

“SHAPING A BUSINESS FIT FOR THE POST-CRISIS ERA”

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30 September 2015

INVESTMENT | SAVINGS | INSURANCE | BANKING



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Nothing in this presentation shall constitute an offer to sell or the solicitation of an offer to buy securities.

AGENDA

Introduction to Old Mutual

Transformation of the group

Attractive markets

Capital

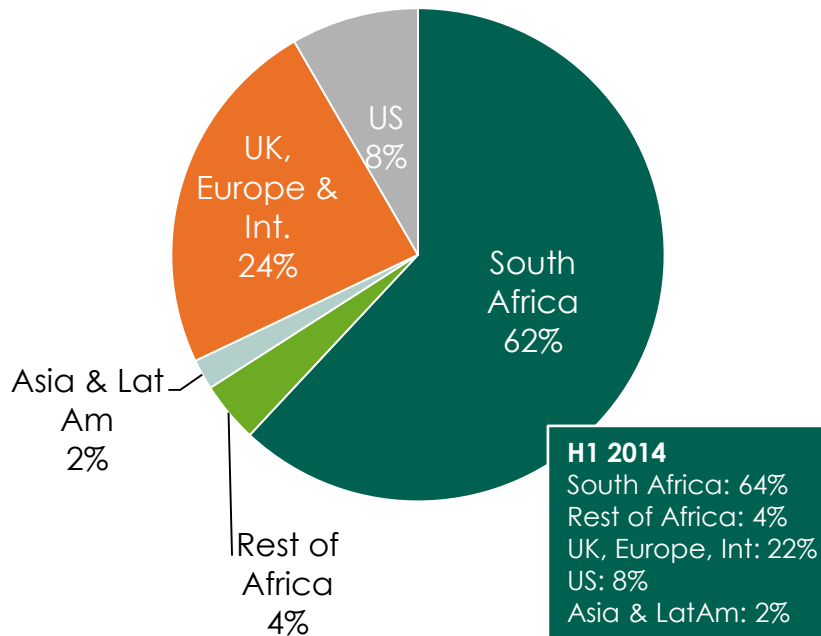
Cash

2015 Interim Results: highlights

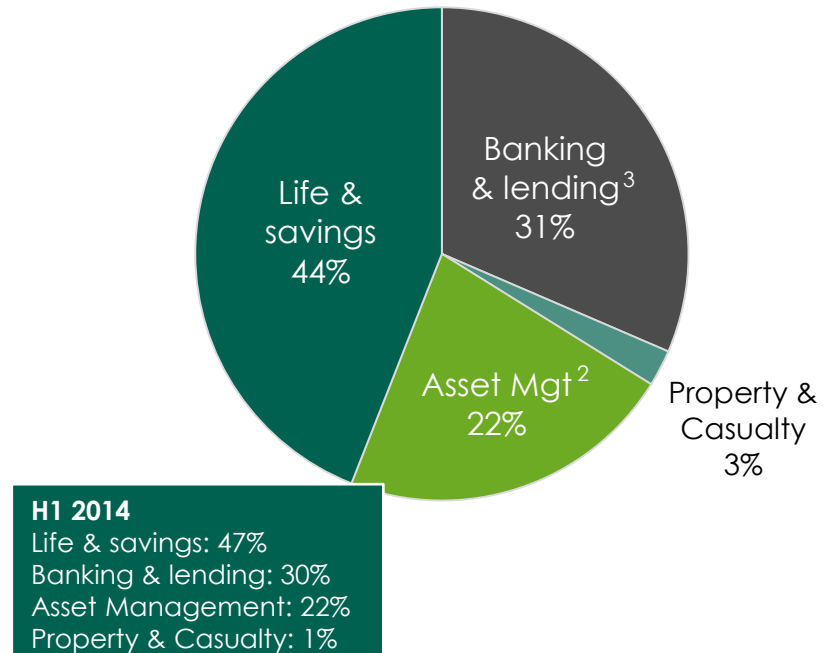
Concluding remarks

SNAPSHOT OF OLD MUTUAL

**H1 2015 AOP¹ (£502m)
by geography**



**H1 2015 AOP¹ (£502m)
by line of business**



1. Core operations post tax and NCI and includes BU LTIR. Central activities have been allocated pro-rata for presentational purposes.
2. Includes Institutional Asset Management, OMGI, Quilter Cheviot and the asset management businesses of OMEM and Nedbank.
3. Includes Nedbank and OMEM's banking businesses (OMSFIN and OMF in South Africa, Faulu in Kenya, and CABS in Zimbabwe).

CONTINUING TO DELIVER OUR STRATEGY FOR GROWTH

In Africa: build a **financial services champion**.

In the UK: build the leading **retail investment business**.

In the US: grow our **institutional asset management business**.

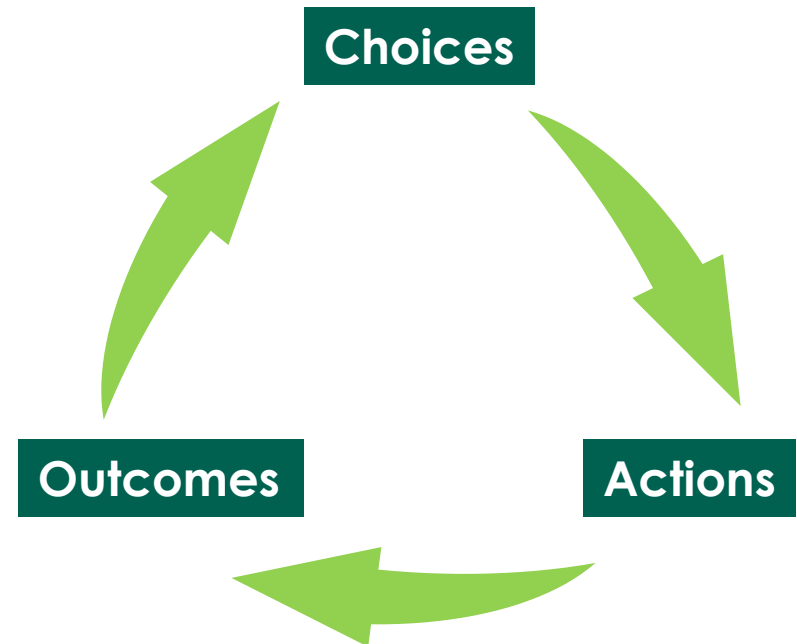
In all our markets: become recognised as the financial services **leader in responsible business**.

