



Old Mutual plc Growing in a complex world

Julian Roberts Group Finance Director

Strength of diversity, power of focus

Its a complex world...

Talent shortage

Sarbanes Oxley

Cost efficiency

Longest bear market since the '70s



Solvency II

Integrated Prudential Sourcebook

Realistic Reserving

FGD

IAS

Market consistent EV

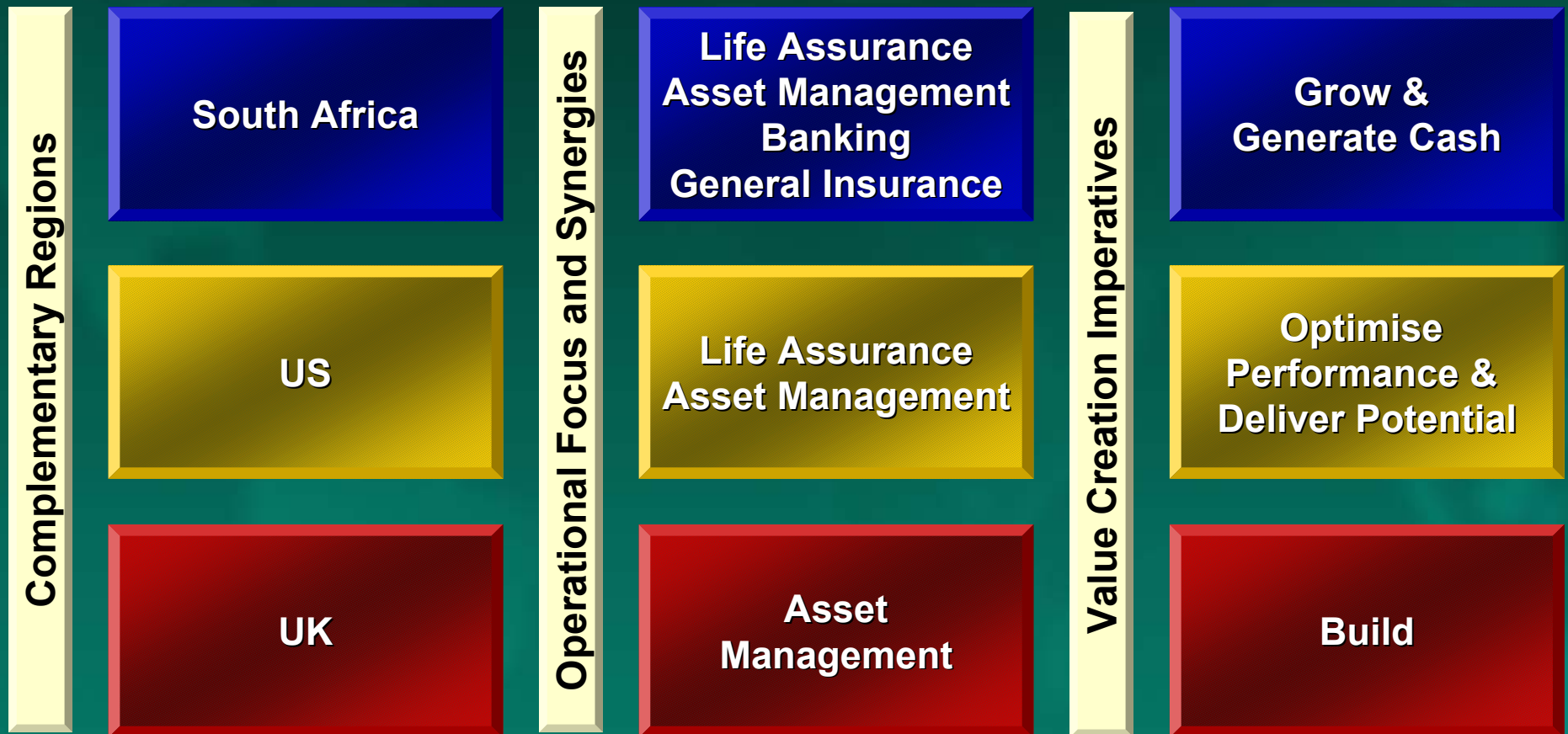
CESR

Penrose & FRED 34

...there will be winners ... and losers!

