

Old Mutual plc

“Breaking Down the Barriers”

11 October 2000

MERRILL LYNCH

Banking and Insurance Conference



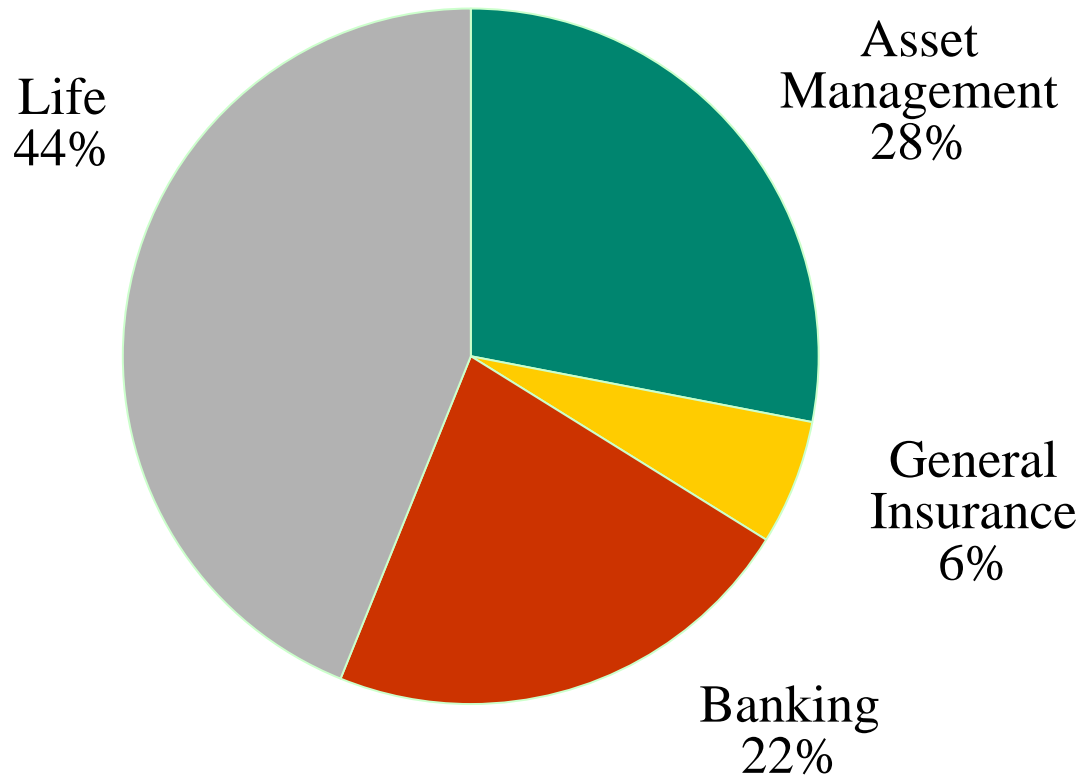
Mike Levett - Chairman and Chief Executive

