

NEWS RELEASE

Ref 231/11

15 December 2011

PROPOSED SALE OF OLD MUTUAL'S NORDIC BUSINESS (EXCLUDING FINLAND) FOR £2.1 BILLION

Old Mutual plc ("Old Mutual") announces that it intends to divest its Nordic business, Skandia Insurance Company Ltd (publ) ("Skandia AB" or "Nordic"), comprising Old Mutual's long-term savings and banking operations in Sweden, Denmark and Norway operating under the Skandia brand, to Skandia Liv ("Skandia Liv") for a gross cash consideration of SEK22.5 billion (£2.1 billion) (the "Transaction").

Highlights of the Transaction (which should be read in conjunction with the full text of this announcement) include:

- Proposed disposal of Nordic for a gross cash consideration of SEK22.5 billion (£2.1 billion) (the "Purchase Price") payable to Old Mutual on completion of the Transaction ("Completion"). It is expected that no tax will be payable by Old Mutual on the Purchase Price.
- The unaudited Pro-Forma Net Assets and Pro-Forma MCEV of Nordic as at 30 June 2011 (as set out in Appendix II) were £1.7 billion and £1.9 billion respectively. For the six month period to 30 June 2011, Nordic recorded IFRS adjusted operating profit before tax of £60 million.
- Old Mutual intends to use the proceeds of the Transaction to reduce group debt and to return surplus capital arising from the Transaction to shareholders in due course.
- Old Mutual will retain ownership of and continue to use the Skandia brand following Completion in markets outside of Sweden, Denmark and Norway as it implements its long-term savings strategy. Skandia Liv will have ownership of and continue to use the Skandia brand in Sweden, Denmark and Norway.
- The Transaction is conditional upon, among other things, the approval of Old Mutual shareholders at an Extraordinary General Meeting as well as regulatory and competition authority approvals. Completion of the Transaction is expected to take place towards the end of the first quarter of 2012. The Transaction does not require the approval of Skandia Liv's policyholders.

Commenting on the Transaction, Julian Roberts, Group Chief Executive of Old Mutual, said:

"The sale of Nordic to Skandia Liv represents a truly unique opportunity to create value for both Skandia Liv's policyholders and Old Mutual's shareholders through unlocking significant synergies from the combination of Skandia Liv and Nordic. These synergies would not have been available to the same extent in the absence of the Transaction given the specific nature of Skandia Liv's hybrid corporate structure and the restrictions on realising efficiencies that it imposes. The creation of a strong and efficient Nordic champion represents a valuable opportunity for Old Mutual's shareholders and Skandia Liv's policyholders.

"The Transaction will also enable us to reduce complexity within the Group consistent with our stated strategy and to focus more sharply on those parts of our Long-Term Savings business where the greatest opportunities are available.

“This Transaction represents a material step in the execution of our restructuring programme. We intend to use the proceeds from the sale to accelerate the reduction in group borrowings and to return surplus capital arising from the Transaction to shareholders. We will also reassess our debt repayment plan.”

Further information about the background to and the terms of the Transaction, as well as its benefits to the businesses concerned, is contained in Appendix I to this announcement.

Owing to the size of the Transaction relative to the size of Old Mutual and the relationship between the entities involved, the Transaction constitutes a Class 1 transaction and a related party transaction for the purpose of the Listing Rules.

A circular containing further details of the Transaction, including notice of the Extraordinary General Meeting to seek Old Mutual shareholders’ approval for the Transaction and the recommendation of the Board to vote in favour of the Transaction, is expected to be sent to shareholders in February 2012.

A conference call for analysts and investors will be held today at 08:30 London time (09.30 central European time / 10.30 South African time). Analysts and investors who wish to participate in the call should dial the following numbers quoting conference ID 36261749:

UK local	0844 871 9397
International	+44 1452 560 063
Sweden Free Call	0200 887 531
South Africa	0800 980 759
USA Free call	1866 437 8387

Please dial in 10 minutes before the scheduled start time of the call to avoid excess holding.

