



Old Mutual plc

**International Financial Reporting Standards
("IFRS") Analyst and Investor Briefing**

3 May 2005

Strength of diversity, power of focus



Overview

Julian Roberts

Group Finance Director

Strength of diversity, power of focus

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- Overview Julian Roberts
- Technical impacts Katie Murray
- Closing remarks Julian Roberts
- Q&A

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- Key financial highlights
- Business performance indicators
- What is driving the change?
- Reconciliation of equity
- Reconciliation of adjusted operating profit
- Reconciliation of Basis EPS

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- Old Mutual supports common global standards
- We are ready for IFRS
- Positive impact on adjusted operating profit while overall equity position remains broadly unchanged
- We will continue to use return on equity and embedded value as the primary performance measures of the business
- Presentation of financial statements will change significantly
- Information will continue to be shown on a smoothed and unsmoothed basis
- Accounting for BEE is impacted by IFRS
- 31 December 2004 results presented have been audited

Key Financial Highlights - 2004

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	UK GAAP	IFRS	Change
Adjusted operating profit (£m)	956	1,011	5.8%
Adjusted operating EPS	15.3p	14.8p	(0.5p)
Basic EPS	14.1p	16.3p	2.2p
Shareholders' equity 1/1/2004 (£m)	2,754	2,670	(3.1%)
Shareholders' equity 31/12/2004 (£m)	3,245	3,264	0.6%
Return on average equity	19.1%	18.6%	
Effective tax rate	25%	25%	

Business Performance Indicators – 2004

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	UK GAAP	IFRS
US Life Value of New Business (\$m) *	113	113
OMSA Value of New Business (Rm) **	719	719
USAM End of period AUM (\$bn)	185	185
OMSA End of period AUM (Rbn)	312	312
M&F underwriting ratio	7.8%	9.3%
Nedcor margin ***	3.13%	3.12%

* After tax

** After tax and excluding OMI

*** SA GAAP comparative

What is Driving the Change?

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Key areas impacted by IFRS

- Insurance Accounting
- Revenue Recognition
- Financial Instruments
- Share-based Payments
- Goodwill

No significant impact

- Post-Retirement Benefits
- Consolidation
- Property
- Dividends
- Taxation

Reconciliation of Equity

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£m	31 Dec 04	30 Jun 04	1 Jan 04
As reported under UK GAAP	3,245	2,741	2,754
Adjustments for			
IFRS 4 Insurance Contracts	(186)	(86)	(167)
IAS 18 Revenue Recognition	(8)	(8)	(12)
IAS 39 Financial Instruments	126	76	2
IFRS 2 Share-based Payments	(16)	(3)	1
IFRS 3 Goodwill	(91)	(128)	(154)
IAS 27 Consolidation	(40)	(8)	9
IAS 16 Property	22	23	23
IAS 19 Post Employment Benefits	21	10	11
IAS 10 Dividends	122	60	106
Other	12	(13)	16
Adjust for minority interests in above	57	132	81
As reported under IFRS	3,264	2,796	2,670

Reconciliation of Adjusted Operating Profit

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£m	31 Dec 04	30 Jun 04
As reported under UK GAAP	956	422
Adjustments for		
IFRS 4 Insurance Contracts	(6)	6
IAS 18 Revenue Recognition	7	2
IAS 39 Financial Instruments	33	17
IFRS 2 Share-based Payments	(17)	(5)
IAS 27 Consolidation	(25)	(4)
Reclassification of policyholder funds tax	62	23
Other	1	(10)
As reported under IFRS	1,011	451
Adjusted EPS	14.8p	6.9p

Reconciliation of Basic EPS

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	Profit After Tax and MI £m	Basic EPS p
UK GAAP	484	14.1
Adjustments for:		
IFRS 3 Goodwill	83	2.4
IFRS 4 Insurance Contracts	(5)	(0.1)
IAS 18 Revenue Recognition	5	0.1
IAS 39 Financial Instruments	38	1.1
IFRS 2 Share-based Payments	(16)	(0.4)
IAS 27 Consolidation	(14)	(0.4)
Other	(16)	(0.5)
IFRS	559	16.3



Technical Impacts

Katie Murray

Head of IFRS Implementation

Strength of diversity, power of focus

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IFRS 4 Insurance Contracts

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£m	Adjusted Operating Profit 31 Dec 04	Equity 31 Dec 04	Equity 1 Jan 04
Investment contract valuation	(18)	(105)	(80)
Investment contract premiums and claims	-	-	-
Insurance accounting changes – life	-	(141)	(131)
Elimination of equalisation provisions	12	60	44
Total insurance changes	(6)	(186)	(167)

IFRS 4 Insurance Contracts

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- Most significant impact is definition of insurance
- Products not qualifying as insurance (investment contracts) are valued under IAS 39
- Insurance products and those with discretionary participating features have minimal changes under IFRS 4 until Phase II of the IASB Insurance Project is completed

Insurance Products Classification – Life

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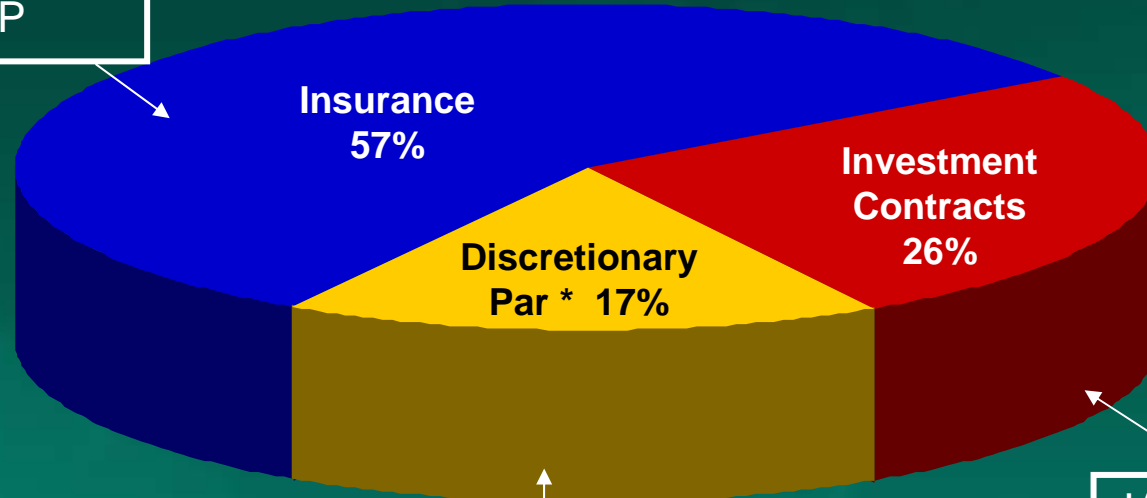
Technical impacts

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IFRS 4:
Remains at local
GAAP



Note: Percentages based on UK
GAAP reserves at 1/1/2004

IFRS 4:
Remains at local
GAAP

IAS 39: Changes to
valuation of
investment
contracts. Deposit
accounting applied.

