

Old Mutual plc

“Breaking Down the Barriers”

11 October 2000

MERRILL LYNCH

Banking and Insurance Conference



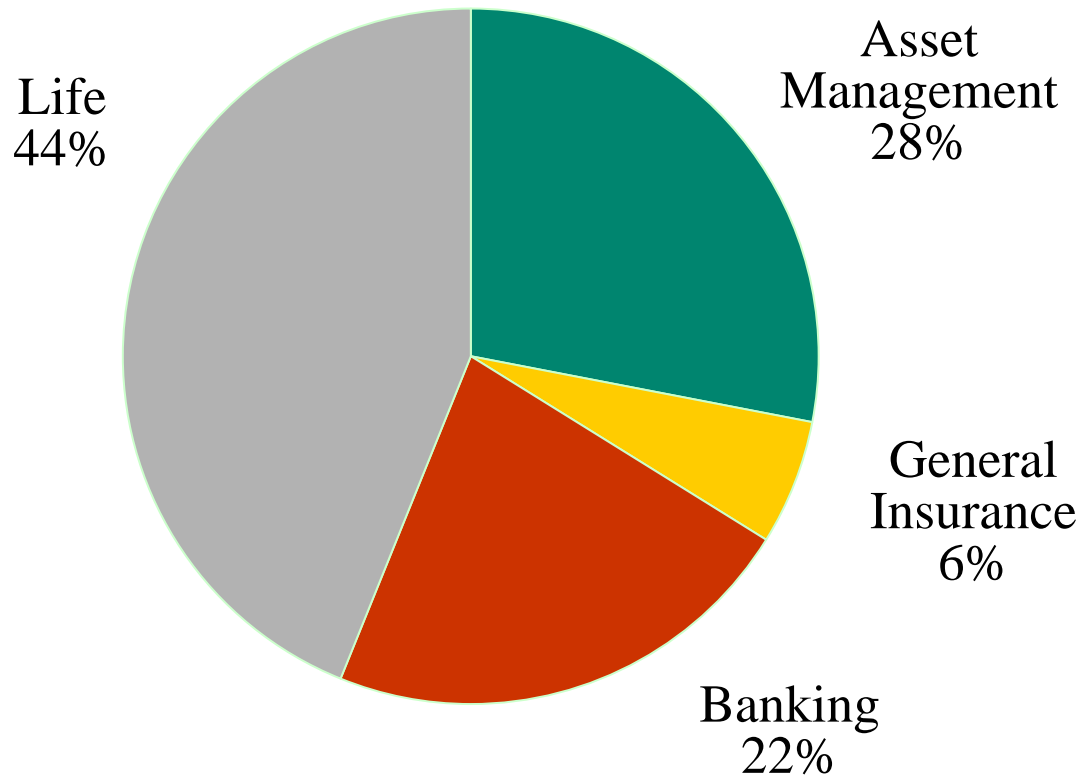
Mike Levett - Chairman and Chief Executive

- Overview
- Asset Management Businesses
- Life Businesses
- Nedcor
- Closing

Key Financial Indicators

| | |
|--|--------------|
| Market capitalisation | £5.8bn |
| Embedded value (30/6/2000) | £5.2bn |
| Operating profits (year to 31/12/99) | £661m |
| Operating profits (6 months to 30/6/00) | £457m (+61%) |
| Smoothed earnings per share | 9.0p (+50%) |
| Underlying profit growth (6 months to 30/6/00) | 26% |
| Funds under management (30/6/2000) | £51.8bn |

Pro-forma Operating Profit - Post UAM



Pro-forma smoothed operating profit for year to December 1999

Delivering against our strategy

Strategy

Achievement

*Optimising value in
core businesses*

- Strengthened management
- Operating profit growth
- Bancassurance
- New products