There will be a replay of the call available until 28 December 2011 on the following numbers by quoting access number 36261749#:

UK Local	0845 245 5205
International	+44 1452 55 00 00
USA Free Call	1866 247 4222

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About Old Mutual plc

Old Mutual is an international long-term savings, protection and investment Group. Originating in South Africa in 1845, the Group provides life assurance, asset management, banking and general insurance to more than 15 million customers in Europe, the Americas, Africa and Asia. Old Mutual is listed on the London Stock Exchange and the Johannesburg Stock Exchange, among others.

In the year ended 31 December 2010, the Group reported adjusted operating profit before tax of £1.5 billion (on an IFRS basis) and had £309 billion of funds under management from core operations, and shareholders' equity of £9.0 billion.

Forward-Looking Statements

This statement may contain certain 'forward-looking statements' with respect to certain of Old Mutual's plans and its current goals and expectations relating to its future financial condition, performance, results, strategy and objectives. Statements containing the words 'believes', 'intends', 'expects', 'plans', 'seeks' and 'anticipates', and words of similar meaning, are forward-looking. By their nature, all forward-looking statements involve risk and uncertainty because they relate to future events and circumstances which are beyond Old Mutual's control including among other things, economic and business conditions, market related risks such as fluctuations in interest rates and exchange rates, and the performance of financial markets generally; the policies and actions of regulatory authorities, the impact of competition, inflation, and deflation; experience in particular with regard to mortality and morbidity trends, lapse rates and policy renewal rates; the timing, impact and other uncertainties of future acquisitions or combinations within relevant industries; and the impact of changes in capital, solvency or accounting standards, and tax and other legislation and regulations in the jurisdictions in which Old Mutual and its affiliates operate. This may for example result in changes to assumptions used for determining results of operations or re-estimations of reserves for future policy benefits. As a result, Old Mutual's actual future financial condition, performance and results may differ materially from the plans, goals, and expectations set forth in Old Mutual's forward-looking statements. Old Mutual undertakes no obligation to update the forward-looking statements contained in this statement or any other forward-looking statements it may make.

This announcement is for information purposes only and does not constitute an offer or invitation to acquire or dispose of any securities or investment advice in any jurisdiction.

Evercore Partners International LLP ("Evercore Partners"), which is authorised and regulated in the United Kingdom by the Financial Services Authority, is acting as financial adviser to Old Mutual and no one else in connection with the Transaction and will not be responsible to any person other than Old Mutual for providing the protections afforded to the clients of Evercore Partners, nor for providing advice in relation to the Transaction, the contents of this announcement or any other matters referred to herein.

Morgan Stanley & Co. Limited (“Morgan Stanley”) is acting as financial adviser and sponsor under the United Kingdom Listing Rules to Old Mutual and no one else in connection with the Transaction and will not be responsible to any person other than Old Mutual for providing the protections afforded to the clients of Morgan Stanley, nor for providing advice in relation to the Transaction, the contents of this announcement or any other matters referred to herein.

Merrill Lynch International (“Bank of America Merrill Lynch”) is acting as corporate broker and sponsor under the Johannesburg Stock Exchange listing requirements and has provided financial advice to Old Mutual and no one else in connection with the Transaction and will not be responsible to any person other than Old Mutual for providing the protections afforded to the clients of Bank of America Merrill Lynch, nor for providing advice in relation to the Transaction, the contents of this announcement or any other matters referred to herein.

Deutsche Bank AG, London Branch (“Deutsche Bank”) is acting as corporate broker and has provided financial advice to Old Mutual and no one else in connection with the Transaction and will not be responsible to any person other than Old Mutual for providing the protections afforded to the clients of Deutsche Bank, nor for providing advice in relation to the Transaction, the contents of this announcement or any other matters referred to herein.

Appendix I

1. Background

Nordic - Summary

Old Mutual operates in Sweden, Denmark and Norway offering banking, long-term savings, investment and insurance services to both retail and corporate customers under the Skandia brand. Skandia AB is the parent company for Old Mutual's operations in these countries.

Established in 1855 in Stockholm, Skandia AB is one of the largest life assurers in Sweden, providing a full product range under the Skandia brand name in the areas of protection, investments, healthcare and pensions. Skandia Link has a strong and growing unit-linked business which is a market leader in the Swedish unit-linked market. Private Health Care Solutions is a market leader in health care insurance solutions to individual customers and corporate employees in Sweden and also provides a range of pensions and healthcare products to both retail and corporate customers in Denmark and Norway. Skandiabanken is a successful consumer on-line banking operation in Sweden and Norway.