* Financial instruments with discretionary participating features

Investment Contract Valuation

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UK GAAP

- Liabilities are computed in accordance with local GAAP requirements (FSV for Africa, amortised cost for US)

IFRS

- IFRS allows an option to fair value or hold at amortised cost
- OMSA followed fair value approach
- US Life – amortised cost

Investment Contract Valuation

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£m	Adjusted Operating Profit 31 Dec 04	Equity 31 Dec 04	Equity 1 Jan 04
Group	(18)	(105)	(80)
Main Business Unit impacted			
OMSA	(17)	(101)	(77)

- OMSA adjustment represents the increase to set liabilities equal to full account value
- US reserves maintained at amortised cost

Investment Contract Premiums and Claims

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UK GAAP

- Amounts received are recorded as premiums
- Payments to contract-holders are recorded as claims

IFRS

- Deposit accounting is applied – amounts received from and paid to policyholders are adjusted through investment contract liabilities. No premiums or claims reflected in the P&L
- All other P&L items are reclassified to fee income

IFRS Impact

- No change to equity or adjusted operating profit
- Revenues and expenses both reduced by £951m for OMSA and £343m for US Life
- Continue to report sales on an APE or EV basis

Insurance Accounting Changes – Life

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UK GAAP

- In the US deferred acquisition costs and present value of future profits (DAC/PVFP) are amortised based on expected gross profits (EGPs), including smoothed realised gains

IFRS

- This policy was “improved” to reflect better matching between our assets and liabilities
- We replaced the smoothed realised gains with actual realised gains in the DAC/PVFP EGP streams
- We initiated a smoothing adjustment (known as “shadow accounting” under IFRS 4 and US GAAP) which allows for a DAC/PVFP offset for unrealised gains within shareholders’ equity

Insurance Accounting Changes – Life

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£m	Adjusted Operating Profit 31 Dec 04	Equity 31 Dec 04	Equity 1 Jan 04
Group	-	(141)	(131)
Main Business Unit impacted			
US Life	-	(141)	(131)

- Change to DAC/PVFP as compared with UK GAAP will move in line with market changes
- However, this movement has been partially offset by shadow accounting

Elimination of Equalisation Provisions

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£m	Adjusted Operating Profit 31 Dec 04	Equity 31 Dec 04	Equity 1 Jan 04
Group	12	60	44
Main Business Unit impacted			
M&F	12	60	44

- UK GAAP required an equalisation provision to be held; this is no longer permitted under IFRS

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IAS 18 Revenue Recognition

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UK GAAP

- Initial and recurring fees are recognised as received
- Acquisition costs are expensed as incurred (not deferred)

IFRS

- Applies to investment contracts, asset management and banking segments
- Fees in relation to services are deferred over the period the services relates to
- Transaction costs are deferred on a similar basis
- Recurring fees are recognised as earned

IAS 18 Revenue Recognition

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£m	Adjusted Operating Profit 31 Dec 04	Equity 31 Dec 04	Equity 1 Jan 04
Group	7	(8)	(12)
Main Business Units impacted			
OMSA	11	7	(1)
Nedcor	(5)	(16)	(11)

- Change to timing of profit recognition only
- Where a front end fee is deferred, profits are recognised later under IFRS than under UK GAAP
- Increased new business strain

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IAS 32/39 Financial Instruments

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£m	Adjusted Operating Profit 31 Dec 04	Equity 31 Dec 04	Equity 1 Jan 04
Classification and valuation of financial instruments	16	108	29
Derivatives and hedge accounting	0	9	4
Embedded derivatives	-	(1)	(28)
Impairment of loans and receivables	17	10	(3)
Total	33	126	2

Classification and Valuation of Financial Instruments

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UK GAAP

- **Insurance business** - investments are stated at fair value with gains and losses included in the income statement
- **Banking business** – securities which are intended to be held to maturity are stated at amortised cost
- Securities held for trading purposes are held at fair value with related gains and losses included in the income statement
- Other investments are stated at cost

IFRS

- Same accounting applies to all segments
- Instruments classified and measured as follows:
 - Loans & Advances (Amortised Cost)
 - Held to Maturity (Amortised Cost)
 - Available for Sale (Fair Value thru equity - reversed through P&L on sale/impairment)
 - Held for Trading or Designated at Fair Value through P&L
- Liabilities designated at fair value or measured at amortised cost

Classification and Valuation of Financial Instruments

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£m	Adjusted Operating Profit 31 Dec 04	Equity 31 Dec 04	Equity 1 Jan 04
Group	16	108	29
Main Business Units impacted			
Nedcor – FVPL	24	41	24
Nedcor – AFS	-	61	-
USAM	-	4	1

Derivatives and Hedge Accounting

UK GAAP

- Banking book derivatives
 - Record off balance sheet
 - Accrual accounting through the P&L
- Trading book derivatives
 - Mark to market through the P&L
 - Recorded on balance sheet at fair value

IFRS

- All derivatives recorded on balance sheet at fair value
- Movements are recorded through the P&L or equity depending on underlying asset or liability if hedge accounting is adopted; otherwise through the P&L

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£m	Adjusted Operating Profit 31 Dec 04	Equity 31 Dec 04	Equity 1 Jan 04
Group	-	9	4
Main Business Units impacted			
Head office	-	9	4

- OM plc has adopted hedge accounting from 1 January 2005
- Going forward Nedcor is introducing a macro hedging programme to offset fair value fluctuations for new business

Embedded Derivatives

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UK GAAP

- Insurance contracts and financial instruments containing embedded derivatives are valued according to local GAAP requirements

IFRS

- Financial instruments embedded in non-financial products are required to be separated and valued at fair value
- Embedded insurance derivatives remain under local GAAP

Embedded Derivatives

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£m	Adjusted Operating Profit 31 Dec 04	Equity 31 Dec 04	Equity 1 Jan 04
Group	-	(1)	(28)
Main Business Units impacted			
US Life	-	(1)	(28)

- Equity impact has decreased at 31 December 2004 due to the planned recapture of a reinsurance treaty and release of related embedded derivative liability during 2004. This is likely to be relatively low on an ongoing basis

Impairment of Loans and Receivables

UK GAAP

- The group creates provisions that are a blend of incurred and expected losses based on experience
- The impairment is calculated on a discounted cash flow basis at the effective interest rate **including** an allowance for credit spread

IFRS

- IAS39 requires the use of an incurred loss provisioning model
- The impairment is calculated on a discounted cash flow basis at the effective interest rate **excluding** a credit spread

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Impairment of Loans and Receivables

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£m	Adjusted Operating Profit 31 Dec 04	Equity 31 Dec 04	Equity 1 Jan 04
Group	17	10	(3)
Main Business Unit impacted			
Nedcor	17	10	(3)

- In general this change would result in a slightly later recognition of losses, since losses will be driven by prevailing market conditions rather than an expectation of those conditions.