TRANSFORMATION OF OLD MUTUAL

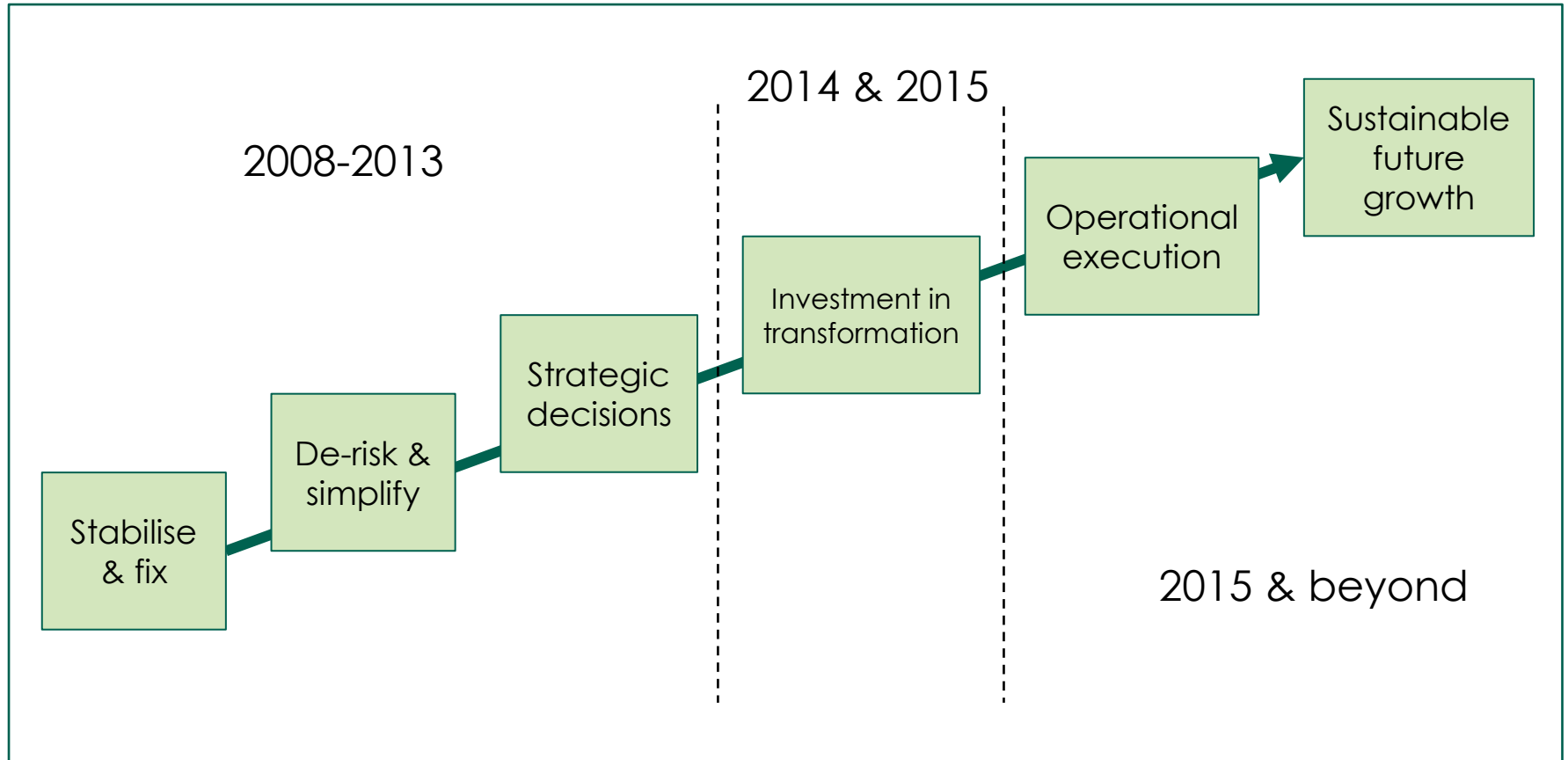
Background global trends:

- Uncertain and volatile macro environment
- Increased regulation
- Technology: rise of the savvy, connected customer
- Convergence in usage of financial services
- Increased competition and reduced trust: customers in focus

The transformation circle



TRANSFORMATION OF OLD MUTUAL



2008-2013: CHOICES & ACTIONS

Refocused strategy.

- Divested sub-scale/non-core businesses.
- Implemented new governance model.
- Set 3-year cost & ROE targets.

Focused on less capital-intensive business.

- Sold US Life for \$350m.
- De-risked Bermudan business (into run-off with hedging for residual risk).

Strengthened capital base & reduced gearing.

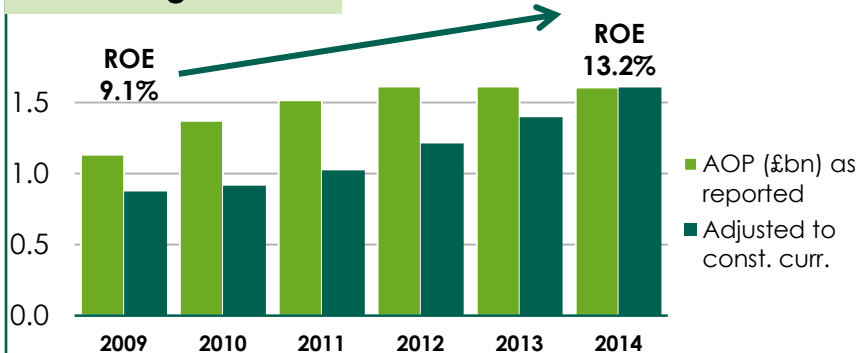
- Set 3-year debt reduction target.
- Set targets to strengthen FGD cover ratio

2008-2013: OUTCOMES

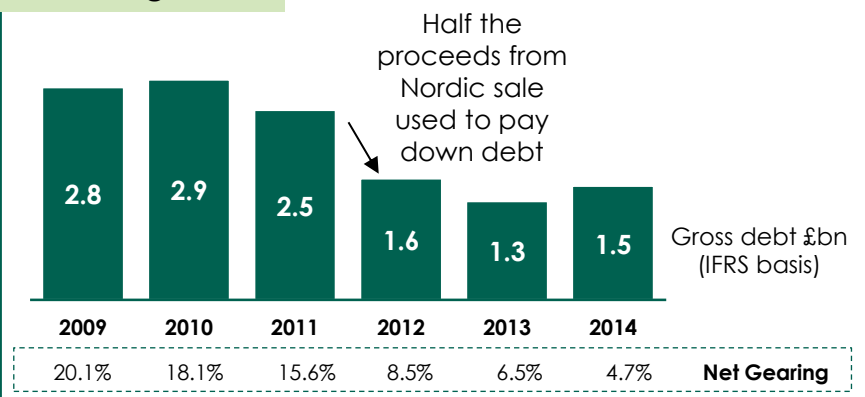
Improved portfolio of businesses

- Operating within desired risk and returns appetite.
- Managing for downside risk.
- Strategies for sustainable growth.
- Improved underlying businesses and their competitive advantage.

