

Old Mutual Financial Disclosure Supplement

For the quarter ended 31 March 2008

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1.1 Explanatory notes

- (1) US Life FUM excludes FUM being managed by USAM
- (2) Funds under management is on an end user basis therefore includes all inter-company funds being managed by USAM
- (3) UK single premiums excludes APE sales now reported under mutual funds
- (4) Balances are as reported by Nedbank
- (5) Balances are as reported by M&F
- (6) All percentages have been restated to exclude separate account assets - this change has resulted in an increase to all reported percentages of the portfolio
- (7) Gross premiums represents 100% of the businesses; OM owns 50% of Skandia:BSAM and 26% of KMOM

1.0 OLD MUTUAL GROUP

Quarter ended 31 March 2008

1.2 Group sales summary £m	Europe				South Africa				United States				Asia Pacific				Total			
	2008	2007	Change	% change	2008	2007	Change	% change	2008	2007	Change	% change	2008	2007	Change	% change	2008	2007	Change	% change
Life sales on an Annual Premium Equivalent Basis																				
Q1	259	278	(19)	(7%)	80	75	5	7%	87	65	22	34%	n/a	n/a	n/a	n/a	426	418	8	2%
Unit trust / mutual fund sales																				
Q1	1,017	1,009	8	1%	324	272	52	19%	289	540	(251)	(46%)	69	114	(45)	(39%)	1,699	1,935	(236)	(12%)
Present value of future new business premiums																				
Q1	1,912	2,237	(325)	(15%)	537	484	53	11%	826	591	235	40%	n/a	n/a	n/a	n/a	3,275	3,312	(37)	(1%)
Value of new business																				
Q1	27	36	(9)	(25%)	9	10	(1)	(10%)	19	12	7	58%	n/a	n/a	n/a	n/a	55	58	(3)	(5%)
APE margin																				
Q1	10%	13%	(3%)	(23%)	11%	14%	(3%)	(21%)	21%	19%	2%	11%	n/a	n/a	n/a	n/a	13%	14%	(1%)	(7%)
Present value of future new business premiums margin																				
Q1	1.4%	1.6%	(0.2%)	(12.5%)	1.7%	2.1%	(0.4%)	(19.1%)	2.3%	2.1%	0.2%	9.5%	n/a	n/a	n/a	n/a	1.7%	1.7%	-	-

2.0 FUNDS UNDER MANAGEMENT

Quarter ended 31 March 2008

2.1 Funds under management by business unit

	2008		Change (Q1 '08 v FY '07)		2007			
	Q1	value	value	%	Q1	HY	Q3	FY
Europe								
UK	39.5	(2.4)	(5.7%)		38.6	40.7	41.5	41.9
Nordic	8.8	(0.3)	(3.3%)		8.0	8.3	8.9	9.1
ELAM	9.7	0.1	1.0%		8.1	8.6	8.7	9.6
Total (£bn)	58.0	(2.6)	(4.3%)		54.7	57.6	59.1	60.6
South Africa								
OMSA	459.8	(10.1)	(2.1%)		473.2	469.1	476.2	469.9
Rest of Africa	8.3	0.8	10.7%		5.5	5.5	5.7	7.5
Nedbank	92.0	3.0	3.4%		97.4	99.6	91.5	89.0
M&F	3.3	2.1	175.0%		-	1.3	1.7	1.2
Total (Rbn)	563.4	(4.2)	(0.7%)		576.1	575.5	575.1	567.6
Total (£bn)	34.9	(6.8)	(16.3%)		40.1	40.6	41.0	41.7
United States								
US Life ⁽¹⁾	4.7	-	-		1.5	2.7	3.8	4.7
USAM ⁽²⁾	316.8	(15.8)	(4.8%)		289.9	315.1	330.2	332.6
Total (\$bn)	321.5	(15.8)	(4.7%)		291.4	317.8	334.0	337.3
Total (£bn)	161.6	(8.5)	(5.0%)		148.0	158.3	163.7	170.1
Asia Pacific (£bn)								
	6.3	(0.2)	(3.1%)		6.1	6.6	6.6	6.5
Total (£bn)	260.8	(18.1)	(6.5%)		248.9	263.1	270.4	278.9