- **Transparency** will undergo a step change in 2005
- **Capital strength** will come even further to the fore
- **Business models** are being re-written
- **Agility** will be required to adjust products to changing conditions
- **Customer focus** will be rewarded
- **Talent** will continue to be in short supply

...but Old Mutual's strategy has remained simple...



...and it is delivering results

- Adjusted EPS up 21% to 6.8p
- Assets under management up 12%* to £130bn
- Record net cash inflows in US businesses
- Embedded value up 9% to 114p
- After tax ROE 19% (H1 '03 16%)
- Interim dividend 1.75p
- Gearing 17.6%, interest cover 22X EBITDA

* Comparison to 30 June 2003, excluding Gerrard

We are continuing to grow and generate cash in our South African base...

Life

- Market leader 31% share of industry assets
- Bancassurance potential
- Powerful profit engine
- ROC 26%

Banking

- 53% holding in Nedcor
- Top 4 bank by assets
- Recovery plan to deliver ROE > 20% in 2007

P&C

- 88% holding in Mutual & Federal
- Underwriting surplus in excess of 10%
- ROE 27%



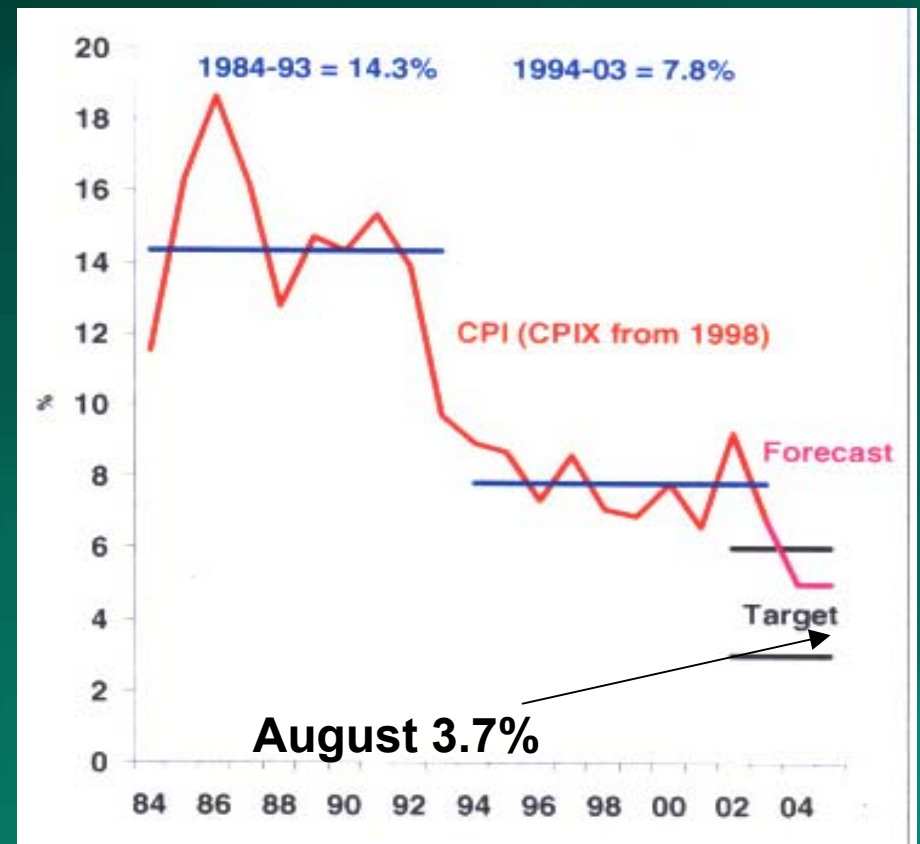
■ **The largest financial services franchise in South Africa**

...where we will participate in the economic development of the country

Fx (Rands per \$)



Inflation



We are optimising and building our two fast growing US businesses...