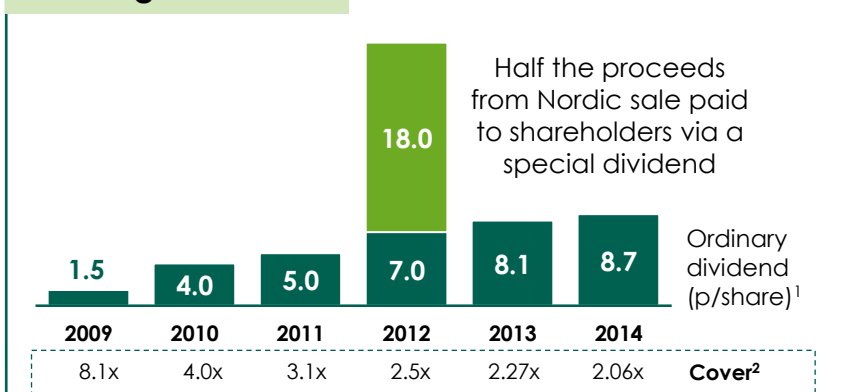
Increasing returns³



Reducing debt



Growing dividend



1. Amount as paid, unadjusted for the share consolidation in 2012.

2. Cover based on AOP EPS as reported at each year end; does not include any retrospective restatements.

3. AOP as reported is without restatement for acquisitions/disposals. Adjusted AOP shows AOP with the rand proportion restated to average 2014 rand exchange rates.

2014 & 2015: CHOICES & ACTIONS

Reallocation of capital & investment in transformation

1 c. £0.7bn of investment in Africa



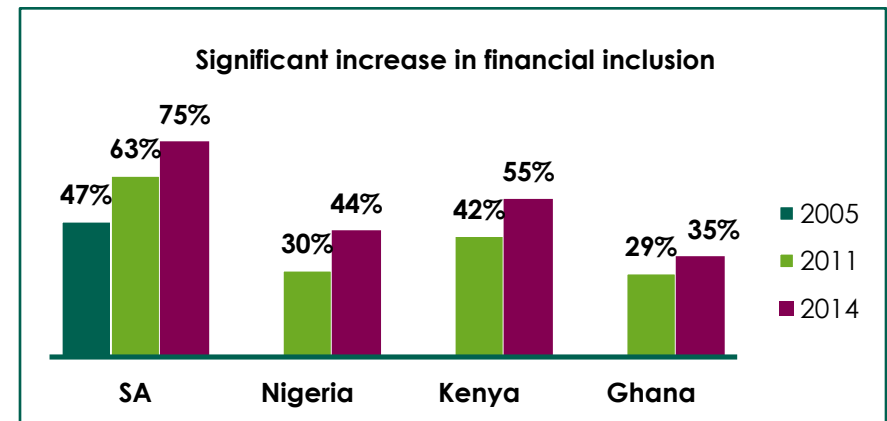
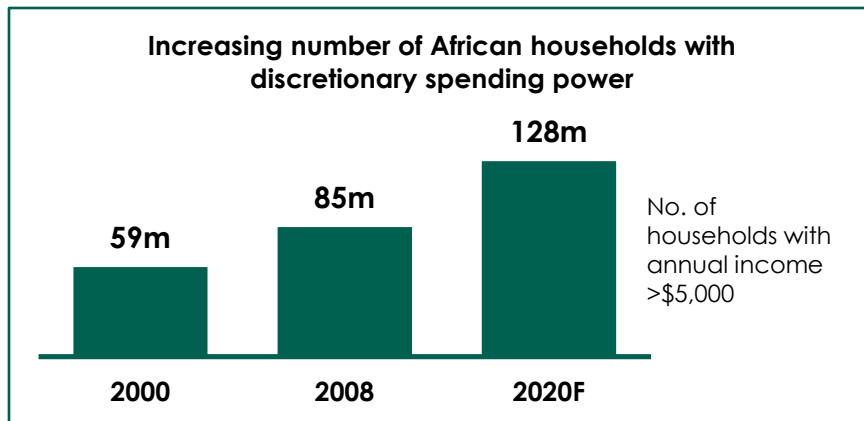
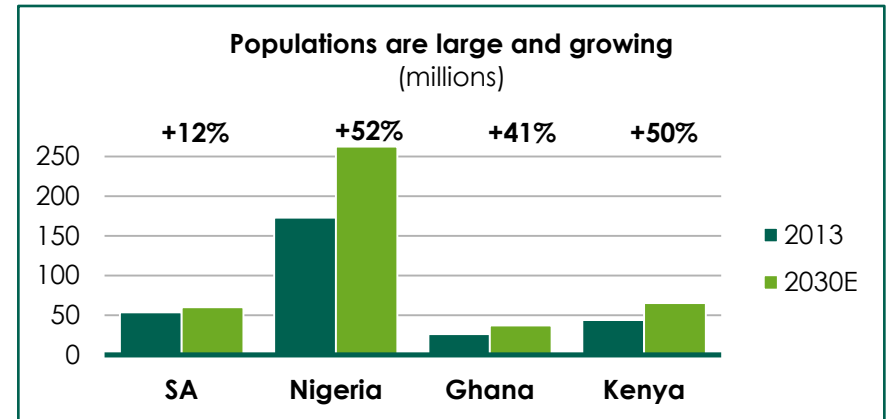
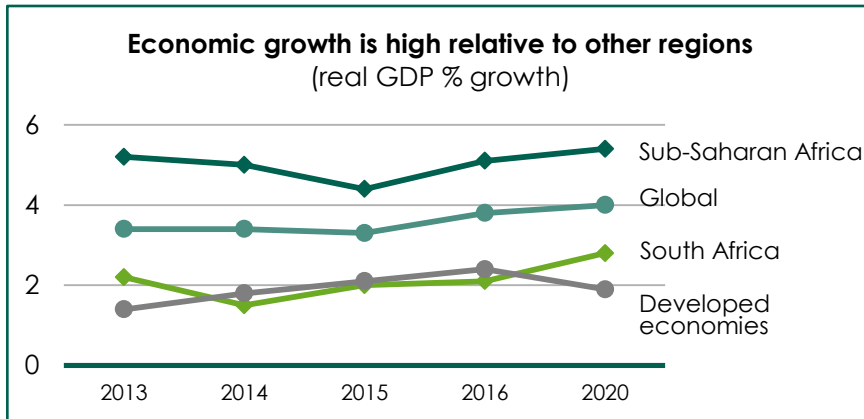
2 c. £0.7bn of investment in UK