2.2 Net client cash flow	2008			2007			
	Q1	% of opening FUM	Annualised % of opening	Q1	HY	Q3	FY
Europe							
UK	0.5	1.2%	4.8%	1.2	2.4	3.2	3.9
Nordic	0.1	1.1%	4.4%	0.1	0.1	0.1	0.2
ELAM	0.2	2.1%	8.3%	0.2	0.5	0.8	1.2
Total (£bn)	0.8	1.3%	5.3%	1.5	3.0	4.1	5.3
South Africa							
OMSA	(3.6)	(0.8%)	(3.1%)	(2.6)	(9.0)	(11.5)	(18.7)
Rest of Africa	-	-	-	-	(0.2)	(0.3)	2.6
Nedbank	(0.1)	(0.1%)	(0.4%)	1.8	2.0	(5.9)	4.2
M&F	-	-	-	-	-	-	-
Total (Rbn)	(3.7)	(0.7%)	(2.6%)	(0.8)	(7.2)	(17.7)	(11.9)
Total (£bn)	(0.3)	(0.7%)	(2.9%)	(0.1)	(0.5)	(1.2)	(0.8)
United States							
US Life	0.5	10.6%	42.6%	(0.3)	1.0	1.5	2.4
USAM	2.6	0.8%	3.1%	6.2	17.2	26.3	35.2
Total (\$bn)	3.1	0.9%	3.7%	5.9	18.2	27.8	37.6
Total (£bn)	1.6	0.9%	3.8%	3.0	9.2	14.1	18.9
Asia Pacific (£bn)	-	-	-	0.1	0.1	-	-
Total	2.1	0.8%	3.0%	4.5	11.8	17.0	23.4

3.0 EUROPE

Quarter ended 31 March 2008

3.1 Life sales on an Annual Premium Equivalent (APE) basis

	2008	Change (Q1 '08 v Q1 '07)	
	Q1	value	%
UK			
Single premiums ⁽³⁾	112	(39)	(26%)
Recurring premiums	46	5	12%
Total (£m)	158	(34)	(18%)
Nordic (SEKm)			
Single premiums	88	12	16%
Recurring premiums	564	161	40%
Total (SEKm)	652	173	36%
Total (£m)	52	17	49%
ELAM (EURm)			
Single premiums	23	(12)	(34%)
Recurring premiums	41	1	3%
Total (EURm)	64	(11)	(15%)
Total (£m)	49	(2)	(4%)
Total (£m)	259	(19)	(7%)

	2007			
	Q1	HY	Q3	FY
	151	300	430	554
	41	89	139	186
	192	389	569	740
	76	144	197	261
	403	815	1,179	1,731
	479	959	1,376	1,992
	35	70	101	148
	35	67	98	128
	40	73	106	148
	75	140	204	276
	51	95	138	189
	278	554	808	1,077

3.2 PVNBP sales by division

	2008	Change (Q1 '08 v Q1 '07)	
	Q1	value	%
UK			
Single premiums	1,125	(390)	(26%)
Recurring premiums	190	32	20%
Total (£m)	1,315	(358)	(21%)
Nordic (SEKm)			
Single premiums	877	121	16%
Recurring premiums	1,929	459	31%
Total (SEKm)	2,806	580	26%
Total (£m)	226	64	40%
ELAM (EURm)			
Single premiums	235	(116)	(33%)
Recurring premiums	255	7	3%
Total (EURm)	490	(109)	(18%)
Total (£m)	371	(31)	(8%)
Total (£m)	1,912	(325)	(15%)

	2007			
	Q1	HY	Q3	FY
	1,515	2,987	4,302	5,536
	158	390	553	761
	1,673	3,377	4,855	6,297
	756	1,440	1,967	2,607
	1,470	3,010	4,325	6,093
	2,226	4,450	6,292	8,700
	162	326	461	643
	351	673	977	1,283
	248	439	616	856
	599	1,112	1,593	2,139
	402	750	1,076	1,465
	2,237	4,453	6,392	8,405