- 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

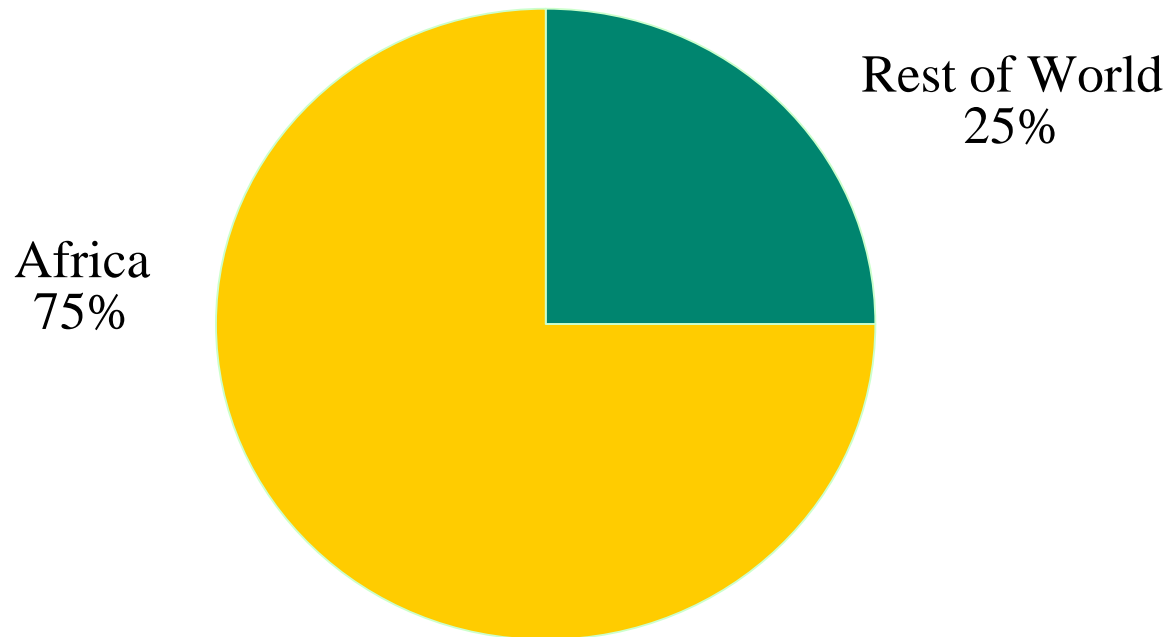
*Growing related
businesses*

- 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

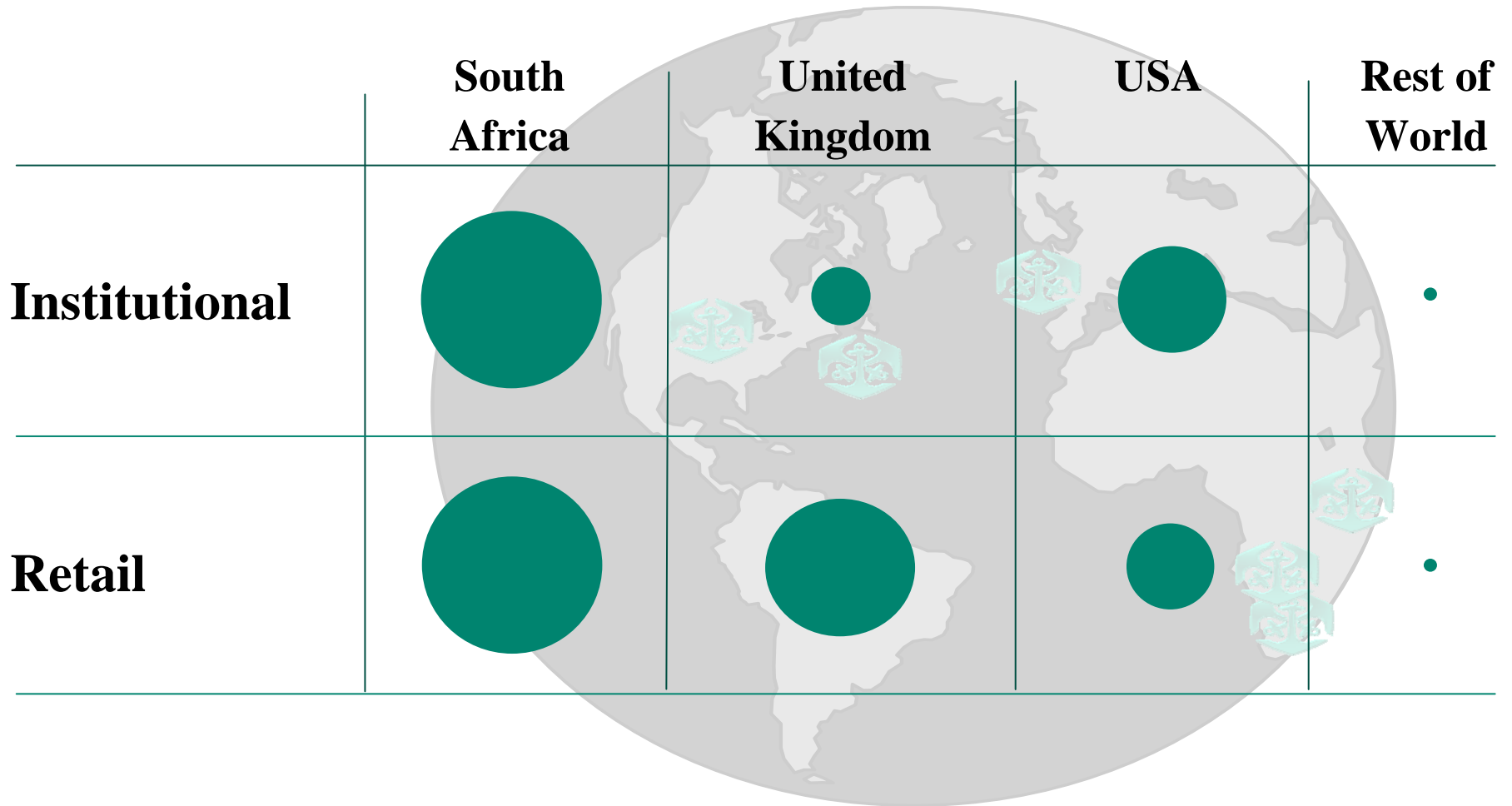