3

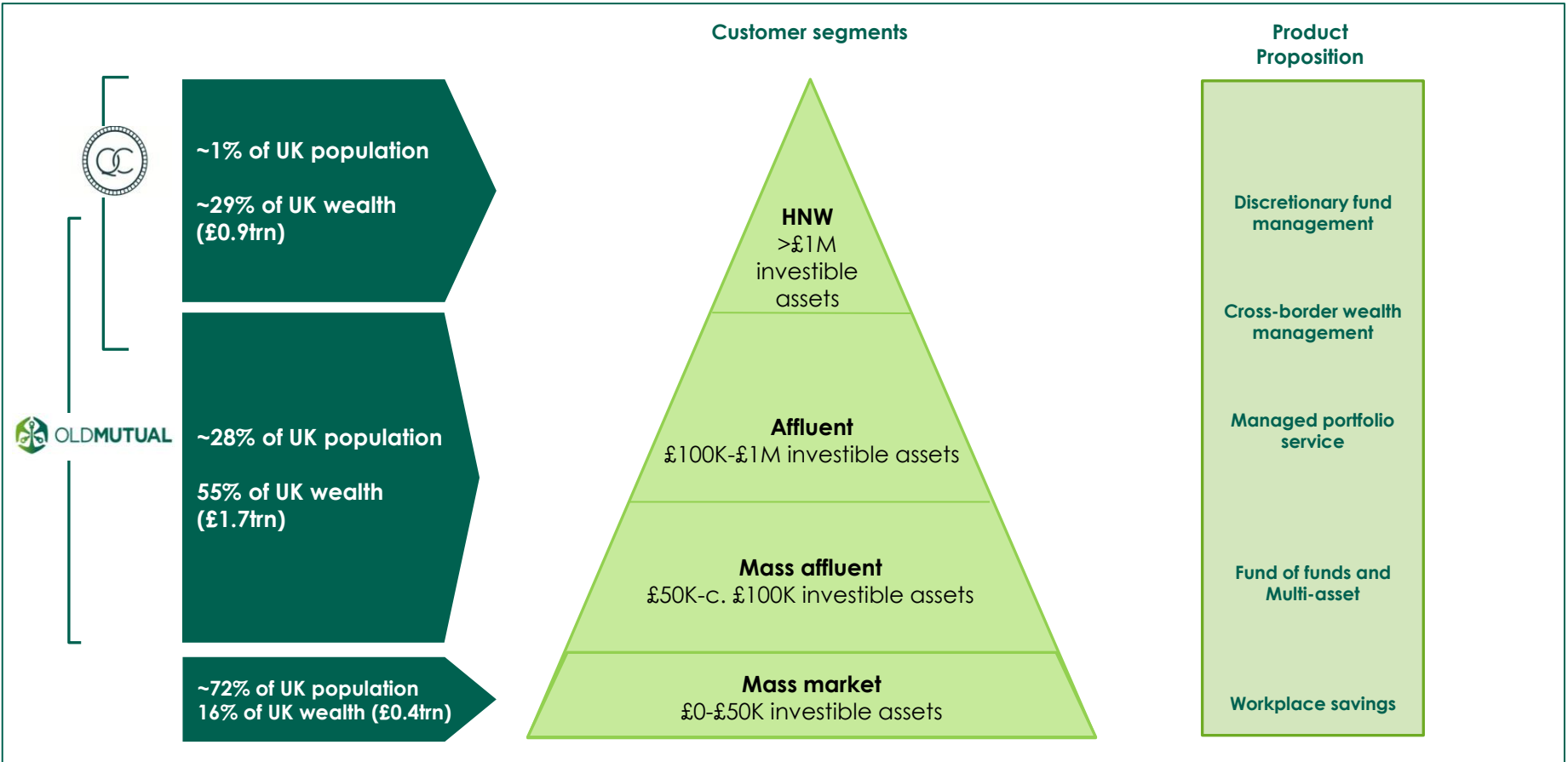
Plus significant ongoing investment in digital capability in Africa and the UK

GROWTH OPPORTUNITIES IN SUB-SAHARAN AFRICA



Sources:
 GDP growth: IMF World Economic Outlook (April 2015 and update July 2015)
 Population: United Nations, Dept of Economic & Social Affairs, Population Division (2015)
 Discretionary spending power: Lions on the move, McKinsey & Company (June 2010)
 Financial inclusion: SA: Finscope (age 16+ with a bank account); Nigeria, Kenya and Ghana: The World Bank (age 15+ with an account at a financial institution)

LARGE AND GROWING UK WEALTH MARKET



Note: Includes Life & Pension assets, Bank deposits, Wealth and Asset management. Excludes property and physical assets.

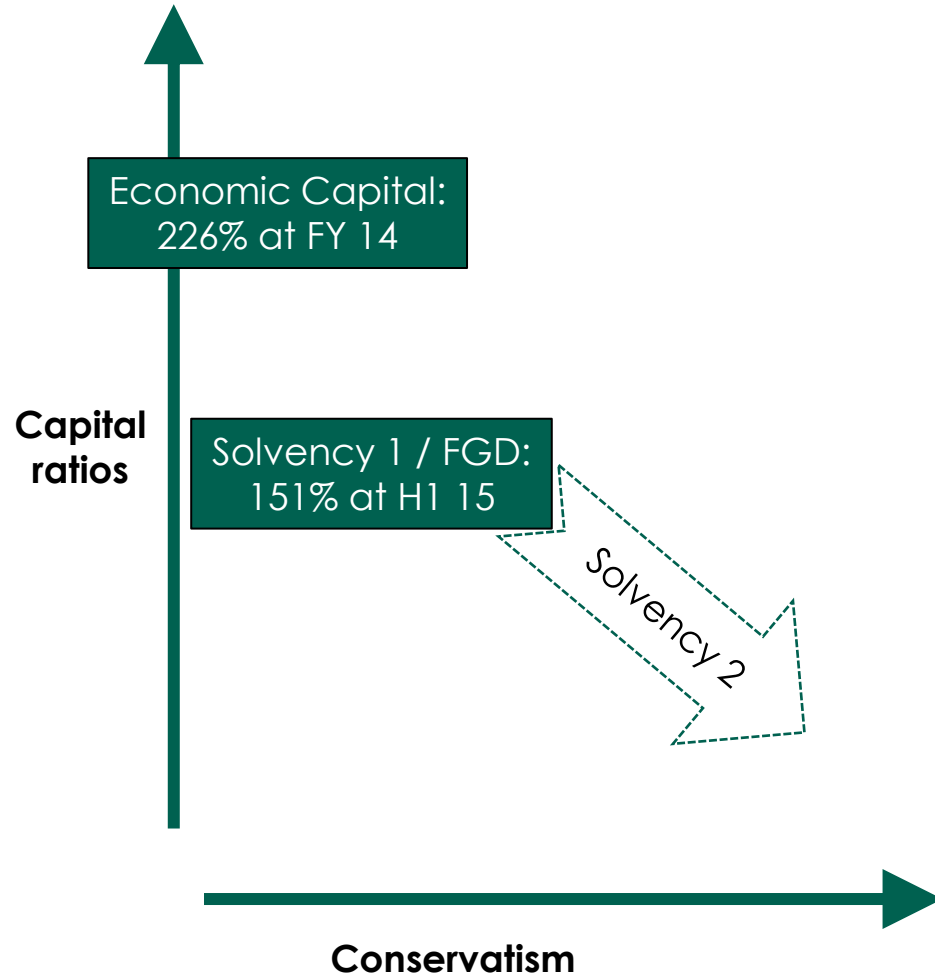
Source: Bain UK market sizing.