3.0 EUROPE

Quarter ended 31 March 2008

3.3 Value of new business

	2008	Change (Q1 '08 v Q1 '07)		2007			
	Q1	value	%	Q1	HY	Q3	FY
UK	15	(5)	(25%)	20	42	59	77
Nordic (SEKm)	85	(2)	(2%)	87	143	196	254
Nordic (£m)	7	1	17%	6	10	14	19
ELAM (EURm)	7	(8)	(53%)	15	25	35	54
ELAM (£m)	5	(5)	(50%)	10	17	24	37
Total (£m)	27	(9)	(25%)	36	69	97	133

APE margin %

UK	9%	(1%)	(10%)	10%	11%	10%	10%
Nordic	13%	(5%)	(28%)	18%	15%	14%	13%
ELAM	11%	(8%)	(42%)	19%	18%	17%	20%
Total	10%	(3%)	(23%)	13%	13%	12%	12%

PVNB margin %

UK	1.1%	(0.1%)	(8.3%)	1.2%	1.2%	1.2%	1.2%
Nordic	3.0%	(0.9%)	(23.1%)	3.9%	3.2%	3.1%	2.9%
ELAM	1.4%	(1.0%)	(41.7%)	2.4%	2.2%	2.2%	2.5%
Total	1.4%	(0.2%)	(12.5%)	1.6%	1.6%	1.5%	1.6%

3.0 EUROPE

Quarter ended 31 March 2008

3.4 Unit trust / mutual fund sales

	2008	Change (Q1 '08 v Q1 '07)		2007			
	Q1	value	%	Q1	HY	Q3	FY
UK ⁽³⁾	522	(86)	(14%)	608	1,291	1,836	2,275
Nordic (SEKm)	1,004	509	103%	495	821	2,211	3,474
Nordic (£m)	81	45	125%	36	60	162	257
ELAM (EURm)	546	2	-	544	1,306	1,988	3,071
ELAM (£m)	414	49	13%	365	881	1,345	2,103
Total (£m)	1,017	8	1%	1,009	2,232	3,343	4,635

3.5 Funds under management

	2008	Change (Q1 '08 v FY '07)		2007			
	Q1	value	%	Q1	HY	Q3	FY
UK (£b)	39.5	(2.4)	(5.7%)	38.6	40.7	41.5	41.9
Nordic (SEK bn)	103.7	(13.0)	(11.1%)	110.7	113.9	117.8	116.7
ELAM (EURbn)	12.2	(0.8)	(6.2%)	11.9	12.8	12.5	13.0
Total (£bn)	58.0	(2.6)	(4.3%)	54.7	57.6	59.1	60.6

3.6 Net client cash flow

	2008	Annualised %		2007			
	Q1	% of opening FUM	of opening FUM	Q1	HY	Q3	FY
UK (£b)	0.5	1.2%	4.8%	1.2	2.4	3.2	3.9
Nordic (SEK bn)	1.5	1.3%	5.1%	0.7	0.8	1.5	2.7
ELAM (EURbn)	0.3	2.3%	9.2%	0.4	0.8	1.2	1.8
Total (£bn)	0.8	1.3%	5.3%	1.5	3.0	4.1	5.3

4.0 SOUTH AFRICA

Quarter ended 31 March 2008

4.1 Long term business PVNBP sales

Rm	2008	Change (Q1 '08 v Q1 '07)		2007			
	Q1	R	%	Q1	HY	Q3	FY
OMSA	7,460	905	14%	6,555	14,007	21,874	31,380
Rest of Africa	548	260	90%	288	650	1,015	1,390
Total South Africa PVNBP sales	8,008	1,165	17%	6,843	14,657	22,889	32,770
RETAIL BUSINESSES							
OMSA							
Total Single	2,239	193	9%	2,046	4,012	6,167	8,702
Total Recurring	3,109	48	2%	3,061	6,646	10,338	13,832
Total Retail sales - OMSA	5,348	241	5%	5,107	10,658	16,505	22,534
Rest of Africa	404	185	84%	219	464	778	1,020
South Africa Total Retail sales - (including other)	5,752	426	8%	5,326	11,122	17,283	23,554
INSTITUTIONAL BUSINESS							
OMSA							
Total Single	1,566	497	46%	1,069	2,289	3,739	6,437
Total Recurring	546	168	44%	378	1,060	1,630	2,410
Total Institutional sales - OMSA	2,112	665	46%	1,447	3,349	5,369	8,847
Rest of Africa	144	75	109%	69	186	238	371
South African Total Group sales - (including other)	2,256	740	49%	1,516	3,535	5,607	9,218
PVNBP margin							
OMSA							
Retail	1.6%	(0.6%)	(27.3%)	2.2%	2.7%	2.9%	2.9%
Institutional	1.2%	0.4%	50.0%	0.8%	1.2%	0.9%	1.2%
Total - OMSA	1.5%	(0.4%)	(21.1%)	1.9%	2.3%	2.4%	2.4%
Rest of Africa							
Retail	5.3%	(2.7%)	(33.8%)	8.0%	9.2%	8.1%	9.5%
Institutional	3.7%	(1.4%)	(27.5%)	5.1%	4.0%	3.8%	3.5%
Total - Rest of Africa	4.9%	(2.4%)	(32.9%)	7.3%	7.7%	7.1%	7.9%
SA Total - (Incl Namibia)	1.7%	(0.4%)	(19.1%)	2.1%	2.6%	2.6%	2.7%