IAS 39 and the EU Carve Out

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£m

31 Dec 04

Per Nedcor – liabilities designated at fair value

746

Per OM plc – liabilities as restated at amortised cost

691

- The EU-endorsed IAS 39 limits the designation of financial liabilities as fair value through profit and loss. Liabilities not qualifying are valued on an amortised cost basis.
- As South Africa has adopted the original IAS 39, Nedcor has elected to retain the designation at fair value for local reporting, creating a GAAP difference.
- Difference of £55m to the liabilities; the income statement difference is £6m additional profit at OM plc
- Mutual & Federal and OMSA are not impacted
- The IASB are examining this issue and resolution is expected shortly

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IFRS 2 Share-based Payments

UK GAAP

- Costs of awards are recognised over the service period
- Cost recognised is the difference between the market value of the shares at date of grant and the amount of any consideration the participant is required to pay for the shares – typically nil for options and share price on grant date for restricted share plans (RSPs)

IFRS

- All grants now attract a charge
- Requires distinction between equity and cash settled share schemes
- Equity settled awards – P&L expense equals fair value at grant date and is accrued over vesting period. A charge is made to equity
- Cash settled awards - fair value is accrued over the vesting period and liability is re-measured at each reporting period until settlement

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£m	Adjusted Operating Profit 31 Dec 04	Equity 31 Dec 04	Equity 1 Jan 04
Group	(17)	(16)	1
Main Business Units impacted			
OMSA	(10)	(18)	(6)
Nedcor	(2)	2	1
UK	(5)	(1)	7

- Old Mutual has both equity and cash settled schemes
- Impact is nil at 1 January 2004 due primarily to IFRS charge being offset by reversal of related UK GAAP accrual
- Impact is increased at 31 December 2004 due primarily to effect of increased OM share price on OMSA cash settled awards

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IFRS 3 Business Combinations – Goodwill

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£m	Adjusted Operating Profit 31 Dec 04	Equity 31 Dec 04	Equity 1 Jan 04
Group	-	(91)	(154)
Main Business Units impacted			
Nedcor	-	10	(10)
USAM	-	45	-
plc	-	(153)	(144)

- Goodwill ceases to be amortised and is subject to impairment testing
- Adjustments to Nedcor relate to goodwill held both at group and locally
- Nedcor opening equity adjustment represents an impairment of goodwill on first time adoption at group
- Plc adjustment represents a restatement of the treatment of goodwill with an offsetting adjustment to minority interests within equity

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IAS 27 Consolidation

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£m	Adjusted Operating Profit 31 Dec 04	Equity 31 Dec 04	Equity 1 Jan 04
Group	(25)	(40)	9
Main Business Unit impacted			
OMSA	(13)	23	54
Plc	(12)	(62)	(46)

- IFRS requires the consolidation of entities not previously consolidated under UK GAAP
- The plc impact represents the elimination of policyholder holdings in Nedcor bonds and preferred shares

IAS 27 Consolidation

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- While there has been industry debate over the consolidation of investment funds where a company has more than 50% of the assets invested or where a company would be deemed to have control, we have currently consolidated them
- We will continue to monitor developments
- The adjustment results in a gross up of £556m and £396m at 31 December 2004 and 1 January 2004
- No impact to operating profit or equity

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■ Property (IAS 16)

- Property is held at depreciated fair value

■ Post Employment Benefits (IAS 19)

- Defined contribution schemes: no significant change
- Recognised full actuarial gains and losses at 1 January 2004 as provided by IFRS 1 exemption
- Defined benefit schemes: Actuarial gains and losses recognised using “corridor” method

■ Dividends (IAS 10)

- Dividends proposed but not yet declared at balance sheet date are derecognised as liability and disclosed

IFRS Presentational Issues

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- IFRS 4 insurance contracts
- IAS 18 revenue recognition
- IAS 32/39 financial instruments
- IFRS 2 share-based payments
- IFRS 3 business combinations – goodwill
- IAS 27 Consolidation
- Other impacts

Closing remarks

Q&A

- **Income statement**
 - Publish a combined income statement with emphasis on segmental information
 - Continue to report a secondary income statement based on long term rate of return
- **Disclosure**
 - The volume of disclosure is increased significantly as a result of IAS 32 and IFRS 4
- **Cash flow statement**
 - Changes to format and now includes policyholder fund cash flows
- **UK GAAP to IFRS reconciliation**
 - Key reconciliations back to UK GAAP are prepared on first time adoption to assist in the analysis of 2005 reporting under IFRS



Closing Remarks

Julian Roberts
Group Finance Director

Strength of diversity, power of focus

Black Economic Empowerment (BEE)

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Closing remarks

• Impact on BEE

• Impact on other financial measures

• Timetable

• Impact for 2005

• Summary

Q&A

- On 19 April 2005, Old Mutual plc announced BEE transactions across all of its South African businesses
- The transaction announcement documented the consolidated pro-forma financial effects on a UK GAAP basis
- The key differences between UK GAAP and IFRS is the introduction of IFRS 2 – Share-based Payments which results in an additional charge to the income statement
- There will be no change to the adjusted EV calculations
- The economic cost of BEE remains unchanged

BEE – Financial Impact on Earnings

- Agenda
- Overview
- Technical impacts
- Closing remarks
 - Impact on BEE
 - Impact on other financial measures
 - Timetable
 - Impact for 2005
 - Summary
- Q&A

£m	Initial		Annual		Total Year 1	
	UK GAAP	IFRS	UK GAAP	IFRS	UK GAAP	IFRS
Estimated impact on earnings						
OMSA	(6)	(25)	(4)	(5)	(10)	(30)
Nedcor	(6)	(6)	(2)	(14)	(8)	(20)
M&F	(1)	(9)	(1)	(1)	(2)	(10)
Minority Interests	3	5	1	7	4	12
Impact of dilution	-	-	(12)	(15)	(12)	(15)
Total Group impact	(10)	(35)	(18)	(28)	(28)	(63)

The numbers on this slide are unaudited.

BEE – Financial Impact on EPS

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• Impact on BEE

- Impact on other financial measures

• Timetable

- Impact for 2005

• Summary

Q&A

	UKGAAP			IFRS		
	Before	After	%	Before	After	%
Adjusted EPS	15.3	14.8	(3.3)	14.8	14.0	(5.4)
Basic EPS	14.1	13.3	(5.7)	16.3	14.5	(11.0)

	Initial		Annual		Total	
	UK GAAP	IFRS	UK GAAP	IFRS	UK GAAP	IFRS
Adjusted EPS	-	-	(0.5)	(0.8)	(0.5)	(0.8)
Basic EPS	(0.3)	(1.0)	(0.5)	(0.8)	(0.8)	(1.8)

- There is no impact on the economic cost discussed on 19 April 2005

The numbers on this slide are unaudited.