Summary financial information with respect to Nordic is set out in Appendix II.

Nordic – Key Individuals

Nordic's key individuals and their principal functions are set out below:

Person	Position
Paul Hanratty	Chairman
Mårten Andersson	Chief Executive
Marek Rydén	Chief Financial Officer
Pelle Wahlström	Deputy Chief Executive
Bo Ågren	Head of BU Advice
Øyvind Thomassen	Head of BU Direct
Bengt-Åke Fagerman	CEO Skandia Liv
Ann-Charlotte Stjerna	Chief Risk Officer
Johan Ekström	Head of Strategy & Change
Nils Bolmstrand	Head of Product
Viveka Classon	Head of Legal
Mårten Lundberg	HR Director

Paul Hanratty will remain with Old Mutual following the Transaction in his role as Chief Executive of Long-Term Savings.

Skandia Liv - Summary

Skandia Liv is a traditional life assurance company serving customers in Sweden and Denmark. Skandia Liv aims to offer value-for-money products with guarantees that are easy to understand and give its policyholders financial security for retirement, illness and death.

Skandia Liv has a hybrid structure whereby it is a wholly owned subsidiary of Skandia AB, which is itself a wholly owned subsidiary of Old Mutual, but is operated on a mutual basis with independent governance (a "Hybrid Structure"). It operates within a strict Swedish legal framework under the Swedish Insurance Business Act. The

benefits usually associated with share ownership accrue to Skandia Liv's policyholders rather than Old Mutual. In particular, Skandia Liv is prohibited from distributing profits to Old Mutual; all profits accrue to Skandia Liv policyholders and, save for the share capital, all assets and liabilities of Skandia Liv are wholly attributable to the policyholders of Skandia Liv. Old Mutual therefore lacks the financial benefits which would usually be associated with control of a subsidiary.

Skandia Liv is not consolidated within the financial results of Old Mutual.

Skandia Liv and Skandia AB co-operate across certain functions such as distribution, premises and information technology with the aim of achieving revenue and expense synergy benefits for Skandia Liv policyholders and Skandia AB. However, the degree of co-operation is restricted by the existing Hybrid Structure.

As at 31 December 2010, Skandia Liv had policyholder assets of SEK295 billion (£28 billion) and solvency capital of SEK122 billion (£12 billion).

Skandia Liv - Governance

Reflecting Skandia Liv's Hybrid Structure, Skandia Liv's board of directors (the "Skandia Liv Board") comprises a majority of independent members who are not employed within the Old Mutual Group (other than at Skandia Liv). Any board member holding a board seat in an Old Mutual Group company (other than at Skandia Liv) has a conflict of interest in all issues in relation to agreements between Skandia Liv and Old Mutual Group companies. These rules are aimed at safeguarding policyholder interests.

Skandia Liv has confirmed to Old Mutual that, with respect to the Transaction, it has addressed all conflict of interest issues and has relied upon proper internal resources and external advisers. Accordingly, it has ensured that any board member in Skandia Liv also being a board member in another Old Mutual Group company is disqualified from participating in any matters related to the Transaction and has received advice from independent financial and legal advisers. Skandia Liv has also appointed different independent financial advisers to provide fairness opinions to the Skandia Liv Board.

Skandia Liv has confirmed that the discussions regarding the Transaction were initiated and managed by the independent members of the Skandia Liv Board (comprising Gunnar Palme, Chairman of the Skandia Liv Board, Jens Erik Christensen, Gunnar Holmgren, Monica Lindstedt and Leif Victorin).

2. Background to and reasons for the Disposal

On 11 March 2010, Old Mutual set out its strategy to build a cohesive long-term savings, protection and investment group by leveraging the strength of its capabilities in South Africa and around the world. In addition, Old Mutual committed to reduce the complexity of the Group by streamlining and simplifying the Group's operations to maximise the value of its assets and to reinforce its focus on its core business. Old Mutual also announced its intention to reduce Group debt by at least £1.5 billion by the end of 2012.