4.0 SOUTH AFRICA

Quarter ended 31 March 2008

4.2 Long term business APE sales by product

Rm	2008	Change (Q1 '08 v Q1 '07)		2007			
	Q1	R	%	Q1	HY	Q3	FY
OMSA	1,121	104	10%	1,017	2,148	3,362	4,699
Rest of Africa	72	28	64%	44	102	154	217
Total South Africa APE	1,193	132	12%	1,061	2,250	3,516	4,916
RETAIL BUSINESSES BY PRODUCT							
OMSA							
Savings	167	20	14%	147	296	462	665
Protection	2	(1)	(33%)	3	5	5	6
Retail mass market	-	(1)	(100%)	1	1	2	2
Annuity	55	1	2%	54	100	148	197
Total Single - OMSA	224	19	9%	205	402	617	870
Rest of Africa	26	19	271%	7	16	26	34
South Africa Total Single - (including other)	250	38	18%	212	418	643	904
OMSA							
Savings	161	1	1%	160	332	501	656
Protection	246	6	3%	240	502	782	1,050
Retail mass market	243	11	5%	232	494	798	1,088
Total Recurring - OMSA	650	18	3%	632	1,328	2,081	2,794
Rest of Africa	30	-	-	30	64	101	141
South Africa Total Recurring - (including other)	680	18	3%	662	1,392	2,182	2,935
Total Retail sales - OMSA	874	37	4%	837	1,730	2,698	3,664
Total Retail sales - Rest of Africa	56	19	51%	37	80	127	175
South Africa Total - Retail	930	56	6%	874	1,810	2,825	3,839

4.2 Long term business sales APE by product continued

Rm	2008	Change (Q1 '08 v Q1 '07)		2007			
	Q1	R	%	Q1	HY	Q3	FY
INSTITUTIONAL BUSINESS							
OMSA							
Savings	111	30	37%	81	173	283	533
Annuity	46	20	77%	26	56	91	111
Total Single - OMSA	157	50	47%	107	229	374	644
Rest of Africa	12	5	71%	7	11	15	24
South Africa Total Single (incl other)	169	55	48%	114	240	389	668
OMSA							
Savings	7	3	75%	4	12	12	64
Protection	40	31	344%	9	68	125	145
Healthcare	44	(16)	(27%)	60	110	153	183
Total Recurring - OMSA	91	18	25%	73	190	290	392
Rest of Africa	4	4	-	-	9	11	17
South Africa Total Institutional Recurring - (incl other)	95	22	30%	73	199	301	409
Total Institutional sales - OMSA	248	68	38%	180	419	664	1,036
Total Institutional sales - Rest of Africa	16	9	129%	7	20	26	41
South Africa Total - (including other)	264	77	41%	187	439	690	1,077
APE margin							
OMSA							
Retail	10%	(3%)	(23%)	13%	16%	18%	18%
Institutional	10%	4%	66%	6%	10%	8%	10%
Total - OMSA	10%	(1%)	(9%)	11%	15%	16%	16%
Rest of Africa	38%	(10%)	(21%)	48%	49%	47%	51%
South Africa Total (incl other)	11%	(3%)	(21%)	14%	17%	17%	18%
Value of new business							
OMSA	110	(12)	(10%)	122	324	527	756
Rest of Africa	27	6	29%	21	50	72	110
South Africa Total	137	(6)	(4%)	143	374	599	866