IFRS Impact on Other Financial Measures

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• Impact on BEE

• Impact on other financial measures

• Timetable

• Impact for 2005

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Q&A

- Solvency / regulatory capital
 - Capital requirements are driven by local regulatory accounting
 - No impact on capital requirements anticipated until local regulatory authorities adopt IFRS
- Financial Groups Directives (“FGD”) requirements
 - Similarly, FGD continues to be based on local statutory basis and will not be impacted by IFRS until such time as regulators move to incorporate IFRS into statutory returns
- Dividends
 - IFRS will not impact our dividend paying capacity
- Embedded Value
 - IFRS has minimal change to our Embedded Value

Communications Timetable

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- Overview
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 - Impact on BEE
 - Impact on other financial measures
 - Timetable
 - Impact for 2005
 - Summary
- Q&A

Date	Event
6 May 2005	Nedcor's Presentation on 2004 Preliminary results under IFRS (and 2004 Opening Position under IFRS)
11 May 2005	Q1 trading statement on an IFRS basis
20 June 2005	European Embedded Value for 2004
11 August 2005	2005 Interim results under IFRS with IFRS comparatives (and reconciliation to UK GAAP)
February 2006	2005 Preliminary results announcement under IFRS
March 2006	First Annual Report under IFRS – as of 31 December 2005

Summary

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• Impact on BEE

• Impact on other financial measures

• Timetable

• Impact for 2005

• Summary

Q&A

- IFRS is embedded into our internal and external reporting process
- There is no change in the underlying economics of the business
 - We will continue to use embedded value and return on equity as the primary performance measures of the business
 - IFRS will not impact our dividend paying capacity
- Ongoing we will be influenced by market movements and will seek to minimise volatility
- Impact on equity, profit and adjusted EPS for 2004 is relatively small and in line with our peers
- BEE estimated impact on adjusted operating EPS 0.8p



Questions & Answers

Strength of diversity, power of focus



Appendix 1

Adjusted operating profit by Business Unit

Strength of diversity, power of focus

Adjusted Operating Profit – OMSA

£m	31 Dec 04	30 Jun 04
As reported under UK GAAP	531	254
Adjustments for		
IFRS4 Insurance Contracts	(17)	-
IAS 18 Revenue Recognition	11	5
IFRS 2 Share-based Payments	(10)	(4)
IAS 27 Consolidation	(13)	-
Reclassification of policyholder funds tax	62	23
Other	(6)	(11)
As reported under IFRS	558	267

Adjusted Operating Profit – Nedcor

£m	31 Dec 04	30 Jun 04
As reported under UK GAAP	205	59
Adjustments for		
IAS 39 Financial Instruments	41	19
IAS 18 Revenue Recognition	(5)	(2)
IAS 19 Post Employment Benefits	16	-
Reclassification of restructuring costs	(21)	(8)
Other	19	5
As reported under IFRS	255	73

Adjusted Operating Profit – Mutual and Federal

£m	31 Dec 04	30 Jun 04
As reported under UK GAAP	89	47
Adjustments for		
Equalisation provision	12	6
Other	0	(1)
As reported under IFRS	101	52

Adjusted Operating Profit – US Life

£m	31 Dec 04	30 Jun 04
As reported under UK GAAP	96	40
Adjustments for		
Other	1	-
As reported under IFRS	97	40

Adjusted Operating Profit – US Asset Management

£m	31 Dec 04	30 Jun 04
As reported under UK GAAP	89	47
Adjustments for		
Other	(2)	-
As reported under IFRS	87	47

Adjusted Operating Profit – All Other Businesses *

£m	31 Dec 04	30 Jun 04
As reported under UK GAAP	16	3
Adjustments for		
IAS 39 Financial Instruments	(7)	(1)
IFRS 2 Share-based Payments	(5)	-
Other	(19)	3
As reported under IFRS	(15)	5

* Includes, UK, Rest of World and Namibia



Appendix 2

IFRS Analyst and Investor Briefing in SA Rand

Strength of diversity, power of focus



Overview

Julian Roberts

Group Finance Director

Strength of diversity, power of focus

Agenda

- Overview Julian Roberts
- Technical impacts Katie Murray
- Closing remarks Julian Roberts
- Q&A

Overview

Agenda

Overview

- Key financial highlights
- Business performance indicators
- What is driving the change?
- Reconciliation of equity
- Reconciliation of adjusted operating profit
- Reconciliation of Basis EPS

Technical impacts

Closing remarks

Q&A

- Old Mutual strongly supports global standards
- We are ready for IFRS
- Positive impact on adjusted operating profit while overall equity position remains broadly unchanged
- We will continue to use return on equity and embedded value as the primary performance measures of the business
- Presentation of financial statements will change significantly
- Information will continue to be shown on a smoothed and unsmoothed basis
- Accounting for BEE is impacted by IFRS
- 31 December 2004 results presented have been audited

Key Financial Highlights - 2004

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- Key financial highlights
- Business performance indicators
- What is driving the change?
- Reconciliation of equity
- Reconciliation of adjusted operating profit
- Reconciliation of Basis EPS
- Technical impacts
- Closing remarks
- Q&A

	UK GAAP	IFRS	Change
Adjusted operating profit (Rm)	11,279	11,928	5.8%
Adjusted operating EPS	181c	175c	(6c)
Basic EPS	166c	192c	26c
Shareholders' equity 1/1/2004 (Rm)	32,874	31,871	(3.1%)
Shareholders' equity 31/12/2004 (Rm)	35,202	35,409	0.6%
Return on average equity	19.1%	18.6%	
Effective tax rate	25%	25%	

Business Performance Indicators – 2004

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- Key financial highlights
- Business performance indicators
- What is driving the change?
- Reconciliation of equity
- Reconciliation of adjusted operating profit
- Reconciliation of Basis EPS

Technical impacts

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Q&A

	UK GAAP	IFRS
US Life Value of New Business (\$m) *	113	113
OMSA Value of New Business (Rm) **	719	719
USAM End of period AUM (\$bn)	185	185
OMSA End of period AUM (Rbn)	312	312
M&F underwriting ratio	7.8%	9.3%
Nedcor margin ***	3.13%	3.12%

* After tax

** After tax and excluding OMI

*** SA GAAP comparative

What is Driving the Change?

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- Key financial highlights
- Business performance indicators

What is driving the change?

- Reconciliation of equity
- Reconciliation of adjusted operating profit
- Reconciliation of Basis EPS

Technical impacts

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Q&A

Key areas impacted by IFRS

- Insurance Accounting
- Revenue Recognition
- Financial Instruments
- Share-based Payments
- Goodwill

No significant impact

- Post Retirement Benefits
- Consolidation
- Property
- Dividends
- Taxation

Reconciliation of Equity

Agenda

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- Key financial highlights
 - Business performance indicators
 - What is driving the change?
 - Reconciliation of equity
 - Reconciliation of adjusted operating profit
 - Reconciliation of Basis EPS
- Technical impacts
- Closing remarks
- Q&A

Rm	31 Dec 04	30 Jun 04	1 Jan 04
As reported under UK GAAP	35,202	30,983	32,874
Adjustments for			
IFRS 4 Insurance Contracts	(2,018)	(972)	(1,994)
IAS 18 Revenue Recognition	(87)	(90)	(143)
IAS 39 Financial Instruments	1,367	859	24
IFRS 2 Share-based Payments	(174)	(34)	12
IFRS 3 Goodwill	(987)	(1,447)	(1,838)
IAS 27 Consolidation	(434)	(90)	107
IAS 16 Property	239	260	275
IAS 19 Post Employment Benefits	228	113	131
IAS 10 Dividends	1,323	678	1,265
Other	130	(147)	191
Adjust for minority interests in above	618	1,492	967
As reported under IFRS	35,407	31,605	31,871