A significant step in realising this strategy was the sale of Old Mutual's US Life operations to affiliates of Harbinger Capital Partners LLC which completed on 7 April 2011.

Discussions with respect to the sale of Nordic were initiated by Skandia Liv, with Skandia Liv submitting an indication of interest, subject to due diligence and contract, to Old Mutual. Following a process of due diligence, discussions with Skandia Liv regarding its proposal and the preparation of legal documentation to effect the Transaction, Skandia Liv and Old Mutual have entered into a binding agreement with respect to the Transaction.

Subject to the next two sentences, the Board of Old Mutual has unanimously concluded that it is in the best interests of Old Mutual shareholders to accept the Skandia Liv proposal and effect the Transaction. Lars Otterbeck is a member of the boards of Old Mutual, Skandia AB and Skandia Liv. Given the potential conflict of interest, Lars Otterbeck has not participated in any matters related to the Transaction.

Benefits for Old Mutual

Nordic continues to be a successful contributor to the performance of the Group. However, the level of synergies achieved with the broader Old Mutual Group is limited. Nordic achieved a return on equity of 11.2 percent in 2010 and 11.7 percent in 1H 2011 (12.8 percent, excluding one-off costs associated with the cost reduction programme). This compares to Old Mutual's target return on equity for Nordic of 12 to 15 percent and for its long-term savings business as a whole of 16 to 18 percent. Were the Transaction not to take place, the Board believes that there would be opportunities to improve its profitability under Old Mutual's ownership, including through closer integration with other parts of the Old Mutual Group.

While Nordic has previously been considered to be a core part of the Group, the acquisition of Nordic by Skandia Liv will allow for realisation of significant synergies which would not have been achievable under the current corporate structure. The Transaction proposed by Skandia Liv provides Old Mutual with cash consideration that reflects Nordic's current leading market position, its potential future development and a share of the synergies expected to be realised by Skandia Liv through the Transaction. The Board of Old Mutual therefore believes that the Transaction is in the best interests of Old Mutual shareholders.

The Transaction will allow Old Mutual to accelerate the reduction of group debt and return surplus capital arising from the Transaction to shareholders. Old Mutual will also reassess its debt repayment plan.

Old Mutual's strategy will continue to be that of building a long-term savings, protection and investment group by leveraging the strength of its people and capabilities in South Africa and around the world. Old Mutual is confident of meeting the targets it has set and will continue to reduce the complexity of the Group and improve its structure. Following the Transaction Old Mutual will retain ownership of, and will continue to use, the Skandia brand in markets outside Sweden, Denmark and Norway.

Benefits for Skandia Liv

Skandia Liv has informed Old Mutual that it expects the Transaction to result in the following benefits for Skandia Liv and its policyholders:

- The creation of a Nordic market champion under a unified ownership structure that provides the best available platform for long-term growth;
- A lean operating structure allowing increased efficiency and realisation of significant synergies. Skandia Liv considers that the existing Hybrid Structure creates operational inefficiencies which the Transaction removes; and
- Accelerated product development plans enabling Skandia Liv to offer a wider product range at an attractive price level to existing and new policyholders.

The Transaction is in line with Skandia Liv's investment strategy of seeking to increase the proportion of its investment fund held in unlisted equity. The Purchase Price would have represented approximately 8 percent of Skandia Liv's investment assets as at 31 December 2010. Skandia Liv believes that following the Transaction its solvency and debt coverage ratios will continue to be substantially above the requirements of the Swedish FSA.

Skandia Liv also believes its investment fund will be in a position to continue to provide attractive long-term returns to Skandia Liv policyholders.

In addition to receiving independent financial advice, Skandia Liv has also received fairness opinions in relation to the terms of the Transaction from two well-known investment banks.

3. Use of proceeds

Old Mutual expects the net cash consideration of SEK22.4 billion (£2.1 billion) to be available to the Group since it is expected that no UK tax will be payable by Old Mutual on the Purchase Price as a result of the substantial shareholder exemption.

Old Mutual intends to use the proceeds to reduce group debt and return surplus capital arising as a result of the Transaction to shareholders.

