31% since the position at 31 March 2008. In the US, the S&P 500 was down 12% and down 39% since 31 December 2008 and 31 March 2008 respectively. The South African rand, Swedish krona, US dollar and the Euro all appreciated against sterling over the period and this had a favourable impact on our headline sales numbers for the period.

Global market conditions have had an effect on our total funds under management. However, at £245.0 billion, these were reduced by only 7% from the position at 31 December 2008 and reduced by only 6% since 31 March 2008. This reflects the relatively defensive nature of our clients' assets, neutral client cash flows and overall sound investment performance. On a like-for-like basis, net of Skandia Australia which was sold during the period, funds under management were down only 6%. Net client cash outflows of £2.9 billion were mainly affected by the withdrawal of certain PIC funds in OMSA (as previously announced) as well as negative flows in our US Asset Management boutiques. Europe, however, contributed positive flows of £0.6 billion, demonstrating resilience in light of the market conditions. The overall Group APE margin was in line with expectations.

CAPITAL MANAGEMENT

Financial position

The Group's pro-forma Financial Groups Directive ("FGD") surplus was £0.9 billion at 31 March 2009 compared to £749 million at 31 December 2008 with the increase during the period principally as a result of accrued profits as well as approximately £40 million from a Nedbank subordinated debt issue. The FSA requirement is to maintain a positive surplus at all times.

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The principal risk to the Group's FGD surplus, remains the level of defaults and impairments in the US. During the period, impairments were $43 million (gross) and there were no defaults. Sensitivities to market movements, although not linear, are that a 1% fall in South African rand against sterling is broadly equivalent to a £14 million reduction in FGD and a 1% fall in Swedish krona against sterling is broadly equivalent to a £7 million fall in FGD. The Group's exposure to the USD and JSE are both substantially hedged at current levels.

Capital and liquidity

Capital requirements are set by the Board, taking into account the need to maintain desired credit ratings and to meet regulatory requirements at both the Group and local business level. The Group's overall capital position remains comfortable, with gearing in line with the internal target.

All our Long-Term Savings businesses are well capitalised. Our products in Europe are capital-light by their nature and therefore present very little capital risk. In South Africa, we have the strongest capital position and credit rating in the long-term insurance industry. We have hedges in place to protect against equity falls and have changed the asset allocation to reduce our exposure to equities. Our Bermuda business has significant excess capital over regulatory requirements and our US Life business maintained a Risk Based Capital ratio in line with its operating target. Nedbank's key ratios also demonstrate its strong capital position.

The Group continues to meet Group and individual entity capital requirements, and day-to-day liquidity needs through the Group's available credit facilities. The Company's primary existing revolving current facility of £1.25 billion does not mature until September 2012. The Group's available cash and facilities have not changed materially since 31 December 2008.

LONG-TERM SAVINGS: Old Mutual South Africa (OMSA) and Rest of Africa

In OMSA, our life recurring-premium sales (APE basis) of R763 million were up 9% over the comparative period driven by a combination of a 12% increase in sales of risk products and a 6% increase in savings product sales. The Retail Mass segment produced growth of 42% in recurring-premium risk sales, demonstrating the benefit of the larger sales force and its increased focus on risk products. In the Corporate segment, group life assurance sales increased by 55% against a slow start in 2008. In the Retail Affluent segment, *Greenlight* sales were up 9%, but credit life sales were lower because the comparative period included the acquisition of a book of credit life. Life single-premium sales (APE basis) of R331 million were down 13% on the comparative period impacted by the weaker economic climate and concerns over financial market stability. Corporate sales were at consistent levels with the comparative period, but a greater proportion of the flows went into low-risk and low-margin investments.

Rest of Africa life sales (APE basis) were R59 million, with recurring premium sales under some pressure given the market conditions.

In OMSA we achieved excellent unit trust sales of R5,439 million, up 24% over the comparative period, with strong money market inflows as investors stayed away from the underperforming equity markets. Significantly improved unit trust sales were recorded in Rest of Africa at R698 million, up 54% over the comparative period.