Reconciliation of Adjusted Operating Profit

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- Key financial highlights
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- Reconciliation of equity
- Reconciliation of adjusted operating profit
- Reconciliation of Basis EPS

Technical impacts

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Q&A

Rm	31 Dec 04	30 Jun 04
As reported under UK GAAP	11,279	5,129
Adjustments for		
IFRS 4 Insurance Contracts	(70)	73
IAS 18 Revenue Recognition	83	24
IAS 39 Financial Instruments	390	207
IFRS 2 Share-based Payments	(201)	(61)
IAS 27 Consolidation	(295)	(49)
Reclassification of policyholder funds tax	732	280
Other	12	(122)
As reported under IFRS	11,930	5,481
Adjusted EPS	175c	84c

Reconciliation of Basic EPS

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- Key financial highlights
- Business performance indicators
- What is driving the change?
- Reconciliation of equity
- Reconciliation of adjusted operating profit

- Reconciliation of Basis EPS

Technical impacts

Closing remarks

Q&A

	Profit After Tax and MI Rm	Basic EPS c
UK GAAP	5,711	166
Adjustments for:		
IFRS 3 Goodwill	979	28
IFRS 4 Insurance Contracts	(59)	(1)
IAS 18 Revenue Recognition	59	1
IAS 39 Financial Instruments	448	13
IFRS 2 Share-based Payments	(189)	(5)
IAS 27 Consolidation	(165)	(5)
Other	(189)	(5)
IFRS	6,595	192



Technical Impacts

Katie Murray

Head of IFRS Implementation

Strength of diversity, power of focus

Main IFRS Technical Impacts

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- IFRS 4 insurance contracts
- IAS 18 revenue recognition
- IAS 32/39 financial instruments
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- IAS 27 Consolidation
- Other impacts

Closing remarks

Q&A

- IFRS 4 Insurance Contracts
- IAS 18 Revenue Recognition
- IAS 32/39 Financial Instruments
- IFRS 2 Share-based Payments
- IFRS 3 Business Combinations – Goodwill
- IAS 27 Consolidation

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■ IFRS 4 Insurance Contracts

■ IAS 18 Revenue Recognition

■ IAS 32/39 Financial Instruments

■ IFRS 2 Share-based Payments

■ IFRS 3 Business Combinations – Goodwill

■ IAS 27 Consolidation

IFRS 4 Insurance Contracts

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IFRS 4 insurance contracts

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- IAS 27 Consolidation
- Other impacts

Closing remarks

Q&A

Rm	Adjusted Operating Profit 31 Dec 04	Equity 31 Dec 04	Equity 1 Jan 04
Investment contract valuation	(212)	(1,139)	(955)
Investment contract premiums and claims	-	-	-
Insurance accounting changes – life	-	(1,530)	(1,564)
Elimination of equalisation provisions	142	651	525
Total insurance changes	(70)	(2,018)	(1,994)

IFRS 4 Insurance Contracts

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• IFRS 4 insurance contracts

• IAS 18 revenue recognition

• IAS 32/39 financial instruments

• IFRS 2 share-based payments

• IFRS 3 business combinations – goodwill

• IAS 27 Consolidation

• Other impacts

Closing remarks

Q&A

- Most significant impact is definition of insurance
- Products not qualifying as insurance (investment contracts) are valued under IAS 39
- Insurance products and those with discretionary participating features have minimal changes under IFRS 4 until Phase II of the IASB Insurance Project is completed

Insurance Products Classification – Life

Agenda

Overview

Technical impacts

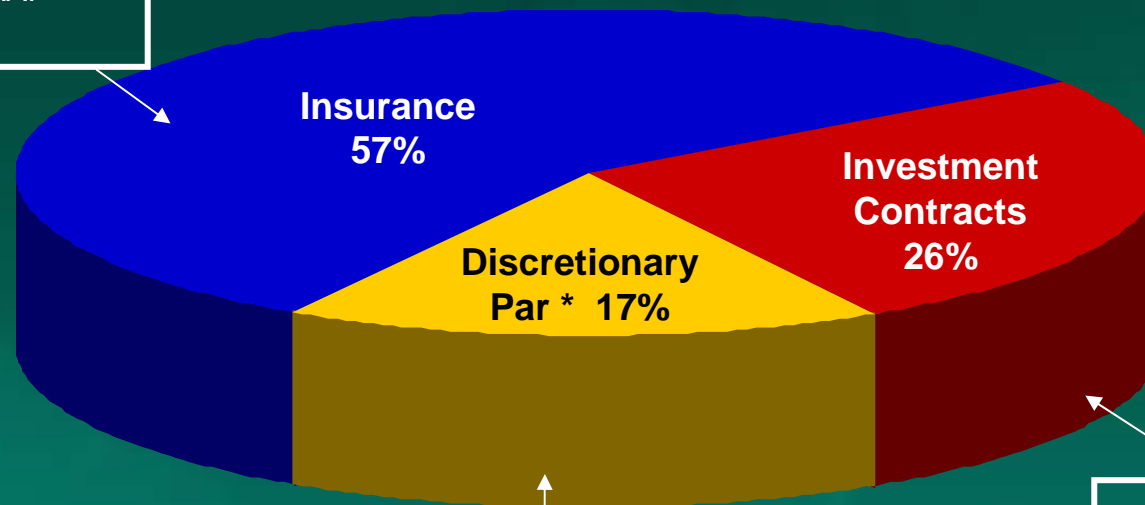
- IFRS 4 insurance contracts
- IAS 18 revenue recognition
- IAS 32/39 financial instruments
- IFRS 2 share-based payments
- IFRS 3 business combinations – goodwill
- IAS 27 Consolidation
- Other impacts

Closing remarks

Q&A

IFRS 4: Remains at local GAAP

Note: Percentages based on UK GAAP reserves at 1/1/2004



IFRS 4: Remains at local GAAP

IAS 39: Changes to valuation of investment contracts. Deposit accounting applied.