- A top 50 money manager



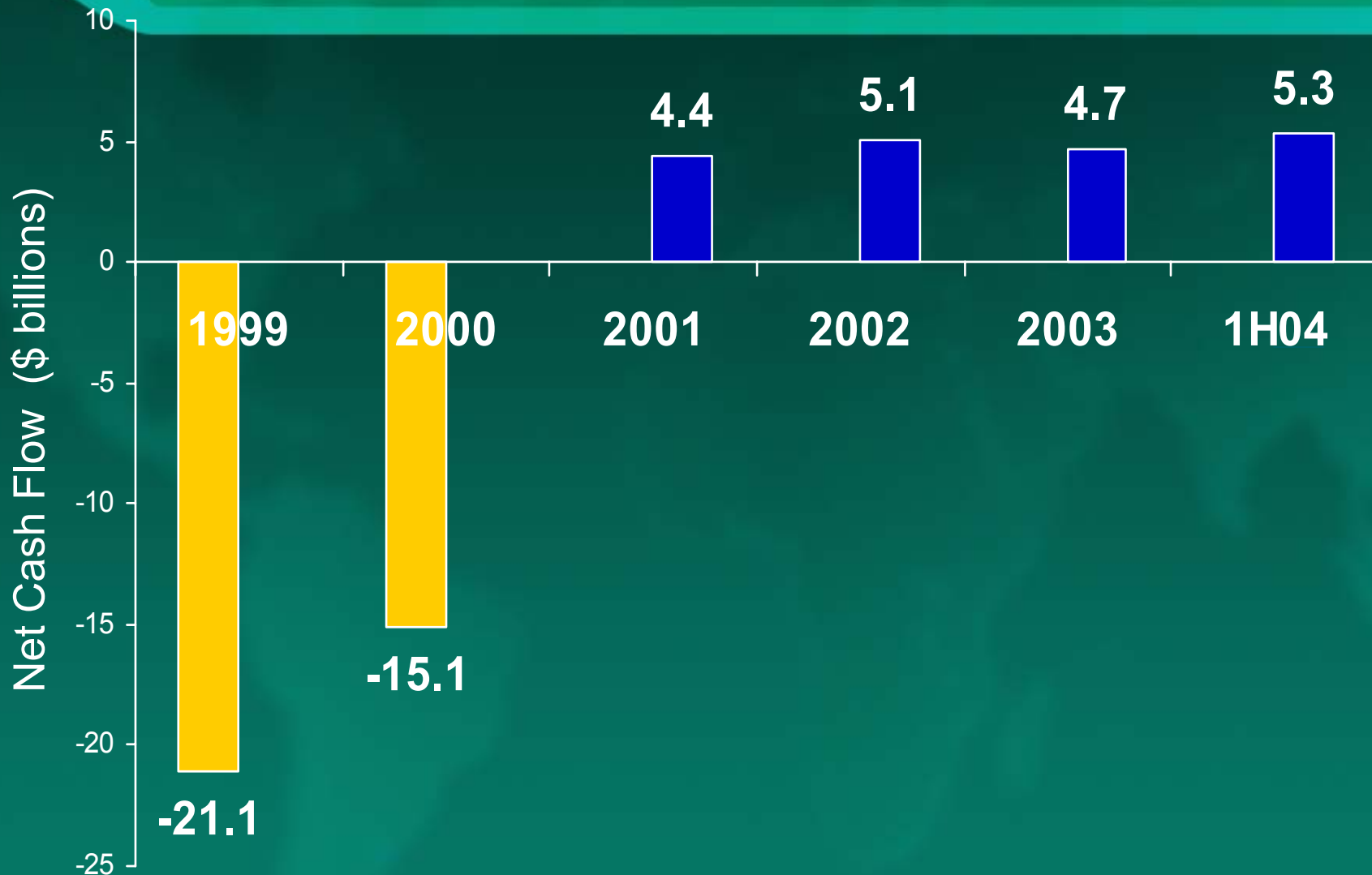
Asset Manager

- \$163bn FUM
- Diverse asset and style mix









Life Assurer

- Top 5 domestic fixed annuity life assurer
- Offshore variable annuity provider
- Reinsurance

Having successfully restructured and repositioned US Asset Management...