ALLOCATION OF CAPITAL AND RETURNS

Group and local ROE (annualised basis ⁵) H1 2015 (£m)	Shareholder equity excl intangibles ¹	Local ROE	Local ROE target range	Shareholder equity incl intangibles	Return on shareholder equity incl intangibles ⁴
Old Mutual Emerging Markets	1,497	23.2%	20 – 25%	1,866	23.8%
Nedbank	1,699	17.3%	COE + 5%	1,942	16.1%
Old Mutual Wealth	260	17.0%	12 – 15%	1,928	13.0%
Institutional Asset Management	23	15.0%	TBD	577	15.0%
Central activities	3,090 ^{1,2}			875	
Group	6,569	15.0%³	12-15%	7,188	15.0%³

1. Shareholders' equity is as at 30 June 2015. Business unit figures exclude the Group share of 'Goodwill and other intangible assets' as reported in the segmental balance sheet; however these assets are included in the Group ROE.
2. Includes group share of 'Goodwill and other intangible assets' and excludes the perpetual preferred callable securities and non-core operations.
3. Group ROE is calculated using average ordinary shareholders' equity (i.e. excluding perpetual preferred callable securities) and excludes non-core operations.
4. Calculated as AOP post-tax and NCI divided by average shareholders' equity attributable to equity holders of the parent.
5. Annualised H1 results may not be illustrative of the actual outcome for the full year.

THE EVOLVING CAPITAL REGIME



Maintain strong local statutory capital, resilient to stress scenarios

Future regulatory capital methodology considerations:

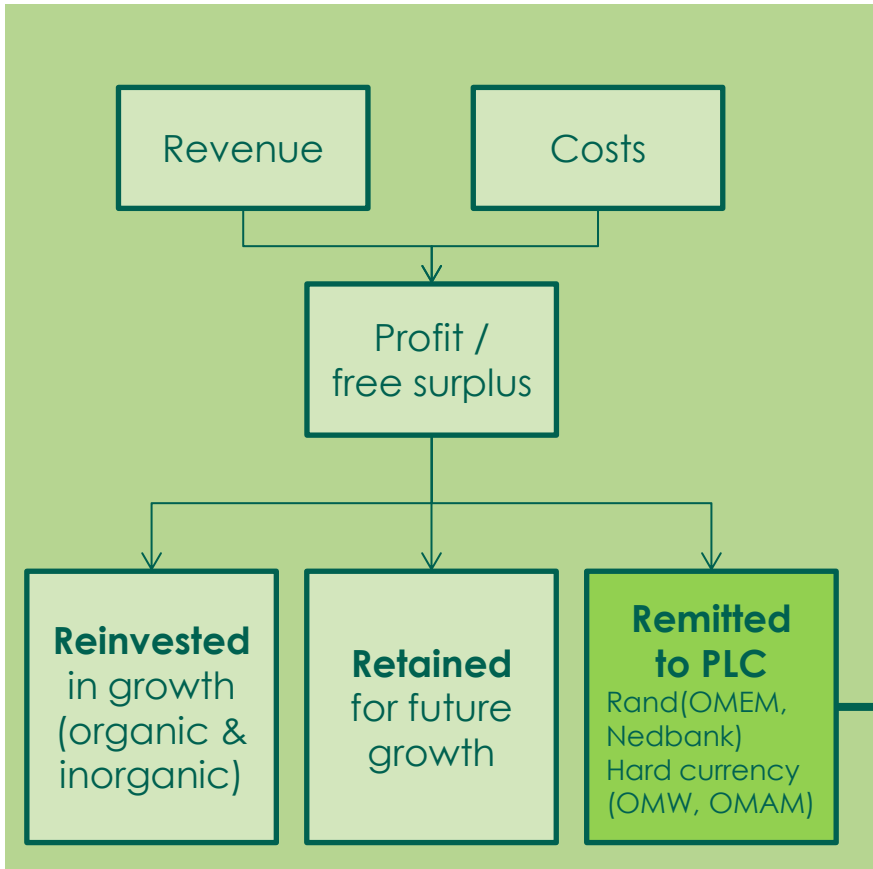
- Fungibility/Transferability
- Standard formula for SAM/SII
- Equivalence
- Deduction & Aggregation vs Consolidation

Different capital methodologies make peer comparability difficult.

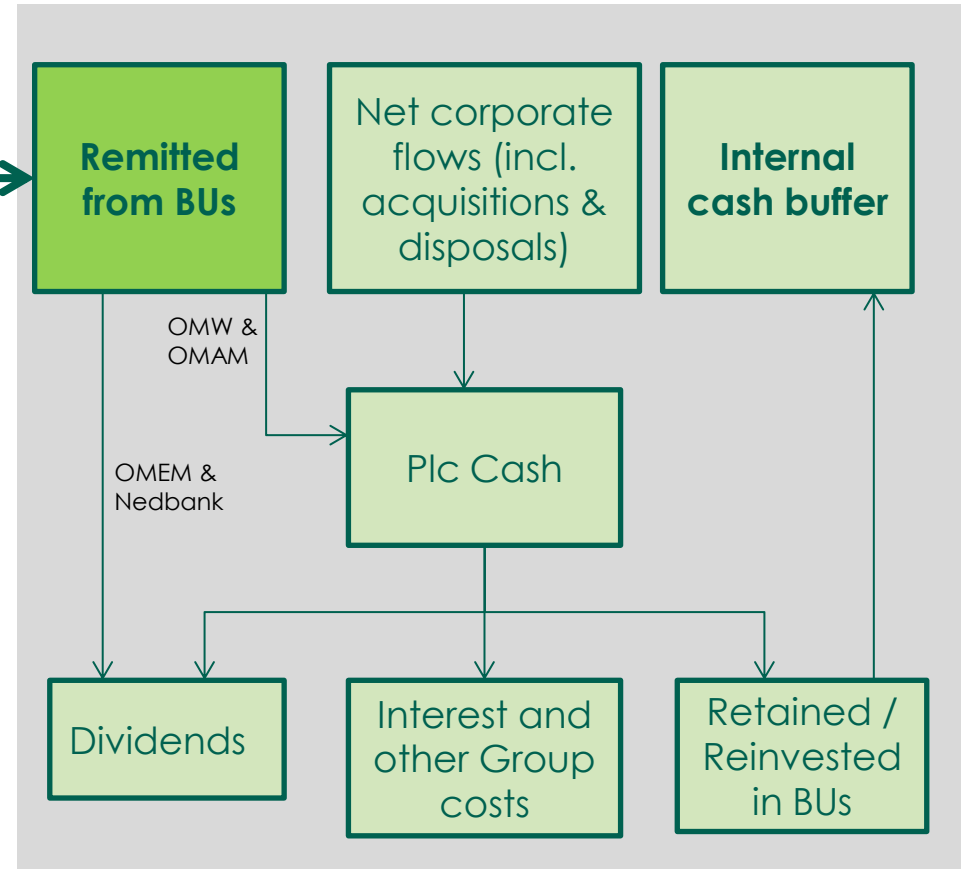
Solvency 2 directionally lower surplus and coverage, yet more resilient than FGD
Appropriately yet not excessively capitalised under both FGD and Solvency 2.