* Financial instruments with discretionary participating features

Investment Contract Valuation

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IFRS 4 insurance contracts

- IAS 18 revenue recognition
- IAS 32/39 financial instruments
- IFRS 2 share-based payments
- IFRS 3 business combinations – goodwill
- IAS 27 Consolidation
- Other impacts

Closing remarks

Q&A

UK GAAP

- Liabilities are computed in accordance with local GAAP requirements (FSV for Africa, amortised cost for US)

IFRS

- IFRS allows an option to fair value or hold at amortised cost
- OMSA followed fair value approach
- US Life – amortised cost

Investment Contract Valuation

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• IFRS 4 insurance contracts

• IAS 18 revenue recognition

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• IFRS 2 share-based payments

• IFRS 3 business combinations – goodwill

• IAS 27 Consolidation

• Other impacts

Closing remarks

Q&A

Rm	Adjusted Operating Profit 31 Dec 04	Equity 31 Dec 04	Equity 1 Jan 04
Group	(212)	(1,139)	(955)
Main Business Unit impacted			
OMSA	(201)	(1,096)	(919)

- OMSA adjustment represents the increase to set liabilities equal to full account value
- US reserves maintained at amortised cost

Investment Contract Premiums and Claims

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Technical impacts

• IFRS 4 insurance contracts

• IAS 18 revenue recognition

• IAS 32/39 financial instruments

• IFRS 2 share-based payments

• IFRS 3 business combinations – goodwill

• IAS 27 Consolidation

• Other impacts

Closing remarks

Q&A

UK GAAP

- Amounts received are recorded as premiums
- Payments to contract-holders are recorded as claims

IFRS

- Deposit accounting is applied – amounts received from and paid to policyholders are adjusted through investment contract liabilities. No premiums or claims reflected in the P&L
- All other P&L items are reclassified to fee income

IFRS Impact

- No change to equity or adjusted operating profit
- Revenues and expenses both reduced by R11,220m for OMSA and R4,047m for US Life
- Continue to report sales on an APE or EV basis

Insurance Accounting Changes – Life

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IFRS 4 insurance contracts

- IAS 18 revenue recognition
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- IFRS 2 share-based payments
- IFRS 3 business combinations – goodwill
- IAS 27 Consolidation
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Closing remarks

Q&A

UK GAAP

- In the US deferred acquisition costs and present value of future profits (DAC/PVFP) are amortised based on expected gross profits (EGPs), including smoothed realised gains

IFRS

- This policy was “improved” to reflect better matching between our assets and liabilities
- We replaced the smoothed realised gains with actual realised gains in the DAC/PVFP EGP streams
- We initiated a smoothing adjustment (known as “shadow accounting” under IFRS 4 and US GAAP) which allows for a DAC/PVFP offset for unrealised gains within shareholders’ equity

Insurance Accounting Changes – Life

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IFRS 4 insurance contracts

- IAS 18 revenue recognition
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Closing remarks

Q&A

Rm	Adjusted Operating Profit 31 Dec 04	Equity 31 Dec 04	Equity 1 Jan 04
Group	-	(1,530)	(1,564)
Main Business Unit impacted			
US Life	-	(1,530)	(1,564)

- Change to DAC/PVFP as compared with UK GAAP will move in line with market changes
- However, this movement has been partially offset by shadow accounting

Elimination of Equalisation Provisions

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• IFRS 4 insurance contracts

• IAS 18 revenue recognition

• IAS 32/39 financial instruments

• IFRS 2 share-based payments

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Closing remarks

Q&A

Rm	Adjusted Operating Profit 31 Dec 04	Equity 31 Dec 04	Equity 1 Jan 04
Group	142	651	525
Main Business Unit impacted			
M&F	142	651	525

- UK GAAP required an equalisation provision to be held; this is no longer permitted under IFRS

Main IFRS Technical Impacts

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- IFRS 4 insurance contracts
- **IAS 18 revenue recognition**
- IAS 32/39 financial instruments
- IFRS 2 share-based payments
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Q&A

- IFRS 4 Insurance Contracts
- **IAS 18 Revenue Recognition**
- IAS 32/39 Financial Instruments
- IFRS 2 Share-based Payments
- IFRS 3 Business Combinations – Goodwill
- IAS 27 Consolidation

IAS 18 Revenue Recognition

UK GAAP

- Initial and recurring fees are recognised as received
- Acquisition costs are expensed as incurred (not deferred)

IFRS

- Applies to investment contracts, asset management and banking segments
- Fees in relation to services are deferred over the period the services relates to
- Transaction costs are deferred on a similar basis
- Recurring fees are recognised as earned

Agenda

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- IFRS 4 insurance contracts

- IAS 18 revenue recognition

- IAS 32/39 financial instruments

- IFRS 2 share-based payments

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IAS 18 Revenue Recognition

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Closing remarks

Q&A

Rm	Adjusted Operating Profit 31 Dec 04	Equity 31 Dec 04	Equity 1 Jan 04
Group	83	(87)	(143)
Main Business Units impacted			
OMSA	130	76	(12)
Nedcor	(59)	(174)	(131)

- Change to timing of profit recognition only
- Where a front end fee is deferred, profits are recognised later under IFRS than under UK GAAP
- Increased new business strain

Main IFRS Technical Impacts

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- **IAS 32/39 financial instruments**
- IFRS 2 share-based payments
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- IFRS 4 Insurance Contracts
- IAS 18 Revenue Recognition
- **IAS 32/39 Financial Instruments**
- IFRS 2 Share-based Payments
- IFRS 3 Business Combinations – Goodwill
- IAS 27 Consolidation

IAS 32/39 Financial Instruments

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- IFRS 3 business combinations – goodwill
- IAS 27 Consolidation
- Other impacts

Closing remarks

Q&A

Rm	Adjusted Operating Profit	Equity	Equity
	31 Dec 04	31 Dec 04	1 Jan 04
Classification and valuation of financial instruments	189	1,172	346
Derivatives and hedge accounting	-	98	48
Embedded derivatives	-	(11)	(334)
Impairment of loans and receivables	201	108	(36)
Total	390	1,367	24

Classification and Valuation of Financial Instruments

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- IFRS 4 insurance contracts
- IAS 18 revenue recognition
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Closing remarks

Q&A

UK GAAP

- **Insurance business** - investments are stated at fair value with gains and losses included in the income statement
- **Banking business** – securities which are intended to be held to maturity are stated at amortised cost
- Securities held for trading purposes are held at fair value with related gains and losses included in the income statement
- Other investments are stated at cost

IFRS

- Same accounting applies to all segments
- Instruments classified and measured as follows:
 - Loans & Advances (Amortised Cost)
 - Held to Maturity (Amortised Cost)
 - Available for Sale (Fair Value thru equity - reversed through P&L on sale/impairment)
 - Held for Trading or Designated at Fair Value through P&L
- Liabilities designated at fair value or measured at amortised cost

Classification and Valuation of Financial Instruments

Agenda

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Technical impacts

- IFRS 4 insurance contracts
- IAS 18 revenue recognition

- IAS 32/39 financial instruments

- IFRS 2 share-based payments

- IFRS 3 business combinations – goodwill

- IAS 27 Consolidation

- Other impacts

Closing remarks

Q&A

Rm	Adjusted Operating Profit 31 Dec 04	Equity 31 Dec 04	Equity 1 Jan 04
Group	189	1,172	346
Main Business Units impacted			
Nedcor – FVPL	283	445	286
Nedcor – AFS	-	662	-
USAM	-	43	12

Derivatives and Hedge Accounting

UK GAAP

- Banking book derivatives
 - Record off balance sheet
 - Accrual accounting through the P&L
- Trading book derivatives
 - Mark to market through the P&L
 - Recorded on balance sheet at fair value

IFRS

- All derivatives recorded on balance sheet at fair value
- Movements are recorded through the P&L or equity depending on underlying asset or liability if hedge accounting is adopted; otherwise through the P&L

Agenda

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Technical impacts

- IFRS 4 insurance contracts
- IAS 18 revenue recognition
- IAS 32/39 financial instruments
- IFRS 2 share-based payments
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Derivatives and Hedge Accounting