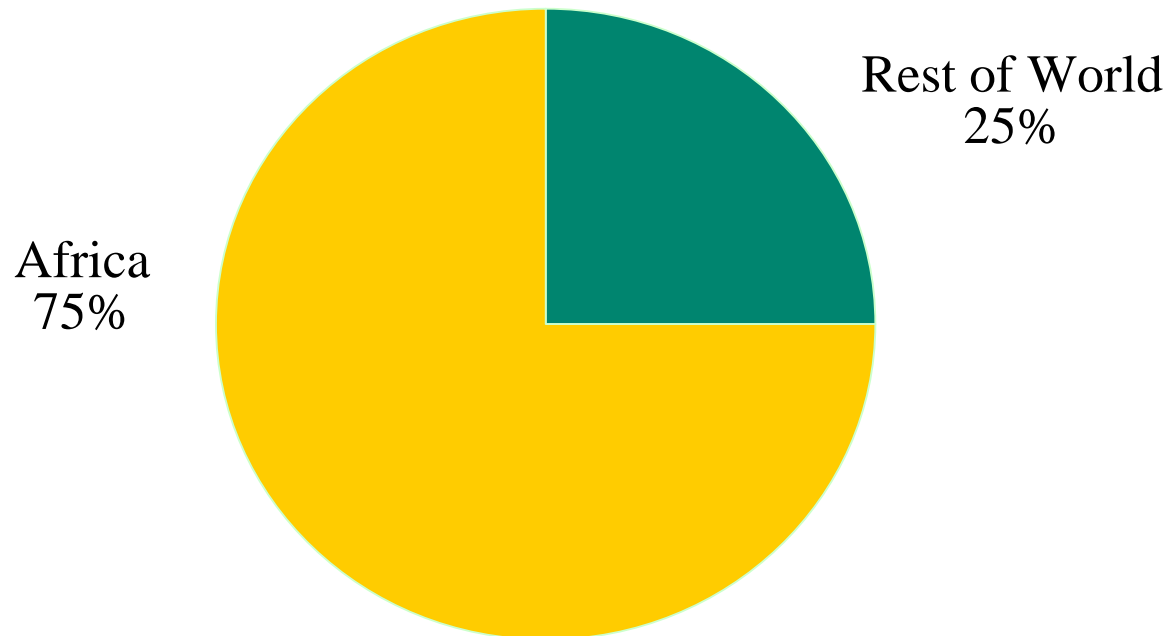
*Growing related
businesses*

- Gerrard acquisition
- UAM acquisition
- Nedcor - FBC Fidelity acquisition
- M&F - CGU (SA) acquisition