In OMIGSA, at the end of the period, overall performance was weaker than at the end of 2008. Over one year to the end of March 2009, 52% of peer group funds outperformed the median, compared to 55% at the end of 2008. Over three years to the end of March 2009, we declined to 24% outperforming from 40% at the end of 2008. On performance against benchmark at the end of March 2009, 31% of funds measured against benchmark were outperforming over one year, compared to 38% at the end of 2008. Over three years 26% of funds outperformed benchmarks to the end of March 2009 compared to 36% for the three years to the end of 2008.

Net client cash outflows of R2.2 billion (excluding the PIC outflow of R21.7 billion) reduced by 39% over the comparative period. There was a significant improvement in inflows as a result of strong sales. The outflows (excluding PIC) increased slightly as a result of higher rates of withdrawals, partially offset by lower levels of benefits related to lower asset levels.

OMSA funds under management were R415.8 billion, down 11% on 31 December 2008 largely as a result of the net client cash outflows (including the PIC withdrawal) and declining equity markets. Rest of Africa funds under management reduced only 3% over the period to R6.8 billion at 31 March 2009.

We have concluded an agreement to acquire 100% of all shares and claims in ACSIS, a South African asset management firm. The transaction still awaits approval by the Competition Commission. ACSIS's total funds under management, advice and administration are over R20 billion. The acquisition of ACSIS will enable OMSA to gain access to a niche group of private and retirement fund clients, which ACSIS has served for many years.

LONG-TERM SAVINGS: Europe (UK, International, Nordic, Europe and Latin America (ELAM))

Life sales (APE basis) were £213 million, down 18% over the comparative period, with excellent sales in Nordic which were up 21% in local currency. However, sales of single premium products in the UK and International were down a combined 40%, a reflection of low consumer confidence in these markets. In the UK, a significant increase of 62% in sales of products on the Skandia platform was experienced in the period, influenced largely by the re-price in September 2008. This partially offset the decline in sales in the more traditional sector. Total sales in the UK were consistent with the fourth quarter of 2008.

Swedish unit-linked sales were up 13% over the comparative period, driven by the investment portfolio product *Depå* that was launched in 2008. Unit-linked sales in Denmark were up 79% over the comparative period mainly due to a shift from Liv into Link products, arising from a change in certain features of the Liv products.

Unit trust sales of £807 million were down 20% over the comparative period, with lower sales in all European regions. This was mainly due to continued market volatility, with customers transferring savings to products with lower risk profiles.

Despite the adverse market conditions, Europe continued to attract positive net client cash flows of £0.6 billion in the period, representing 5% of opening funds under management on an annualised basis. The positive performance was driven by strong sales and lower outflows in Nordic, and positive flows in the UK and ELAM.

Funds under management were impacted by the continued market downturn, resulting in a 5% decrease since the beginning of the year to £50.0 billion. However, this compares favourably with the falls in European markets over the equivalent period. Funds under management held up particularly well in the Nordic business, up 2% in local currency, due to very strong net client cash flows.

SkandiaBanken's deposits increased by 8% since 31 December 2008 and reached SEK56.2 billion at 31 March 2009, mainly due to a positive currency effect from Norway and the continued effect of the introduction of new product offerings. These include the high-savings accounts in both Sweden and Norway and the fixed-interest accounts in Sweden.

Total lending reached SEK45.5 billion, up 4% from 31 December 2008 (SEK43.8 billion). Approximately 95% of the lending portfolio relates to mortgages which have a high credit worthiness due to sound credit granting over recent years. The remaining 5% of the lending portfolio relates to car and personal loans. The good quality of the lending portfolio is evident in the credit loss ratio, which has remained at a low level of 0.13%.