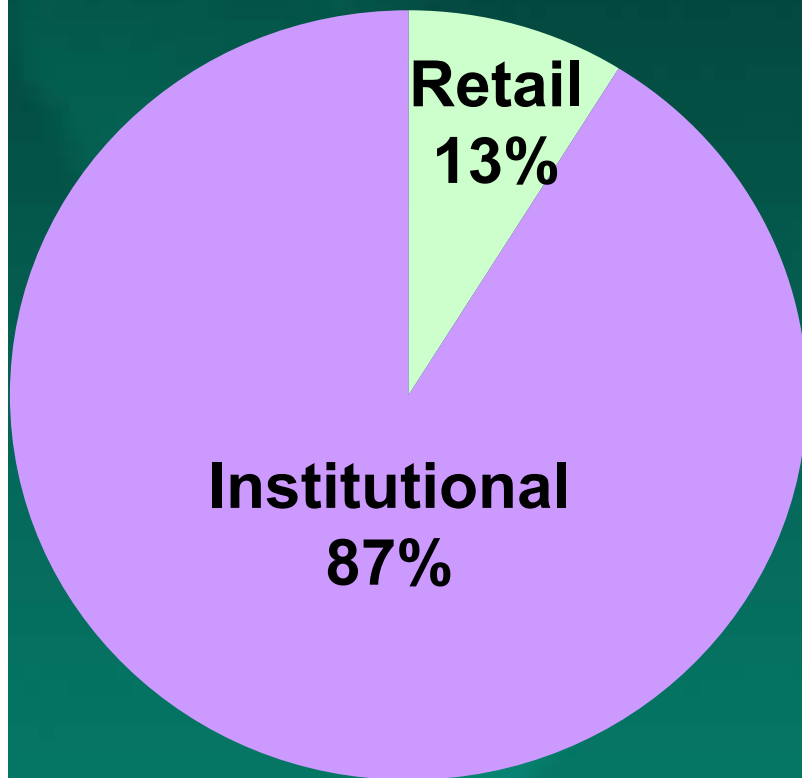
...we are accelerating growth by leveraging the multi-boutique model...

	Institutional	Retail	% of FUM
Fixed			34%
Value			35%
Growth			6%
Int'l & Specialty			25%

19 asset class specialists delivering investment excellence

...with the launch of our unique retail proposition

Current asset split



Old Mutual Advisor Funds

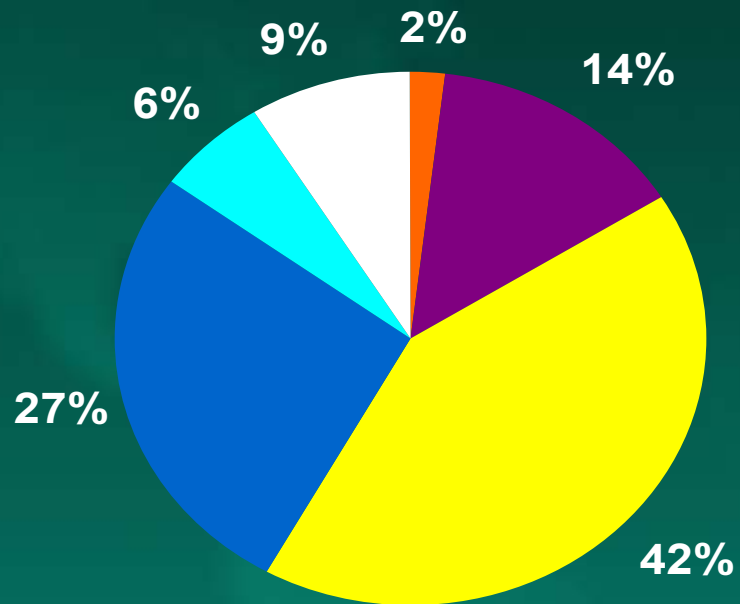
- Institutional quality retail offering using specialist expertise of member firms
- Ibbotson Associates provides complete asset-allocation solution
- Full diversification across spectrum of market cap and investment styles matching specific investor risk profiles
- “Fund of managers” approach avoids “fund of funds” fee duplication

Our fast growing US Life business is moving towards self-funding...