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- IFRS 4 insurance contracts
- IAS 18 revenue recognition

- IAS 32/39 financial instruments

- IFRS 2 share-based payments
- IFRS 3 business combinations – goodwill

- IAS 27 Consolidation

- Other impacts

Closing remarks

Q&A

Rm	Adjusted Operating Profit 31 Dec 04	Equity 31 Dec 04	Equity 1 Jan 04
Group	-	98	48
Main Business Units impacted			
Head office	-	98	48

- OM plc has adopted hedge accounting from 1 January 2005
- Going forward Nedcor is introducing a macro hedging programme to offset fair value fluctuations for new business

Embedded Derivatives

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Technical impacts

- IFRS 4 insurance contracts
- IAS 18 revenue recognition
- IAS 32/39 financial instruments
- IFRS 2 share-based payments
- IFRS 3 business combinations – goodwill
- IAS 27 Consolidation
- Other impacts

Closing remarks

Q&A

UK GAAP

- Insurance contracts and financial instruments containing embedded derivatives are valued according to local GAAP requirements

IFRS

- Financial instruments embedded in non financial products are required to be separated and valued at fair value
- Embedded insurance derivatives remain under local GAAP

Embedded Derivatives

Agenda

Overview

Technical impacts

- IFRS 4 insurance contracts
- IAS 18 revenue recognition
- IAS 32/39 financial instruments

- IFRS 2 share-based payments

- IFRS 3 business combinations – goodwill

- IAS 27 Consolidation

- Other impacts

Closing remarks

Q&A

Rm	Adjusted Operating Profit 31 Dec 04	Equity 31 Dec 04	Equity 1 Jan 04
Group	-	(11)	(334)
Main Business Units impacted			
US Life	-	(11)	(334)

- Equity impact has decreased at 31 December 2004 due to the planned recapture of a reinsurance treaty and release of related embedded derivative liability during 2004. This is likely to be relatively low on an ongoing basis

Impairment of Loans and Receivables

UK GAAP

- The group creates provisions that are a blend of incurred and expected losses based on experience
- The impairment is calculated on a discounted cash flow basis at the effective interest rate **including** an allowance for credit spread

IFRS

- IAS39 requires the use of an incurred loss provisioning model
- The impairment is calculated on a discounted cash flow basis at the effective interest rate **excluding** a credit spread

Agenda

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Technical impacts

- IFRS 4 insurance contracts
- IAS 18 revenue recognition
- IAS 32/39 financial instruments
- IFRS 2 share-based payments
- IFRS 3 business combinations – goodwill
- IAS 27 Consolidation
- Other impacts

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Q&A

Impairment of Loans and Receivables

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- IFRS 4 insurance contracts
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- IFRS 3 business combinations – goodwill
- IAS 27 Consolidation
- Other impacts

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Rm	Adjusted Operating Profit 31 Dec 04	Equity 31 Dec 04	Equity 1 Jan 04
Group	201	108	(36)
Main Business Unit impacted			
Nedcor	201	108	(36)

- In general this change would result in a slightly later recognition of losses, since losses will be driven by prevailing market conditions rather than an expectation of those conditions.

IAS 39 and the EU Carve Out

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Rm

31 Dec 04

Per Nedcor – liabilities designated at fair value

8,093

Per OM plc – liabilities as restated at amortised cost

7,496

- The EU-endorsed IAS 39 limits the designation of financial liabilities as fair value through profit and loss. Liabilities not qualifying are valued on an amortised cost basis.
- As South Africa has adopted the original IAS 39, Nedcor has elected to retain the designation at fair value for local reporting, creating a GAAP difference.
- Difference of R597m to the liabilities; the income statement difference is R65m additional profit at OM plc
- Mutual & Federal and OMSA are not impacted
- The IASB are examining this issue and resolution is expected shortly

Main IFRS Technical Impacts

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- IFRS 4 Insurance Contracts
- IAS 18 Revenue Recognition
- IAS 32/39 Financial Instruments
- **IFRS 2 Share-based Payments**
- IFRS 3 Business Combinations – Goodwill
- IAS 27 Consolidation

IFRS 2 Share-based Payments

UK GAAP

- Costs of awards are recognised over the service period
- Cost recognised is the difference between the market value of the shares at date of grant and the amount of any consideration the participant is required to pay for the shares – typically nil for options and share price on grant date for restricted share plans (RSPs)

IFRS

- All grants now attract a charge
- Requires distinction between equity and cash settled share schemes
- Equity settled awards – P&L expense equals fair value at grant date and is accrued over vesting period. A charge is made to equity
- Cash settled awards - fair value is accrued over the vesting period and liability is re-measured at each reporting period until settlement

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IFRS 2 Share Based Payments

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- IFRS 4 insurance contracts
- IAS 18 revenue recognition
- IAS 32/39 financial instruments

IFRS 2 share-based payments

- IFRS 3 business combinations – goodwill
- IAS 27 Consolidation
- Other impacts

Closing remarks

Q&A

Rm	Adjusted Operating Profit 31 Dec 04	Equity 31 Dec 04	Equity 1 Jan 04
Group	(201)	(174)	12
Main Business Units impacted			
OMSA	(118)	(195)	(72)
Nedcor	(24)	22	12
UK	(59)	(11)	84

- Old Mutual has both equity and cash settled schemes
- Impact is nil at 1 January 2004 due primarily to IFRS charge being offset by reversal of related UK GAAP accrual
- Impact is increased at 31 December 2004 due primarily to effect of increased OM share price on OMSA cash settled awards

Main IFRS Technical Impacts

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- IFRS 2 Share-based Payments
- **IFRS 3 Business Combinations – Goodwill**
- IAS 27 Consolidation

IFRS 3 Business Combinations – Goodwill

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- IFRS 3 business combinations – goodwill
- IAS 27 Consolidation
- Other impacts

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Q&A

Rm	Adjusted Operating Profit 31 Dec 04	Equity 31 Dec 04	Equity 1 Jan 04
Group	-	(987)	(1,838)
Main Business Units impacted			
Nedcor	-	108	(119)
USAM	-	488	-
plc	-	(1,660)	(1,719)

- Goodwill ceases to be amortised and is subject to impairment testing
- Adjustments to Nedcor relate to goodwill held both at group and locally
- Nedcor opening equity adjustment represents an impairment of goodwill on first time adoption at group
- Plc adjustment represents a restatement of the treatment of goodwill with an offsetting adjustment to minority interests within equity

Main IFRS Technical Impacts

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- IFRS 4 Insurance Contracts
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- **IAS 27 Consolidation**

IAS 27 Consolidation

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Rm	Adjusted Operating Profit 31 Dec 04	Equity 31 Dec 04	Equity 1 Jan 04
Group	(295)	(434)	107
Main Business Unit impacted			
OMSA	(153)	250	645
Plc	(142)	(673)	(549)

- IFRS requires the consolidation of entities not previously consolidated under UK GAAP
- The plc impact represents the elimination of policyholder holdings in Nedcor bonds and preferred shares