Pro-forma operating profit for year to December 1999

Asset Management

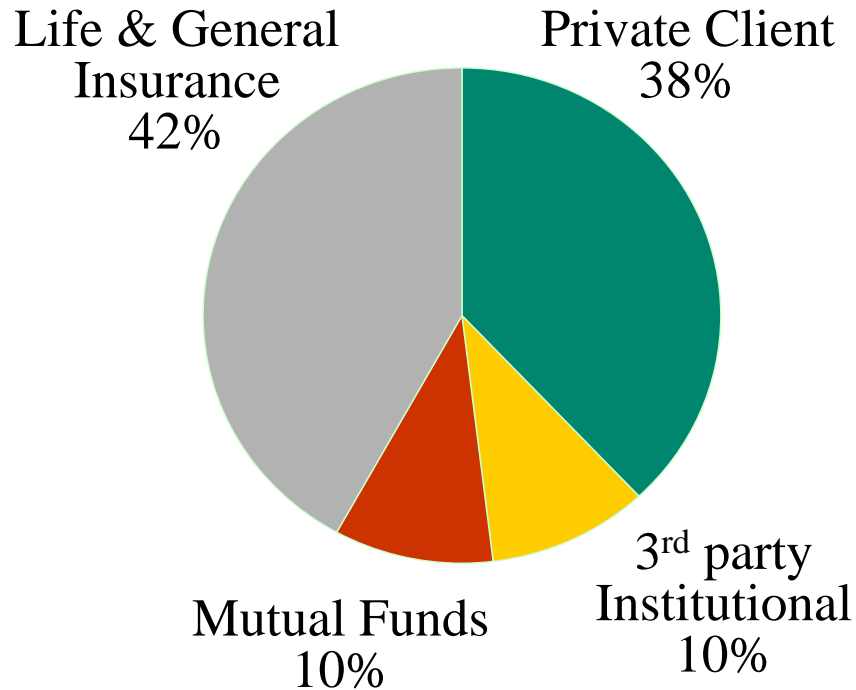


Asset Management

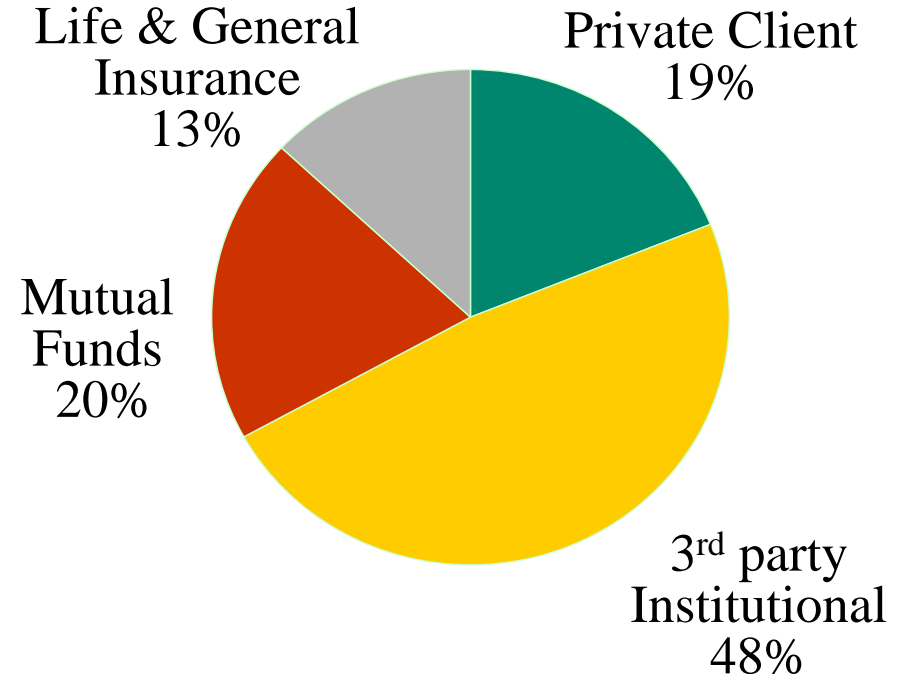


Assets Under Management

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