LONG-TERM SAVINGS: US Life

We continued to transform the US Life business throughout the period and the bulk of our restructuring has been completed. Activities included the reduction in the total number of products on both the annuity and life sides; closure of our Atlanta office; reducing staff numbers in our Baltimore office; scaling back distribution with a focus on top-tier producing agents; and a full review of our outsource model - especially where our third-party service administrators are concerned. We view the business as appropriately sized to meet our revised sales target of $650 million gross sales for the full year and our goal of delivering profitable new business sales through targeted distribution and tightly controlled expenditure.

As a result of reducing the number of products and focusing on top-tier producing agents, we managed down sales and expenses. Fixed indexed annuity sales were down 58% and indexed universal life was down 50% over the comparative period, both being in line with our revised sales plans. Fixed term immediate annuities remain an important offering and one which will be targeted for growth due to the contribution to capital from the product line in the year of sale. Fixed deferred annuities fill the need for customers who seek fixed interest guarantees during times of market volatility and economic instability. Life sales (APE basis) were $30 million for the period. The product profile was streamlined to focus on more profitable sales and products with lower new business capital strain.

We experienced net client cash outflows of $0.4 billion for the period. Funds under management were $14.7 billion as at 31 March 2009, down 1% from the position at 31 December 2008 primarily due to a decrease in the market value of the investment portfolio due to the turbulent market conditions.

Our fixed income portfolio continued to be affected by poor economic and financial market conditions. Book yields remain little changed as no major asset purchases or sales have occurred since year end. We retain 7% of our holdings in cash and short term investments. However, the net unrealised loss position deteriorated to $2.8 billion at 31 March 2009 from $2.3 billion at 31 December 2008, in line with the performance of financial markets. Net IFRS impairments of $12 million were taken during the period and we incurred no defaults on our corporate bond portfolio during the period. During April there was a narrowing of credit spreads that led to a reduction in the unrealised loss position, the net unrealised loss at 30 April 2009 was $2.7 billion.

LONG-TERM SAVINGS: Asia Pacific

As stated in the 2008 Preliminary Results, we sold our interest in Australia and are closing our regional office in Hong Kong. We will continue to generate business through our joint ventures in China (Skandia:BSAM) and in India (Kotak Mahindra Life Insurance). Gross written premiums of £93 million in India were 15% lower than the comparative period, while gross written premiums of £9 million in China were 36% below the comparative period. We have appointed a new Regional Executive at Skandia:BSAM, Lingde Hong.

BERMUDA

Following the completion of a strategic review of the business in March, we concluded that it was unlikely that the business would be able to build and launch new guaranteed products that would meet the Group's risk appetite and provide a satisfactory return on capital. Accordingly, Bermuda closed to new business on 18 March 2009.

In line with our strategic priority to strengthen governance and risk management, our action programme has continued to further de-risk the business. This includes improving operational efficiency and driving down costs. The results of the de-risking programme continue to be successful, with hedge effectiveness to the three months ended 31 March 2009 further improving to 94.8% (from 91.6% for the three months ended 31 December 2008). In addition, the business has executed a soft-close strategy effective 30 April 2009 which prevents policyholders from transferring money into particular funds. OMB remains firmly committed to all existing policy obligations and remains well capitalised.

The net unrealised loss position was $0.2 billion at 31 March 2009 (and unchanged at 30 April 2009) from $0.3 billion at 31 December 2008.

BANKING: NEDBANK GROUP (NEDBANK)

The full text of Nedbank's business update for the three months ended 31 March 2009, released on 7 May 2009, can be accessed on Nedbank's website *http://www.nedbankgroup.co.za*

A key feature of the period was the continued improvement in Nedbank's core Tier 1 capital adequacy ratio which increased to 8.6% at 31 March 2009 from 8.2% at 31 December 2008 and the Tier 1 capital adequacy ratio which increased to 10.0% at 31 March 2009 from 9.6%. Nedbank Group privately placed a 13 year (non-call eight year) $100 million listed lower Tier 2 subordinated unsecured fixed rate note with an international investor. These together resulted in the total capital adequacy increasing to 13.2% at 31 March 2009 from 12.4% at 31 December 2008, now marginally above the top end of Nedbank's revised total capital adequacy target range of 11.5% to 13.0%. This is consistent with Nedbank's strategy to maintain strong capital adequacy ratios during the current market dislocation.