SOURCES AND USES OF CASH

Business Units



PLC



H1 2015: STRONG PERFORMANCE

AOP¹ £904m, up 20%²

Adjusted EPS 10.3 pence, up 18%²

Strong local profit growth

Net client cash flows³ £1.4bn

Funds under Management⁴ £335.7bn, up 7%²

Appropriately capitalised; £1.6bn⁵ of liquidity

Interim ordinary dividend 2.65 pence per share, up 8%

1. AOP, pre-tax and NCI, based on core business only.
2. Changes in constant currency.
3. Core business only. Excluding non-US affiliate, core business NCCF was £4.2bn (H1 2014: £3.9bn reported).
4. Core business only. FuM comparator is 31 Dec 2014.
5. Includes £0.6bn holding company cash & liquid assets and £0.8bn RCF (undrawn)

OLD MUTUAL: FIT FOR THE POST-CRISIS ERA

Clear strategy in our chosen markets

- Build a financial services champion in Africa.
- Build the leading retail investment business in the UK.
- Grow our institutional asset management business in the US.
- Become recognised as a leader in responsible business in all our markets

Four strong businesses

- Making good returns.
- In markets with attractive opportunities.
- Well positioned for growth within defined risk appetite.
- Strength is reflected in H1 performance.

Focused on operational execution

Delivering value to our stakeholders

Q&A

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APPENDIX

INVESTMENT | SAVINGS | INSURANCE | BANKING



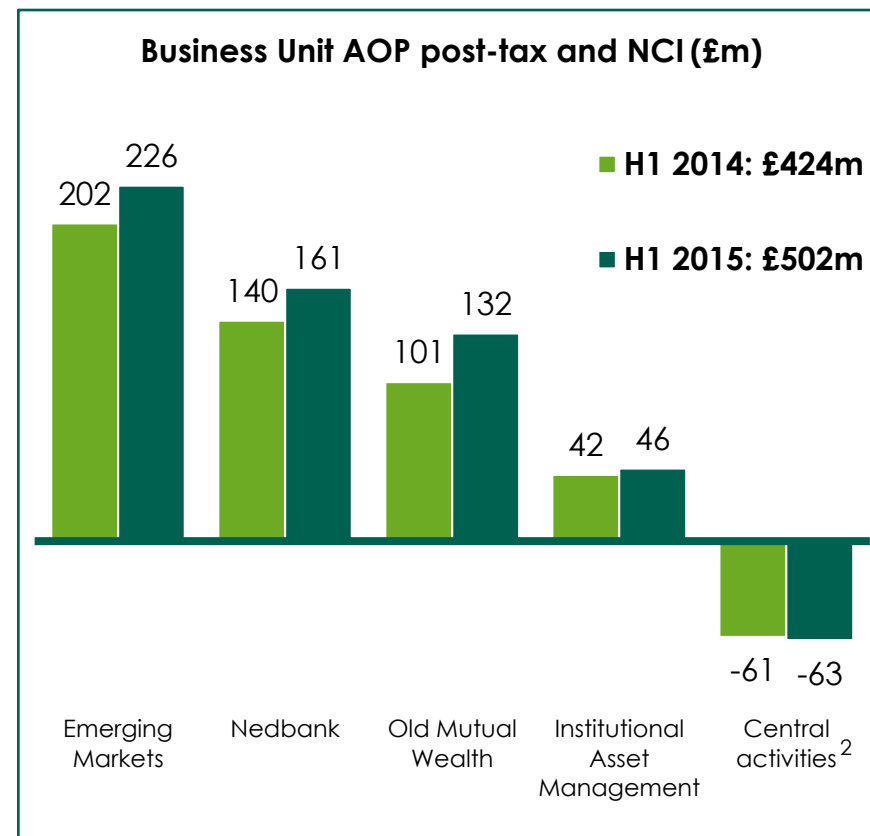
HEADLINE TARGETS

Emerging Markets (2015)	Old Mutual Wealth (2015)	Nedbank (medium to long-term targets) ⁴	Property & Casualty (medium term targets)
Over 9 million customers	£270m ³ pre tax AOP	Diluted headline earnings per share growth: ≥ CPI + GDP growth + 5%	Sustainable Top 2 position in the South African market
RoE: 20-25%	RoE: 12-15%	RoE (excl. goodwill): 5% above cost of ordinary shareholders' equity	RoE: 15–20%
Rest of Africa profits (15% ¹ of OMSA ²)	Operating Margin: 40%	NIR : Expenses ratio > 85% Efficiency Ratio 50% - 53%	Underwriting Margin: 4-6% (combined ratio of 94-96%)
		Credit loss ratio: Between 0.8% and 1.2% of average banking advances	Significant P&C operations in the RoA in major markets, supporting the Group's African expansion
		Common-equity tier 1 capital adequacy ratio (Basel III) 10.5% - 12.5%	

1. Target includes profits from newly acquired entities and P&C earnings in Africa.
2. Calculation is pre-tax and post NCI and includes LTIR.
3. Adjusted from £300m to reflect the sale of Old Mutual Wealth's businesses in Austria and Germany (completed 1 October 2014) and Poland (completed 30 May 2014) and excludes profits from Quilter Cheviot.
4. Unchanged from targets as presented at full year 2014.