*Options for future
growth*

- Technology initiatives
- Indian joint venture

Pro- forma Operating Profit - Post UAM

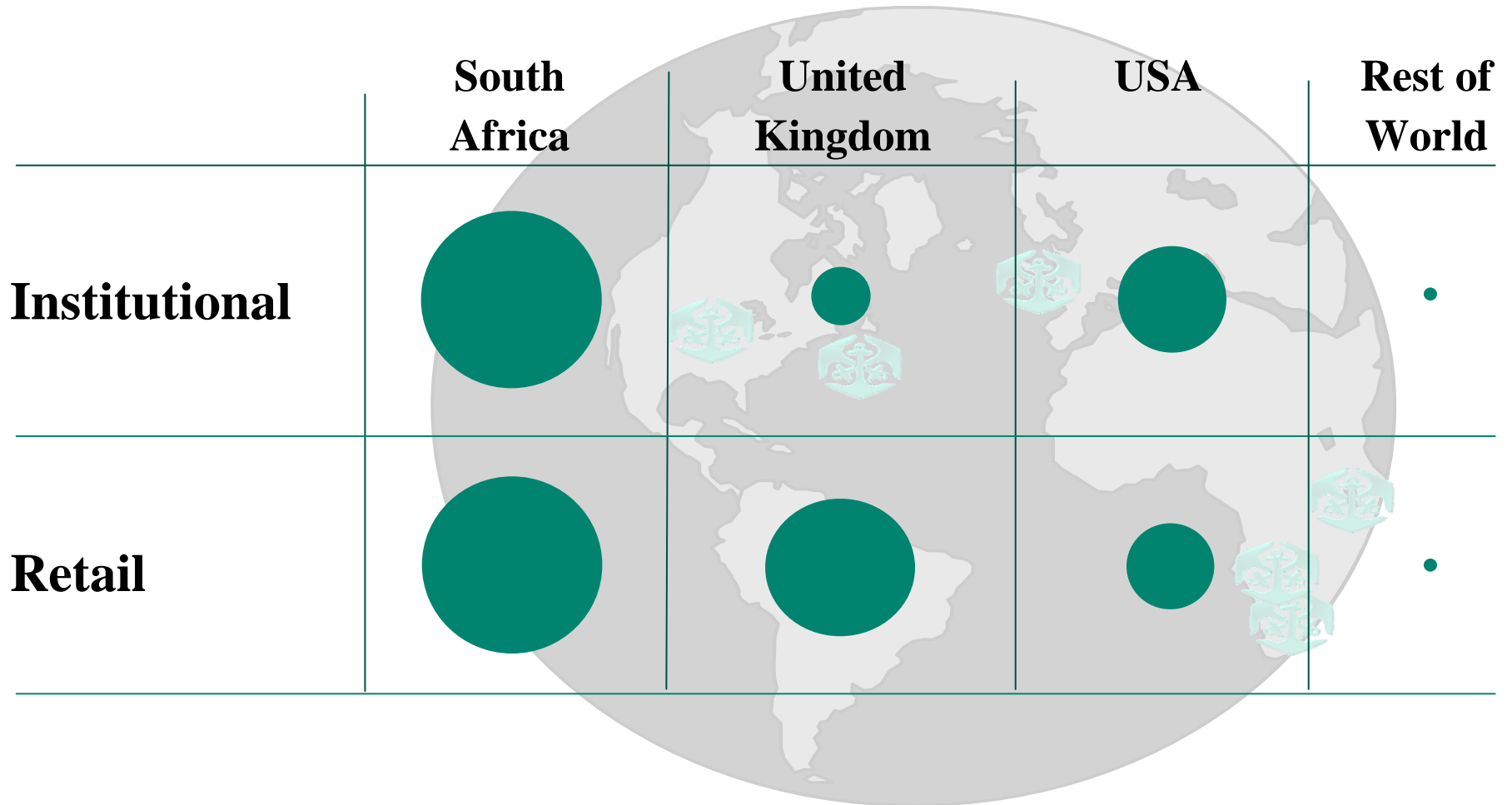


Pro-forma operating profit for year to December 1999

Asset Management

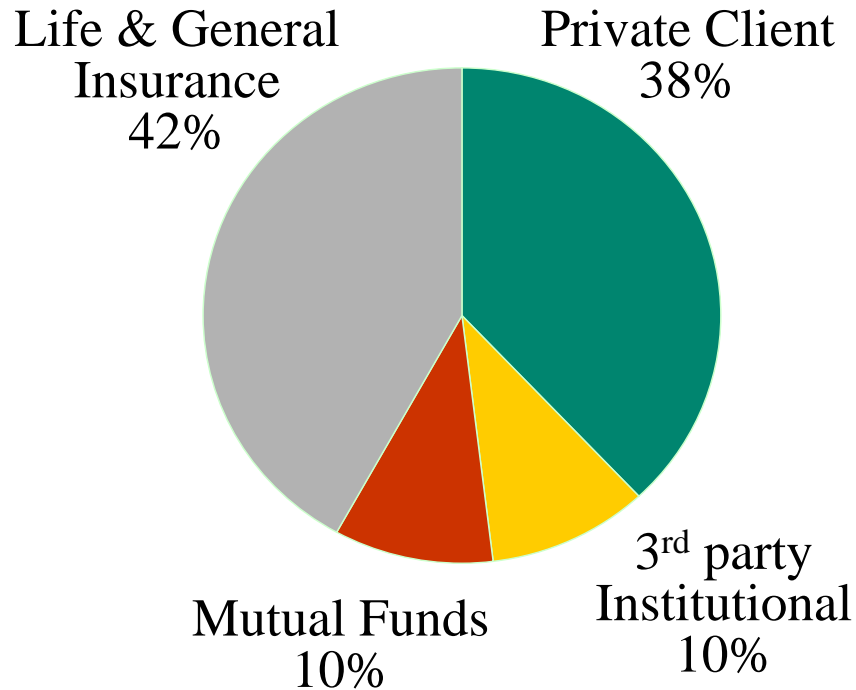


Asset Management

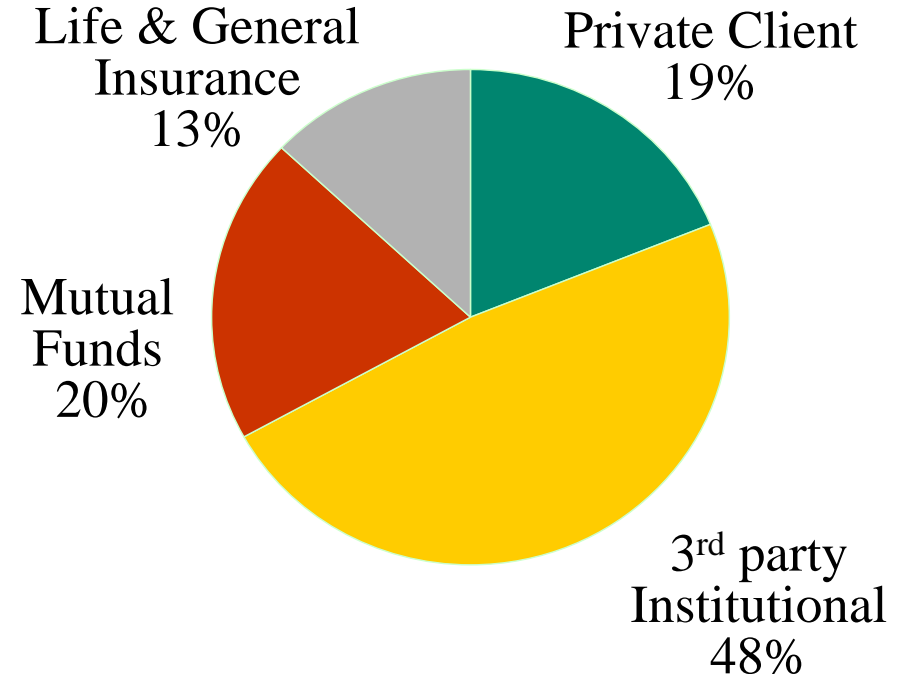


Assets Under Management

Pre-UAM



Post-UAM



United Asset Management

- 41 affiliates
- \$195 billion of assets under management
- Some \$300 million in EBITDA
- Range of investment management services to institutions, retail mutual funds and high net worth investors
- Client reach throughout the US, Canada and international
- Headquartered in Boston

Acquisition of UAM - Financials

- \$1.5 bn equity and \$0.7 bn of debt
- 8x EBITDA / 1.2% of Assets Under Management
- Consolidated from October 2000
- Accretive to cash EPS (pre synergies)
- Pro forma Old Mutual gearing ratio <30%

Strategic Fit

Acquisition of UAM consistent with goal of creating world-class global asset management capability

- ✓ Advances international growth strategy
- ✓ Expands asset management business in major money centres
- ✓ Builds multi-style capability
- ✓ Grows third party funds
- ✓ Leverages multi-channel distribution

Unlocking The Value

Old Mutual



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graph TD; OM[Old Mutual] --- OMAM[OMAM US Multi-style 7-10 affiliates]; OM --- PB[Pilgrim Baxter Mutual Funds]; OM --- UAM[UAM Strategic Review Group 30+ affiliates];
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OMAM US