4.0 SOUTH AFRICA

Quarter ended 31 March 2008

4.3 Unit trust sales
(Rm)

	2008			2007			
	Q1	Change (Q1 '08 v Q1 '07) R	%	Q1	HY	Q3	FY
OMSA	4,372	701	19%	3,671	6,688	10,961	15,547
Rest of Africa	452	276	157%	176	299	418	509
South Africa Total	4,824	977	25%	3,847	6,987	11,379	16,056

4.4 OMSA - funds under management

Rbn	2008			2007			
	Q1	Change (Q1 '08 v FY '07) R	%	Q1	HY	Q3	FY
Policyholders	287	(10)	(3%)	278	280	285	297
Third party client funds	92	(3)	(3%)	155	151	147	95
Unit trusts	54	1	2%	9	9	10	53
Client funds	433	(12)	(3%)	442	440	442	445
Shareholders' funds	27	2	8%	31	29	34	25
Total OMSA FUM	460	(10)	(2%)	473	469	476	470

4.0 SOUTH AFRICA

Quarter ended 31 March 2008

4.5 Nedbank Group - Banking

Rm	2008	Change (Q1 '08 v Q1 '07)		2007			
	Q1	R	%	Q1	HY	Q3	FY
Net interest income ⁽⁴⁾	3,871	695	22%	3,176	6,568	10,288	14,146
Non interest revenue ⁽⁴⁾	2,289	16	1%	2,273	4,742	7,518	10,445
Net interest margin ⁽⁴⁾	3.85%	(0.04%)	(1.03%)	3.89%	3.90%	3.94%	3.94%
Total assets (Rbn) ⁽⁴⁾	534	92	21%	442	461	490	489

4.6 Mutual & Federal - General Insurance

Rm	2008	Change (Q1 '08 v Q1 '07)		2007			
	Q1	R	%	Q1	HY	Q3	FY
Gross written premiums ⁽⁵⁾	2,566	151	6%	2,415	4,594	7,018	9,323
Net earned premiums ⁽⁵⁾	2,086	130	7%	1,956	3,813	5,816	7,948

5.0 UNITED STATES

Quarter ended 31 March 2008

5.1 US Life \$m	2008	Change (Q1 '08 v Q1 '07)		2007			
	Q1	\$	%	Q1	HY	Q3	FY
Life sales on an annual premium equivalent (APE) basis							
Fixed annuities	10	8	400%	2	4	7	19
Immediate annuities	6	-	-	6	13	20	26
Indexed fixed annuities	34	(16)	(32%)	50	105	149	192
Life	18	(4)	(18%)	22	44	64	82
Variable Annuities	104	58	126%	46	122	233	352
Total	172	46	37%	126	288	473	671
APE margin %	21%	2%	11%	19%	19%	22%	21%
Value of new business	37	13	54%	24	55	104	144
Present value of future new business premiums	1,635	483	42%	1,152	2,661	4,410	6,305
PVNBP margin %	2.3%	0.2%	9.5%	2.1%	2.1%	2.4%	2.3%

**Funds under management
\$bn**

	2008	Change (Q1 '08 v FY '07)		2007			
	Q1	\$	%	Q1	HY	Q3	FY
Funds managed by US Life	4.7	-	-	1.5	2.7	3.8	4.7
Funds managed by USAM on behalf of US Life	18.8	(0.6)	(3.1%)	20.9	20.0	19.5	19.4
Total funds under management	23.5	(0.6)	(2.5%)	22.4	22.7	23.3	24.1