The timing and process for implementing further debt reduction will be determined based on optimising the benefits for Old Mutual shareholders, the Group and market conditions.

Old Mutual intends to provide further details of the amount of surplus capital to be returned to shareholders in the circular to shareholders which is expected to be sent to shareholders in February 2012. The process and timing for returning capital to shareholders will be determined following detailed analysis and taking account, so far as possible, of the differing jurisdictions and taxation positions of our shareholder base. Old Mutual intends to provide an update on the mechanism by which to return capital to shareholders no later than its 2011 preliminary results presentation on 9 March. Further shareholder approvals may be required to implement the intended return of capital to shareholders.

4. Principal terms and conditions of the Disposal

Structure

A new foundation (the "Foundation") has been established by Skandia Liv as a Swedish legal entity acting in the interest of Skandia Liv policyholders. Under the terms of the share sale agreement (the "Sale Agreement"), at Completion, Old Mutual will sell its entire shareholding in Skandia Liv to the Foundation for SEK600,000. Following this, Skandia Liv will be established as a standalone entity, separate from Old Mutual. Skandia Liv will then immediately acquire Nordic from Old Mutual for the Purchase Price.

The directors of the Foundation are Bo Eklöf, Leif Göran Victorin and Kajsa Lindståhl.

The Sale Agreement contains representations, warranties, covenants and indemnities given by Old Mutual to Skandia Liv and the Foundation and from Skandia Liv and the Foundation to Old Mutual which are customary for a transaction of this nature.

Brand

Old Mutual will retain ownership of and continue to use the Skandia brand following Completion in markets outside of Sweden, Denmark and Norway as it implements its long-term savings strategy. Skandia Liv will have ownership of and continue to use the Skandia brand in Sweden, Denmark and Norway.

Chinese JV

Old Mutual has a joint venture in China with Guodian (the “China JV”). Old Mutual’s stake in the China JV is held through Nordic.

Nordic is in the process of transferring its stake in the China JV to Old Mutual South Africa (the “Transfer”). The Transfer remains subject to receipt of Chinese regulatory approval. Old Mutual South Africa will pay the consideration to Nordic with respect to the Transfer. It has been agreed as part of the Sale Agreement that this consideration will be paid on by Nordic to Old Mutual plc.

As part of the Sale Agreement, Old Mutual has provided certain indemnities to Skandia Liv with respect to the China JV.

Approvals and Consents

Owing to the size of the Transaction relative to the size of Old Mutual, the Transaction constitutes a Class 1 transaction for the purpose of the Listing Rules. In addition, in view of the fact that Leif Göran Victorin is a director of Skandia Liv and also a director of the Foundation, the Transaction is categorised as a related party transaction under the terms of the Listing Rules.

Accordingly, the Transaction is conditional, amongst other things, upon obtaining the approval of Old Mutual shareholders by ordinary resolution at an Extraordinary General Meeting. The Transaction does not require the approval of Skandia Liv policyholders.

The Transaction is also subject to regulatory, competition authority and other approvals and is expected to complete towards the end of the first quarter of 2012.

If these approvals are not received or if certain of the other conditions to Completion set out in the Sale Agreement are not satisfied or waived on or before 30 April 2012, Old Mutual and Skandia Liv are entitled to terminate the Sale Agreement by giving 25 business days’ notice to the other. If the approvals and conditions precedent are fulfilled or waived by parties to the Sale Agreement during that notice period, the parties are required to proceed to Completion notwithstanding the service of any such notice to terminate unless Old Mutual and Skandia Liv agree otherwise.

Consideration

The gross cash consideration to be paid by Skandia Liv is SEK 22.5 billion (£2.1 billion) at Completion.

Net of remaining inter-company loans from Nordic to Old Mutual of SEK 97 million (£9 million) which will be repaid at or before Completion by Old Mutual, the net cash consideration receivable by Old Mutual with respect to the Transaction will be SEK22.4 billion (£2.1 billion).

Old Mutual will also receive interest on the Purchase Price at an annualised rate of 5 percent with respect to the period from 20 February 2012 to Completion.

Pre-Signing Dividend

On 9 December 2011, Nordic paid a dividend to Old Mutual of SEK1.7 billion (the “Pre-Signing Dividend”) by way of a waiver of certain inter-company loans from Nordic to Old Mutual. This had the effect of reducing the net assets of Nordic by an equivalent amount.