The credit environment remains challenging. Nedbank's impairment charge increased by 108% from R881 million for the comparative period to R1,834 million in the current period. This was up 7% compared to the R1,715 million charge for the three months ended 31 December 2008, reflecting a slowing of the rate of deterioration in impairments. The credit loss ratio increased from 1.56% for the three months ended 31 December 2008 to 1.67% for the period. Although interest rates are currently expected to fall another 200 basis points this year, there is a lag before the benefits from this are reflected in improved debt servicing and thereafter in reduced impairment trends. Credit loss ratios across the divisions increased from 2008 year end levels, but the Nedbank Corporate book still reflects low impairment levels.

Net interest income (NII) grew by 7% to R4,128 million over the comparative period due to interest-bearing asset growth of 19.3% compared to the same period last year and a narrowing of the net interest margin (NIM). NIM reduced from 3.66% for the full year 2008 to 3.48% for the period, largely as a result of margin compression from the increased cost of funds, balance sheet mix and the effect of assets re-pricing faster than liabilities. Ongoing re-pricing initiatives, in line with Nedbank's strategy to maximise economic profit, have assisted in widening asset margins on new business being written and the pressure on liability pricing is forecast to alleviate as money markets price in interest rate cuts. The effect of reduced endowment on capital as interest rates reduce is likely to increase and be felt for the remainder of the year.

Non-interest revenue (NIR) for the period increased over the comparative period by 11% to R2,551 million. Commission and fee income grew by 3% comprising mid single digit growth in Nedbank Retail, Nedbank Corporate and Nedbank Business Banking and lower fee income in Nedbank Capital. Trading income was pleasing and continued to grow as global markets and treasury benefited from increased cross-sell, improved margins, and improved contributions from equity capital markets. As expected, private equity revaluations decreased in line with market benchmarks. NIR also benefited from additional fair value adjustments on subordinated debt and related swap hedges.

Advances increased by 6% on an annualised basis from R434.2 billion at 31 December 2008 to R441.0 billion at 31 March 2009. Total assets at 31 March 2009 amounted to R560.4 billion, down marginally from the R567.0 billion at 31 December 2008. This drop in total assets arose mainly from the maturity of additional liquid assets that were accumulated prior to year end and repayment of the associated funding. Deposits of R465.7 billion at 31 March 2009 were in line with the R466.9 billion at 31 December 2008, with retail deposit growth of 8% (annualised) remaining solid and reflecting the success of retail products launched in the past year to target this client base.

Nedbank retained a conservative liquidity position with an ongoing focus on lengthening the bank's funding profile through various deposit bases, products and capital markets. Nedbank will continue to focus on prudent capital and liquidity management and maximising the longer term potential rather than seeking to maximise short term profitability. Given the uncertain global market conditions, the progressive deterioration in consensus expectations for domestic economic prospects and the faster than anticipated reduction in interest rates, Nedbank remains cautious on its earnings outlook for the 2009 year. Diluted headline and basic earnings per share are expected to be lower than the 2009 outlook given at the time of announcing the 2008 results. Nedbank remains solidly profitable, although at levels below the prior year, and is well positioned to meet the challenges facing the banking sector.

GENERAL INSURANCE: MUTUAL & FEDERAL

Mutual & Federal's business update for the three months ended 31 March 2009, released on 7 May 2009, can be accessed on Mutual & Federal's website *http://www.mf.co.za*

Growth proved particularly challenging during the period, with gross premiums declining by 7% over the comparative period. This was largely due to a 43% reduction in personal schemes premiums, following the cancellation of a number of unprofitable portfolios in 2008. In addition, Risk Finance premiums contracted by 16% due to a reduction in reinsurance received from furniture retailers.

Following the decline in premiums, the solvency margin (the ratio of net assets to net premiums) increased to 42% at 31 March 2009 from 41% at 31 December 2008.