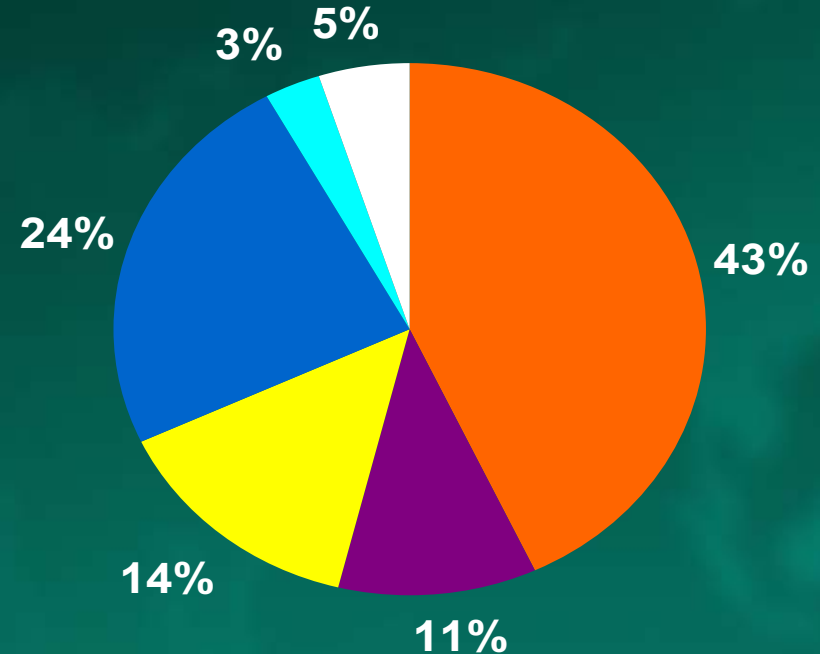


...the agile business model enables product manufacture according to market demand

H1 2004 APE



H1 2003 APE



We are seeking to build on our scaleable platforms in the UK...

- OMAM (UK) - award winning asset manager
- Selestia - fast growing fund supermarket,



...where there is a strategic opportunity

	Now	Future
■ Balance Group currency exposures	66% of EV currently in SA	Target 1/3, 1/3, 1/3
■ Boost UK earnings	OM's UK start-ups are growing into profitability	UK acquisition would transform
■ Leverage management experience	Broad similarities between UK & SA life products	Experienced UK leadership team already in place
■ Achieve cost advantages	SA policy admin around 30% cheaper than UK	Leverage SA administration
■ Deliver head office and tax synergies	Head office and unrelieved tax losses	Profits sheltered

Summary: Old Mutual is a growth engine...

- Asset manager growing and cash generative
- US Life growing strongly and approaching self funding

- Start-ups moving into profitability
- Opportunity to build

- 3 large cash-generative businesses:
 - The largest life assurer
 - Top 4 bank
 - Leading P&C insurer

...with the potential to deliver more

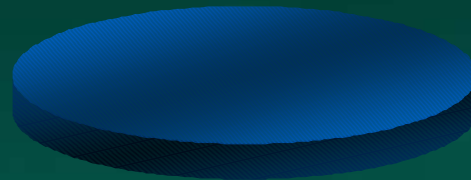
Embedded Value £5.5bn*:



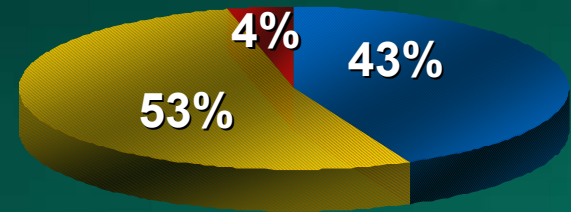
After 5 years as a plc Old Mutual is transforming...

- Life new business: 53% being written in the US

1999



2004

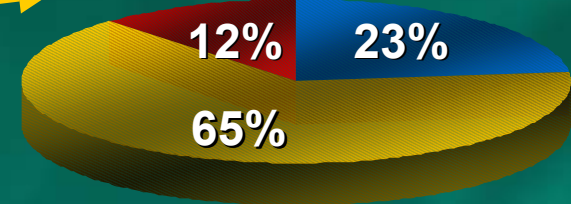


£42bn

+225%

£130bn

- FUM: up 210%
65% of FUM in the US

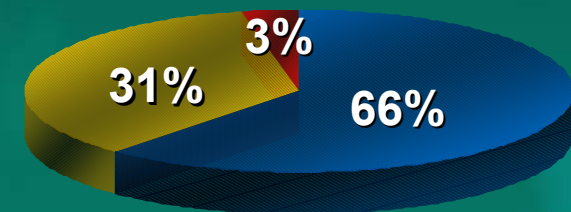


£4.7bn

+17%

£5.5bn*

- Embedded value: up 17% since listing



* Pre-debt and preferred security



...and the journey continues...

- Key indicators demonstrate growing momentum
 - ROE 19%
 - Adjusted EPS 6.8p +21%
 - AUM £130bn +12%
 - EV 114p +9%
- Each of the three legs has the potential to deliver more
 - SA... Powerful market position, potential to grow
 - US... Growth pattern established
 - UK... Growing off small base, committed to build

We are building a World Class Financial Services Provider