Pre-Completion Dividend

After the date of this announcement but prior to Completion, Nordic will pay a further dividend to Old Mutual of £10 million (the "Pre-Completion Dividend"). This will have the effect of reducing the net assets of Nordic by an equivalent amount. The Pre-Completion Dividend will have no impact on the Purchase Price.

Further details of the Sale Agreement will be set out in the Circular to be sent to shareholders in due course.

5. Management and employees

Skandia Liv has confirmed to Old Mutual that, following Completion of the Transaction, the existing employment rights, including pension rights, of all management and employees of Nordic will be fully safeguarded.

6. Financial effects of the Disposal

The net cash proceeds of SEK22.4 billion (£2.1 billion) represent approximately 33 percent of Old Mutual's market capitalisation as at 14 December 2011, being the last practicable date immediately prior to this announcement. As set out above, it is intended that the proceeds will be used to reduce group debt and return surplus capital arising as a result of the Transaction to shareholders.

The removal of Nordic's earnings from the Group's results means the Transaction is expected to reduce the Group's total earnings. However, it is expected that the Transaction will facilitate a reduction in group debt and a return of surplus capital arising from the Transaction to Old Mutual shareholders.

Old Mutual's dividend policy will continue to have regard to the Group's overall capital requirements, liquidity and profitability, and targets a dividend cover, in respect of ordinary dividends, of at least 2.5 times IFRS adjusted operating profit over time.

7. Further information and details of the Transaction

A circular containing further details of the Transaction, including notice of the Extraordinary General Meeting to seek Shareholders' approval for the Transaction and the recommendation of the Board to vote in favour of the Transaction, is expected to be sent to Shareholders in February 2012.

Appendix II

Sources and Bases

In this announcement, unless otherwise stated or the context otherwise requires, the financial information relating to Nordic has been extracted from the interim financial results of Old Mutual with respect to the six months ended 30 June 2011 or the audited financial statements (as relevant) for prior financial periods.

Exchange Rates

The exchange rates used to translate Swedish Krona (SEK) into Sterling in this announcement are as follows:

For the Purchase Price and net cash consideration (this rate being the closing rate on 14 December 2011, being the latest practicable date prior to the publication of this document)	10.8384
For balance sheet or MCEV figures stated as at 30 June 2011 (closing rate)	10.1564
For income statement figures with respect to the 1H 2011 period (average rate)	10.3023
For balance sheet or MCEV figures stated as at 31 December 2010 (closing rate)	10.4227
For income statement figures with respect to the 2010 full year period (average rate)	11.1364

Nordic - Summary financial information

The table below sets out summary financial information for Nordic.

£m	1H 2011 (ended 30 June 2011)	FY 2010 (ended 31 December 2010)
IFRS basis		
Adjusted operating profit before tax	60	110
Basic IFRS profit after tax	31	3
Gross assets	21,460	20,233
Net assets	1,885	1,683
Funds under management	14,046	13,953
MCEV basis		
Adjusted operating MCEV earnings before tax for the covered business	78	65
Adjusted operating MCEV earnings after tax for the covered business	63	45
MCEV	1,812	1,836

Nordic – Pro-Forma Summary financial information

The table below sets out the net assets for Nordic as at 30 June 2011 adjusted for the Pre-Signing Dividend, the Pre-Completion Dividend and the Transfer (the “Pro-Forma Net Assets”).

The table below also sets out the MCEV for Nordic as at 30 June 2011 adjusted for the Pre-Completion Dividend, the Transfer and the net value of investment hedges (the “Pro-Forma MCEV”). Note that no adjustment with respect to the Pre-Signing Dividend is required for the calculation of the Pro-Forma MCEV on the basis that the stated MCEV for Nordic as at 30 June 2011 already excluded inter-company loans from Nordic to Old Mutual. Note also that the stated MCEV for Nordic in Old Mutual’s accounts takes into account the allocated net value of investment hedges undertaken by the Group which hedge the value of Old Mutual’s investment in Nordic. As at 30 June 2011, there was negative net value of the investment hedges of £151 million. An adjustment is therefore also made to the Pro-Forma MCEV to remove this impact as the net value of investment hedges will reside with Old Mutual post-Completion.