5.2 US Life financial strength
\$m

2008
Q1

HY

2007
Q3

FY

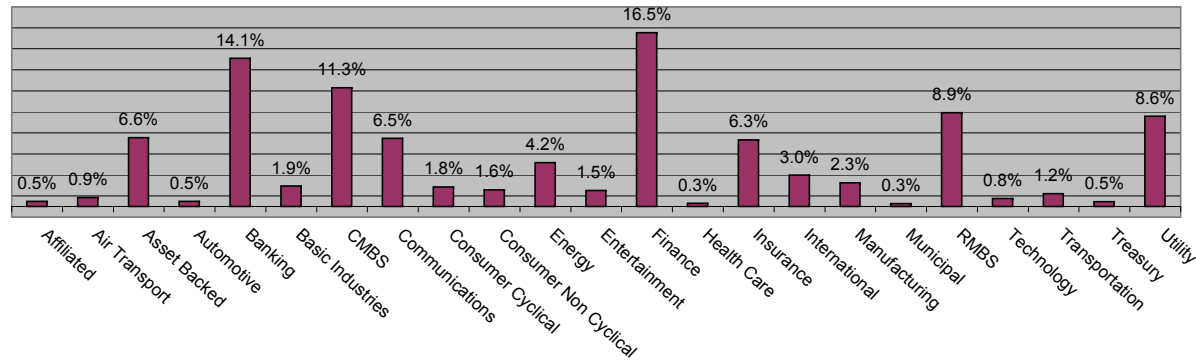
Financial strength

Rating

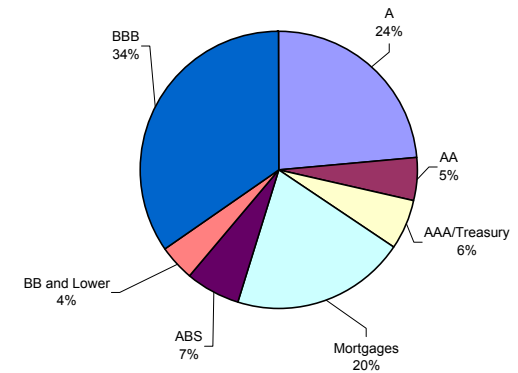
A.M. best rating (OMFLIC)	A	A	A	A
Portfolio average credit quality	A1	A1	A1	A1
Credit defaults	-	-	-	-
Realised loss (\$m)	(42)	(1)	(10)	(71)

US Life - bond portfolio at 31 March 2008

US Life bond portfolio by industry



US Life bond portfolio by type



5.0 UNITED STATES

Quarter ended 31 March 2008

5.3 US Asset Management \$m	2008	Change (Q1 '08 v Q1 '07)		2007			
	Q1	\$	%	Q1	HY	Q3	FY
Gross cash flows (\$b)	12.1	(0.8)	(6.2%)	12.9	32.8	51.4	70.5
Net client cash flow (\$b)	2.6	(3.6)	(58.1%)	6.2	17.2	26.3	35.2
Unit trust / mutual fund sales (\$m)	573	(482)	(46%)	1,055	2,219	3,125	3,782

Funds under management ⁽²⁾

\$bn	2008	Change (Q1 '08 v FY '07)		2007			
	Q1	\$	%	Q1	HY	Q3	FY
Funds under management	316.8	(15.8)	(4.8%)	289.9	315.1	330.2	332.6

5.4 Exposure to sub-prime lending ⁽⁶⁾

- Approximately 22.3% of Old Mutual US Life's portfolio is exposed to mortgage backed securities
 - Residential US\$2,390m
 - Commercial US\$2,031m
- Sub-prime exposure of \$740m (3.7% of overall portfolio) as of 31 March, 2008 (\$763m/3.8% as of 31 December 2007; \$862m/4.3% as of 30 September 2007)
 - Exposures concentrated in the most highly rated tranches (86% is AAA, 99% is AA and higher, and 100% is A and higher), with concentration in first mortgages without rate-reset risk, and owner-occupied rather than investor properties
 - Collateral has good characteristics: very high concentration of first mortgages, all fixed rate (no reset risk), high concentration of owner-occupied rather than investor properties
 - Acceptable original credit support remains
- Market value at 87% of book value
 - 2006 - 2007 vintages: 77% AAA, 100% AA and higher; concentrated in refinance mortgages (rather than purchase mortgages)
- No significant credit concerns raised on Alt-A and prime mortgage-backed holdings
- Total residential and commercial mortgage-backed holdings of \$4.4bn (22.3%) as of 31 March, 2008, of which \$2.4bn (12.0%) is RMBS and \$2.0bn (10.2%) is CMBS