Multi-style
7-10 affiliates

Pilgrim Baxter
Mutual Funds

UAM
Strategic Review Group
(30+ affiliates)

UK Private Client - CCS/GM

- Leading private client stockbroker
 - 250 000 customers
- Cost savings / synergies - 2002
- Significant growth market
- Advanced technology initiatives
- New CEO appointed

Life Business



Life business - KPI's

| | Half year to 30 June 2000 £m | Full year to 31 Dec 1999 £m |
|---|------------------------------------|-----------------------------------|
| Assets supporting life liabilities | 23,200 | 19,300 |
| Capital allocated | 2,200 | 2,200 |
| Life assurance operating profit | 135 | 189 |
| Smoothed investment return at 14% | 154 | 308 |
| Operating profit including LTIR | 289 | 497 |
| Tax at 30% | (41) | (57) |
| Life profit indicator | 248 | 440 |
| Return on assets (annualised) | 2.1% | 2.3% |
| Return on capital allocated | 23% | 20% |

Driving value forward - Life assurance

Optimising value in core businesses

- Operating profit growth
- Cost control
- Bancassurance
- Major IT infrastructure
- Key appointments

Future growth

- Investment Frontiers in the UK
- India JV
- New products
- Internet enablement

Nedcor

- EPS up 25%
- Return on average shareholders' funds increased to 24%
- Cost to income ratio down to 52%
- 2 million customers
- Bancassurance
- Technology activities

Driving Value Forward

- Committed to growing Shareholder Value
- Benchmarking against world-best practices
- Build our core businesses
- Grow internationally
- Management