AOP SIMPLIFIED OPERATING RESULT¹

£m	H1 2014 (as reported)	H1 2015	Δ % constant currency
Business Units AOP	826	971	18%
Central activities ²	(65)	(67)	(3%)
Total AOP (pre-tax & NCI)	761	904	20%
Taxation	(202)	(235)	(18%)
Non-controlling interests	(135)	(167)	(27%)
AOP post-tax & NCI	424	502	19%

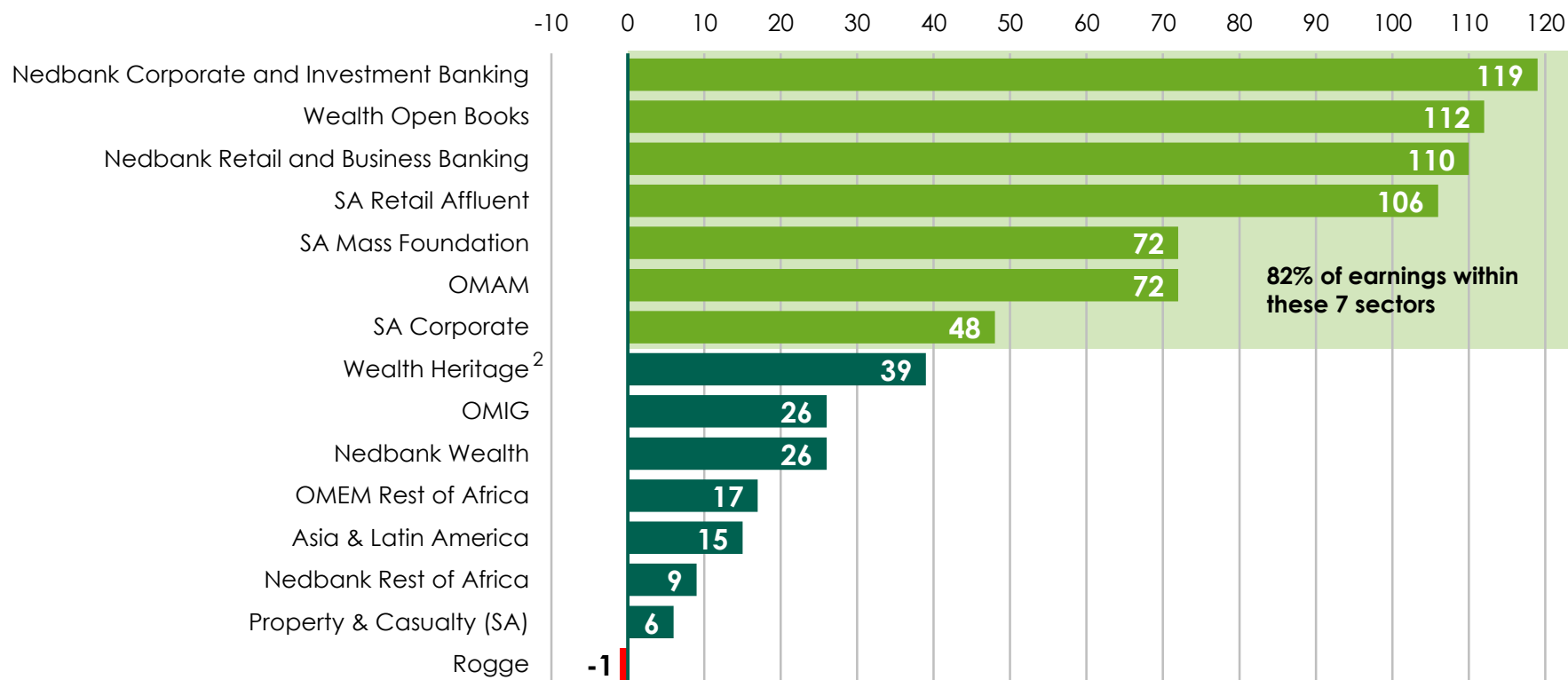


1. Core business only.

2. Includes finance costs, LTIR on excess assets, intercompany interest to non-core subsidiary, corporate costs and other net shareholder expenses.

DIVERSITY OF OPERATING EARNINGS

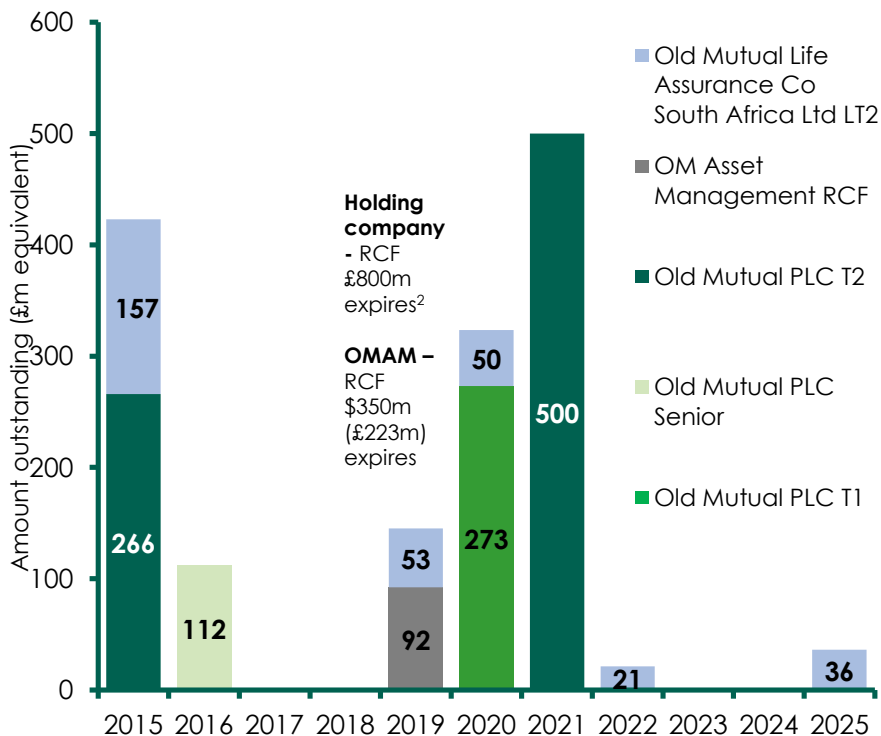
H1 2015 “operating earnings” (£m, pre-tax, post NCI)¹



1. Excludes LTIR, central activities, OMEM central costs and Nedbank centre (excl. RoA).

2. Includes UK Heritage and Switzerland (sale announced 29 May 2015).

OLD MUTUAL DEBT MATURITY PROFILE (£m)¹



Call / Maturity	Business	Instrument	Tier	Nominal debt
2015	OMEM ³	R3,000m – 8.92%	Lower Tier 2	157
2015	OM plc	€374 perp prefs – 5.00%	Upper Tier 2	266
2016	OM plc	£112m – 7.125%	Senior	112
2019	OMAM	RCF – USD Libor + 1.25%	Senior	92
2019	OMEM	R700m – 3 month JIBAR + 2.20%	Lower Tier 2	37
2019	OMEM	R300m – 9.255%	Lower Tier 2	16
2020	OM plc	£273m perp prefs – 6.376%	Tier 1	273
2020	OMEM	R537m – 3 month JIBAR + 2.30%	Lower Tier 2	28
2020	OMEM	R425m – 9.76%	Lower Tier 2	22
2021	OM plc	£500m – 8.00%	Lower Tier 2	500
2022	OMEM	R409m – 10.32%	Lower Tier 2	21
2025	OMEM	R690m – 10.96%	Lower Tier 2	36