5.5 Exposure to monoline insurance companies ⁽⁶⁾

- Monoline exposure of \$550m (2.8% of overall portfolio) as of 31 March, 2008
 - \$482m (or 88% of the total exposure) is indirect (wrapped) exposure and has a 93% fair value to book value ratio
 - \$68m of which is direct (unsecured) exposure, with a 84% fair value to book value ratio
- Of the 12% that represents the direct exposure, most are being recapitalised, or have sufficient funds to go into run-off mode (if necessary)

5.6 US Life exposure to other sectors affected by sub-prime worries ⁽⁶⁾

- The investment portfolio's aggregate credit experience is slightly under expectations but still in line with long-term assumptions
- 3.7% of US Life's general account portfolio of \$20 billion has direct exposure to sub-prime debt. Approximately 2.8% of US Life's general account portfolio has exposure to monoline insurers. The business was not fully immune to the unfavourable credit conditions and recorded impairment provisions during the first quarter with two securities written down by \$21 million. These write-downs reflect market value deterioration and fundamental business changes linked to sub-prime. As market conditions develop, there may be additional write-downs during the second quarter including sub-prime and mortgage related securities in common with other US financial institutions.
- 0.8% of the portfolio is in CDO's and credit default swaps, of which 99% is exposure to corporate credit and 1% is exposed to mortgage related securities
- 2.2% of the portfolio is unsecured bonds issued by mortgage lenders with sub-prime businesses. In all cases, sub-prime lending is a small part of their overall business
- 3.1% of the portfolio is in high yield corporate bonds. 79% of these holdings have a BB rating from either Moody's or S&P
- 1.1% of the portfolio is in hedge funds. None of these holdings have material exposures to sub-prime loans
- Whilst the business will experience mark-to-market losses on some holdings, it is well-matched to its liabilities and is fully able to hold the investments through to maturity

5.7 Further analysis ⁽⁶⁾

Limited exposure to current market credit issues

\$m	31 Mar 08	31 Dec 07	30 Sep 07	30 Jun 07
Total mortgage backed securities exposure				
Residential	2,390	2,478	2,376	2,314
Commercial	2,031	2,019	2,061	2,079
Percentage of total portfolio*	22.3%	22.4%	21.9%	21.7%
Sub-prime exposure	740	763	862	893
Percentage of total portfolio	3.7%	3.8%	4.3%	4.4%
AAA	86%	86%	86%	93%
AA	99%	99%	98%	99%
A	100%	100%	100%	100%
Market to Book Value	87.1%	96%	97.2%	97.9%
Monoline exposure	550	583		
Percentage of total portfolio	2.8%	2.9%		
Indirect (wrapped) exposure	482	493		
Fair to book value	93%	95%		
Direct exposure	68	90		
Fair to book value	84%	87%		

Mortgage backed securities (MBS) & municipal exposure

\$m	Book Value	LTV
MBS Exposure by LTV (March 31, 2008)		
Residential MBS	2,390	69%
Sub-Prime	740	73%
Commercial MBS	2,031	62%
Total MBS	4,421	66%

	% of Portfolio
Municipal bond exposure	0.3%

5.7 Further analysis continued ⁽⁶⁾

Sub-prime vintages

Vintage*	Aaa	Aa	A	Agency	Total
2007	52%	48%	0%	0%	100%
2006	93%	7%	0%	0%	100%
2005	90%	7%	3%	0%	100%
2004	100%	0%	0%	0%	100%
2003	87%	13%	0%	0%	100%
2002	11%	17%	1%	71%	100%
2001	100%	0%	0%	0%	100%
1998	0%	100%	0%	0%	100%

Corporate bond portfolio (by percentage book value)

Corporate Bond Portfolio % book value by sector and ratings						
Sector	AAA	AA	A	BBB	BB and Below	Total
Finance	1%	3%	11%	7%	1%	23%
Banking	1%	2%	9%	8%	1%	20%
Utility	0%	0%	3%	8%	1%	12%
Communications	0%	0%	4%	5%	0%	9%
Insurance	0%	0%	4%	4%	1%	9%
Energy	0%	0%	2%	4%	0%	6%
Manufacturing	0%	0%	1%	2%	0%	3%
Other	1%	1%	5%	10%	1%	18%
Total	3%	7%	38%	47%	5%	100%