The company has successfully completed a reorganisation to move operations from a fully decentralised structure to a regionalised basis. This was accompanied by the partial implementation of a new sophisticated insurance system which is expected to produce substantial service and economic benefits when employed for all portfolios.

US ASSET MANAGEMENT

Old Mutual Capital mutual fund sales and OMAM UK unit trust sales for the period were $141 million and $134 million respectively, down a combined 52% on the comparative period as a result of the depressed selling environment.

Our member firms continue to deliver resilient long-term investment performance. At 31 March 2009, 53% of assets had outperformed their benchmarks over the trailing three-year period and 53% of assets were ranked above the median of their peer group over the trailing three-year period.

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Net client cash outflows for the period were $2.0 billion. A number of our affiliates, including Heitman and 2100 Xenon, generated positive flows during the period. Our track record of investment performance, coupled with our diverse multi-boutique model, positions us well to continue to retain clients despite the current market climate and attract net inflows when conditions return to more normal levels.

At 31 March 2009 our funds under management were $222.1 billion, down $18.2 billion, 8% from 31 December 2008. Negative market returns accounted for $16 billion of the reduction. Whilst the S&P 500 deteriorated by 39% since 31 March 2008, our funds under management reduced by only 30% over the equivalent period. We continue to focus on prudent expense management in the current climate and investing in distribution to position the business better as markets recover.

Subsequent to the period end, we announced the closure of one of our affiliates Clay Finlay, a growth-oriented global equity management firm, which had funds under management of $1.8 billion as at 31 March 2009.

MATERIAL EVENTS AND TRANSACTIONS

Other than as disclosed in the relevant business units in this Interim Management Statement, there have been no material events and transactions since 31 March 2009.

Interim Management Statement

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Notes to Editors:

A conference call for analysts and investors will take place at 9.00 a.m. (BST), 10.00 a.m. (CET and South African time) today. Analysts and investors who wish to participate in the call should dial the following numbers quoting conference ID 2391453:

UK (free call)	0800 028 1277
SA (free call)	0800 991 539
Sweden (free call)	020 792 623
US (free call)	1888 935 4577
International	+44 (0)20 7806 1957

Playback (available until midnight on 21 May 2009), access code: 2391453#:

UK (free call)	0800 559 3271
US (free call)	1866 239 0765
Standard international	+44 (0)20 7806 1970

Copies of this Interim Management Statement, together with high-resolution images and biographical details of the Executive Directors of Old Mutual plc, are available in electronic format to download from the Company's website at www.oldmutual.com.

This Interim Management Statement has been prepared in accordance with section 4.3 of the Disclosure and Transparency Rules (DTR) and covers the period 1 January to 6 May 2009. The three month business update is included in this Interim Management Statement.

A Financial Disclosure Supplement relating to the Company's three month business update can be found on its website. This contains certain additional financial data for the first three months of 2009 and 2008.

Cautionary statement

This announcement has been prepared solely to provide additional information to shareholders to assess the Group's strategies and the potential for those strategies to succeed. It should not be relied on by any other party or for any other purpose.

This announcement contains forward-looking statements with respect to certain of Old Mutual plc's plans and its current goals and expectations relating to its future financial condition, performance and results. By their nature, all forward-looking statements involve risk and uncertainty because they relate to future events and circumstances that are beyond Old Mutual plc's control, including, among other things, UK domestic and global economic and business conditions, market-related risks such as fluctuations in interest rates and exchange rates, policies and actions of regulatory authorities, the impact of competition, inflation, deflation, the timing and impact of other uncertainties or of future acquisitions or combinations within relevant industries, as well as the impact of tax and other legislation and other regulations in territories where Old Mutual plc or its affiliates operate.

As a result, Old Mutual plc's actual future financial condition, performance and results may differ materially from the plans, goals and expectations set forth in Old Mutual plc's forward-looking statements. Old Mutual plc undertakes no obligation to update any forward-looking statements contained in this announcement or any other forward-looking statements that it may make.