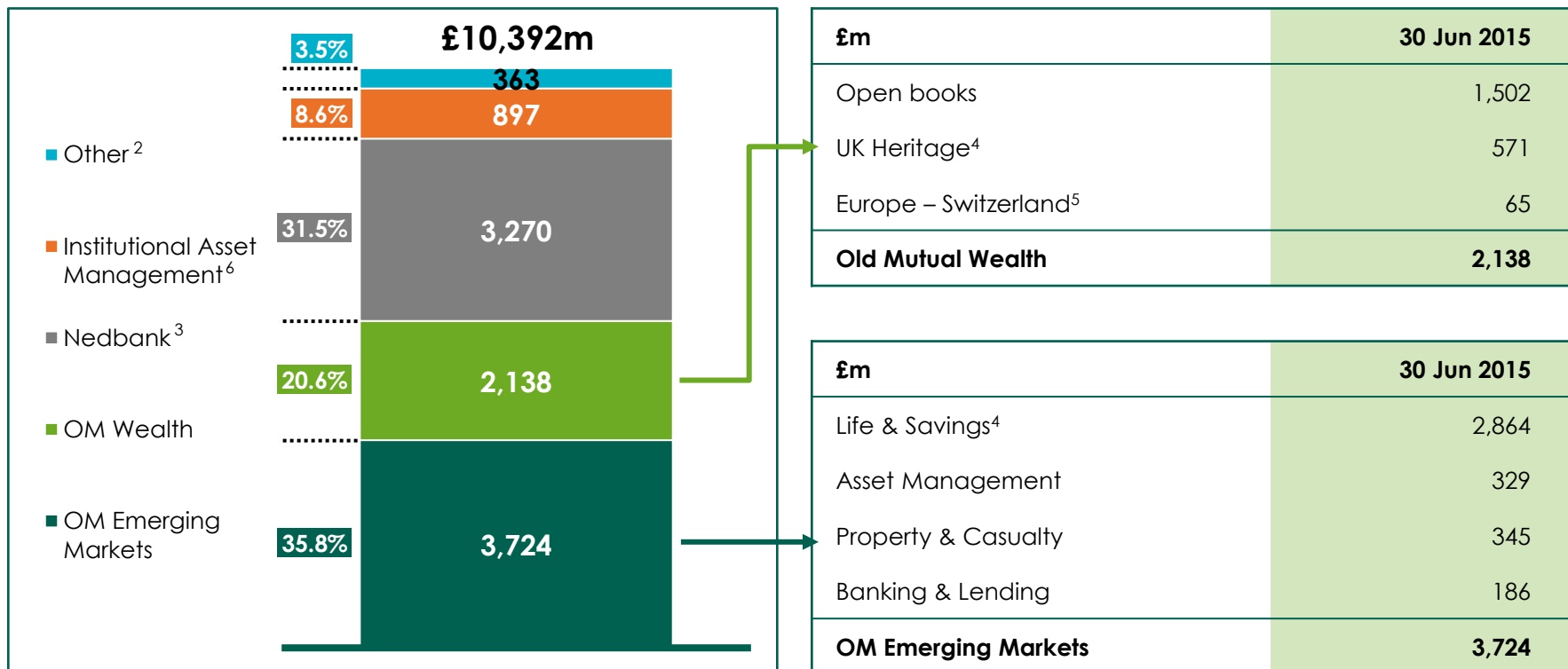
£1,560m

Note: OMLAC(SA) have issued R2.5bn Subordinated notes on 14th September 2015.

1. All values shown at nominal value using 30 June 2015 foreign exchange rates and exclude interest payments. Excludes banking related business.
2. The Group's £0.8bn RCF matures in August 2019, with an optional further one year extension at both the first and second year anniversary.
3. Old Mutual Life Assurance Company (South Africa) Limited (OMLACSA) have announced the call of their 2005 issue.



ADJUSTED GROUP NAV¹



1. IFRS basis other than where stated.

2. Includes Group assets and liabilities and Old Mutual Bermuda.

3. OM plc share of Nedbank at market value (30 June 2015).

4. MCEV basis. MCEV information is subject to departures from MCEV Principles (Copyright© Stichting CFO Forum Foundation 2008) due to the use of the government bond yield curve in the majority of Emerging Markets.

5. Sale of Swiss business announced on 29 May 2015. Swiss net assets included at IFRS held for sale value.

6. OM plc share of OMAM at market value plus other non U.S. affiliate at NAV (30 June 2015).

ADJUSTED GROUP NAV

£m	HY 2015			FY 2014			
	Equity attributable to equity holders of the parent	Adjusted Group NAV	AOP after tax & NCI	Equity attributable to equity holders of the parent	Adjusted Group NAV	AOP after tax & NCI	Implied multiple
Old Mutual Emerging Markets	1,866	3,724	226	1,929	3,835	410	9
Life & Savings	996	2,864	164	1,188	3,108	282	11
Asset Management	329	329	22	336	336	68	5
Property & Casualty	345	345	14	189	189	21	9
Banking & Lending	196	186	26	216	202	39	5
Nedbank	1,942	3,270	161	2,067	3,575	301	12
Old Mutual Wealth ¹	1,928	2,138	132	2,125	2,343	158	15
Open books ²	1,502	1,502	95	1,517	1,517	98	15
UK Heritage	362	571	32	369	586	47	12
Europe – closed book ³	65	65	5	240	240	13	18
Institutional Asset Management ⁴	577	897	46	653	986	96	10
Other and non-core operations	875	363		632	150		
Group	7,188	10,392		7,406	10,889		

1. The comparative AOP post-tax and NCI value for Old Mutual Wealth is shown after removing AOP of divested European businesses (£21m).

2. The IFRS NAV of Quilter Cheviot (represented by assets acquired and goodwill) as well as the loan from GHO to fund this acquisition is included in the June 2015 Open books value. If the loan were treated as equity the adjusted NAV for Old Mutual Wealth would increase to £2,704 million and the Other and non-core operations value would decrease to £(203) million. This would increase the implied multiple presented on slide A44 from 8x to 10x.

3. Comprises Switzerland at held for sale value at 30 June 2015.

4. Adjusted Group NAV column for Institutional Asset Management reflects the market value of OMAM at 31 December 2014.



OLDMUTUAL