5.7 Further analysis continued ⁽⁶⁾

Corporate bond portfolio (by market value to book value)

Corporate Bond Portfolio market value / book value by sector and ratings						
Sector	AAA	AA	A	BBB	BB and Below	Total
Finance	98%	93%	92%	93%	76%	92%
Banking	100%	96%	92%	90%	83%	97%
Utility	108%	101%	97%	98%	83%	96%
Communications	N/A	N/A	98%	94%	99%	94%
Insurance	N/A	101%	96%	97%	63%	100%
Energy	110%	109%	102%	99%	102%	100%
Manufacturing	N/A	107%	101%	98%	92%	0%
Other	102%	98%	98%	98%	86%	97%
Total	102%	96%	95%	95%	80%	95%

6.0 ASIA PACIFIC

Quarter ended 31 March 2008

	2008	Change (Q1 '08 v Q1 '07)		2007			
	Q1	£	%	Q1	HY	Q3 YTD	FY
Unit trust / mutual fund sales (£m)	69	(45)	(39%)	114	318	478	604

	2008	Change (Q1 '08 v FY '07)		2007			
	Q1	£	%	Q1	HY	Q3 YTD	FY
Funds under management (£bn)	6.3	(0.2)	(3.1%)	6.1	6.6	6.6	6.5

India / China

	2008	Change (Q1 '08 v Q1 '07)		2007			
	Q1	£	%	Q1	HY	Q3 YTD	FY
Gross written premiums							
KMOM (India) (£m) ⁽⁷⁾	109	53	95%	56	82	102	163
Skandia: BSAM (China) (£m) ⁽⁷⁾	14	(2)	(13%)	16	53	103	122

7.0 ECONOMIC STATISTICS

Quarter ended 31 March 2008

	2008	Change (Q1 '08 v FY '07)		2007			
	Q1	value	%	Q1	HY	Q3	FY
Exchange rates							
GBP/ZAR							
Average rate	14.90	0.79	6%	14.14	14.11	14.20	14.11
Closing rate	16.15	2.55	19%	14.37	14.17	14.03	13.60
GBP/USD							
Average rate	1.98	(0.02)	(1%)	1.95	1.97	1.99	2.00
Closing rate	1.99	0.01	1%	1.97	2.01	2.04	1.98
GBP/SEK							
Average rate	12.42	(1.11)	(8%)	13.70	13.67	13.66	13.53
Closing rate	11.79	(1.04)	(8%)	13.76	13.73	13.18	12.83
GBP/EUR							
Average rate	1.32	(0.14)	(10%)	1.49	1.48	1.48	1.46
Closing rate	1.26	(0.10)	(7%)	1.47	1.48	1.43	1.36
USD/ZAR							
Average rate	7.53	0.48	7%	7.23	7.16	7.14	7.05
Closing rate	8.13	1.27	19%	7.30	7.06	6.88	6.86
World Indices							
MSCI World index	1,437	(152)	(10%)	1,514	1,602	1,634	1,589
MSCI EAFE	2,039	(214)	(10%)	2,148	2,262	2,300	2,253
US Indices							
S&P 500	1,315	(163)	(11%)	1,421	1,503	1,527	1,478
Nasdaq Composite	2,279	(373)	(14%)	2,422	2,603	2,702	2,652
Russell 1000 Growth	548	(64)	(10%)	559	595	619	612
Russell 1000 Value	722	(74)	(9%)	823	859	851	796
Dow Jones Industrial	12,263	(1,002)	(8%)	12,354	13,409	13,896	13,265
Ryan 5 Year Fixed Income	988	53	6%	864	857	890	935
S&P Barra Value	688	(73)	(10%)	770	811	810	761
Other Indices							
UK FTSE 100	5,702	(755)	(12%)	6,308	6,608	6,467	6,457
UK ALSI	2,927	(360)	(11%)	3,283	3,404	3,317	3,287
FTSE/JSE Africa All Share Index	29,588	630	2%	27,267	28,337	29,959	28,958
JSE/FTSE Life Insurance Index	15,136	(3,710)	(20%)	18,419	19,244	18,417	18,846
FTSE Life Insurance Index	4,952	(600)	(11%)	6,001	5,957	5,829	5,552