These figures are unaudited.

£m	1H 2011 (ended 30 June 2011)
<i>IFRS basis</i>	
Net assets	1,885
Less: Pre-Signing Dividend	(164)
Less: Pre-Completion Dividend	(10)
Less: Book value of investment in China JV	(32)
Pro-Forma Net Assets	1,678
<i>MCEV basis</i>	
MCEV	1,812
Less: Pre-Signing Dividend	n/a
Less: Pre-Completion Dividend	(10)
Less: Book value of investment in China JV	(32)
Add: Removal of allocation of Group net investment hedge	151
Pro-Forma MCEV	1,921

Appendix III

Definitions

The following definitions apply throughout this announcement unless the context otherwise requires:

“Bank of America Merrill Lynch”	Merrill Lynch International
“Board”	the directors of Old Mutual. Lars Otterbeck is a member of the boards of Old Mutual, Skandia AB and Skandia Liv. Given the potential conflict of interest, Lars Otterbeck has not participated in any matters related to the Transaction
“Company” or “Old Mutual”	Old Mutual plc, a public limited company incorporated in England and Wales with registered number 03591559 and with its registered office at 5 th Floor, Old Mutual Place, 2 Lambeth Hill, London EC4V 4GG
“Completion”	completion of the sale of the Transaction pursuant to the terms of the Sale Agreement
“China JV”	Old Mutual’s joint venture in China with Guodian (Old Mutual-Guodian Life Insurance Company Ltd)
“Deutsche Bank”	Deutsche Bank AG, London Branch
“Evercore Partners”	Evercore Partners International LLP
“Extraordinary General Meeting”	the extraordinary general meeting of the Company to be held for Old Mutual shareholders to vote on the Transaction, notice of which will be set out in the Circular
“Foundation”	the Swedish legal entity established by Skandia Liv acting in the interest of Skandia Liv policyholders to acquire Skandia Liv from Old Mutual
“IFRS”	International Financial Reporting Standards as adopted by the European Union
“Skandia Liv”	Livförsäkringsaktiebolaget Skandia (publ), registered number 502019-6365, a limited liability life insurance company incorporated under the laws of Sweden
“Skandia Liv Board”	the directors of Skandia Liv
“Listing Rules”	the rules and regulations made by the UK Listing Authority pursuant to Section 74 of the Financial Services and Markets Act 2000, as amended from time to time
“MCEV”	Old Mutual’s Market Consistent Embedded Value methodology
“Morgan Stanley”	Morgan Stanley & Co. Limited
“Nordic”	Old Mutual’s long-term savings and banking operations in Sweden, Denmark and Norway operating under the Skandia brand. Skandia is the holding company for Nordic
“Old Mutual Group” or the “Group”	the Company and its subsidiaries as at the date of this announcement

“Pre-Completion Dividend”	the dividend to be paid by Nordic to Old Mutual of £10 million prior to Completion
“Pre-Signing Dividend”	the dividend paid by Nordic to Old Mutual of SEK1.7 billion on 9 December 2011 by way of a waiver of certain inter-company loans from Nordic to Old Mutual
“Purchase Price”	the gross cash consideration of SEK22.5 billion (£2.1 billion) payable to Old Mutual on completion of the Transaction
“Sale Agreement”	the binding agreement dated 14 December 2011 between Old Mutual and Skandia Liv relating to the Sale
“SEK”	Swedish Krona
“Skandia AB”	Försäkringsaktiebolaget Skandia (publ) (the English version of which is Skandia Insurance Company Ltd (publ)), registered number 502017-3083, a limited liability life insurance company incorporated under the laws of Sweden
“Swedish FSA”	Swedish Financial Supervisory Authority
“Transfer”	the transfer by Nordic of its stake in the China JV to Old Mutual South Africa or a nominee of Old Mutual South Africa
“Transaction”	the proposed sale by Old Mutual plc of Nordic pursuant to and subject to the conditions of the Sale Agreement
“United Kingdom” or “UK”	the United Kingdom of Great Britain and Northern Ireland