IAS 27 Consolidation

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Q&A

- While there has been industry debate over the consolidation of investment funds where a company has more than 50% of the assets invested or where a company would be deemed to have control, we have currently consolidated them
- We will continue to monitor developments
- The adjustment results in a gross up of R6,032m and R4,727m at 31 December 2004 and 1 January 2004
- No impact to operating profit or equity

Other Impacts

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Closing remarks

Q&A

■ Property (IAS 16)

- Property is held at depreciated fair value

■ Post Employment Benefits (IAS 19)

- Defined contribution schemes: no significant change
- Recognised full actuarial gains and losses at 1 January 2004 as provided by IFRS 1 exemption
- Defined benefit schemes: Actuarial gains and losses recognised using “corridor” method

■ Dividends (IAS 10)

- Dividends proposed but not yet declared at balance sheet date are derecognised as liability and disclosed

IFRS Presentational Issues

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Q&A

■ Income statement

- Publish a combined income statement with emphasis on segmental information
- Continue to report a secondary income statement based on long term rate of return

■ Disclosure

- The volume of disclosure is increased significantly as a result of IAS 32 and IFRS 4

■ Cash flow statement

- Changes to format and now includes policyholder fund cash flows

■ UK GAAP to IFRS reconciliation

- Key reconciliations back to UK GAAP are prepared on first time adoption to assist in the analysis of 2005 reporting under IFRS



Closing Remarks

Julian Roberts
Group Finance Director

Strength of diversity, power of focus

Black Economic Empowerment (BEE)

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• Impact on BEE

• Impact on other financial measures

• Timetable

• Impact for 2005

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- On 19 April 2005, Old Mutual plc announced BEE transactions across all of its South African businesses
- The transaction announcement documented the consolidated pro-forma financial effects on a UK GAAP basis
- The key differences between UK GAAP and IFRS is the introduction of IFRS 2 – Share-based Payments which results in an additional charge to the income statement
- There will be no change to the adjusted EV calculations
- The economic cost of BEE remains unchanged

BEE – Financial Impact

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 - Impact on other financial measures
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- Q&A

Rm

Estimated impact on earnings

OMSA
 Nedcor
 M&F
 Minority Interests
 Impact of dilution
Total Group impact

	Initial		Annual		Total Year 1	
	UK GAAP	IFRS	UK GAAP	IFRS	UK GAAP	IFRS
OMSA	(75)	(299)	(49)	(55)	(124)	(354)
Nedcor	(74)	(76)	(25)	(163)	(99)	(239)
M&F	(11)	(105)	(5)	(10)	(16)	(115)
Minority Interests	41	64	14	87	55	151
Impact of dilution	-	-	(138)	(177)	(138)	(177)
Total Group impact	(119)	(416)	(203)	(318)	(322)	(734)

The above numbers are unaudited.

BEE – Financial Impact on EPS

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	UKGAAP			IFRS		
	Before	After	%	Before	After	%
Adjusted EPS	181.1	175.7	(3.0)	174.2	165.7	(4.9)
Basic EPS	166.2	156.8	(5.7)	192.5	171.1	(11.1)

	Initial		Annual		Total	
	UK GAAP	IFRS	UK GAAP	IFRS	UK GAAP	IFRS
Adjusted EPS	-	-	(5.4)	(8.5)	(5.4)	(8.5)
Basic EPS	(4.0)	(12.9)	(5.4)	(8.5)	(9.4)	(21.4)

- There is no impact on the economic cost discussed on 19 April 2005

The numbers on this slide are unaudited.

IFRS Impact on Other Financial Measures

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Q&A

- Solvency / regulatory capital
 - Capital requirements are driven by local regulatory accounting
 - No impact on capital requirements anticipated until local regulatory authorities adopt IFRS
- Financial Groups Directives requirements
 - Similarly, FGD continues to be based on local statutory basis and will not be impacted by IFRS until such time as regulators move to incorporate IFRS into statutory returns
- Dividends
 - IFRS will not impact our dividend paying capacity
- Embedded Value
 - IFRS has minimal change to our Embedded Value

Communications Timetable

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Date	Event
6 May 2005	Nedcor's Presentation on 2004 Preliminary results under IFRS (and 2004 Opening Position under IFRS)
11 May 2005	Q1 trading statement on an IFRS basis
20 June 2005	European Embedded Value for 2004
11 August 2005	2005 Interim results under IFRS with IFRS comparatives (and reconciliation to UK GAAP)
February 2006	2005 Preliminary results announcement under IFRS
March 2006	First Annual Report under IFRS – as of 31 December 2005

Summary

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- IFRS is embedded into our internal and external reporting process
- There is no change in the underlying economics of the business
 - We will continue to use embedded value and return on equity as the primary performance measures of the business
 - IFRS will not impact our dividend paying capacity
- Ongoing we will be influenced by market movements and will seek to minimise volatility
- Impact on equity, profit and adjusted EPS for 2004 is relatively small and in line with our peers
- BEE estimated impact on adjusted operating EPS R8c



Appendix 3

Adjusted operating profit by Business Unit in SA Rand

Strength of diversity, power of focus

Adjusted Operating Profit – OMSA

Rm	31 Dec 04	30 Jun 04
As reported under UK GAAP	6,265	3,087
Adjustments for		
IFRS4 Insurance Contracts	(201)	-
IAS 18 Revenue Recognition	130	61
IFRS 2 Share-based Payments	(118)	(49)
IAS 27 Consolidation	(153)	-
Reclassification of policyholder funds tax	732	280
Other	(71)	(134)
As reported under IFRS	6,584	3,245

Adjusted Operating Profit – Nedcor

Rm	31 Dec 04	30 Jun 04
As reported under UK GAAP	2,419	717
Adjustments for		
IAS 39 Financial Instruments	484	231
IAS 18 Revenue Recognition	(59)	(24)
IAS 19 Post Employment Benefits	189	-
Reclassification of restructuring costs	(248)	(97)
Other	224	60
As reported under IFRS	3,009	887

Adjusted Operating Profit – Mutual and Federal

Rm	31 Dec 04	30 Jun 04
As reported under UK GAAP	1,050	571
Adjustments for		
Equalisation provision	142	73
Other	-	-12
As reported under IFRS	1,192	632

Adjusted Operating Profit – US Life

Rm	31 Dec 04	30 Jun 04
As reported under UK GAAP	1,133	486
Adjustments for		
Other	11	-
As reported under IFRS	1,144	486

Adjusted Operating Profit – US Asset Management

Rm	31 Dec 04	30 Jun 04
As reported under UK GAAP	1,050	571
Adjustments for		
Other	(24)	-
As reported under IFRS	1,026	571

Adjusted Operating Profit – All Other Businesses *

Rm	31 Dec 04	30 Jun 04
As reported under UK GAAP	189	36
Adjustments for		
IAS 39 Financial Instruments	(83)	(12)
IFRS 2 Share-based Payments	(59)	-
Other	(224)	37
As reported under IFRS	(177)	61

* Includes, UK, Rest of World and Namibia



Old Mutual plc

**International Financial Reporting Standards
("IFRS") Analyst and Investor Briefing**

3 May 2005

Strength of diversity, power of focus