APPENDICES

28 February 2014

INSURANCE | INVESTMENT | SAVINGS | BANKING

OLDMUTUAL

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APPENDIX 1 GROUP PERFORMANCE

28 February 2014

INSURANCE | INVESTMENT | SAVINGS | BANKING

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OPERATING PROFIT ANALYSIS: IFRS AOP[1]

£m	2012	2012 Constant currency	2013
Emerging Markets	611 [3]	527 [3]	**590**
Old Mutual Wealth	195	195	**217**
Nedbank	825 [2]	711 [2]	**797**
Property & Casualty	37 [3]	31 [3]	**4**
US Asset Management	91	92	**111**
BU total	**1,759**	**1,556**	**1,719**
Finance costs	(130)	(130)	**(92)**
LTIR on excess assets	54	47	**43**
Net interest payable to non-core operations	(18)	(18)	**(11)**
Corporate costs	(54)	(54)	**(54)**
Other net income	1	1	**7**
AOP	**1,612**	**1,402**	**1,612**

1. AOP, pre-tax and NCI, based on core business only.
2. Restated for the impact of changes in IAS 19.
3. All Property & Casualty activities will be reported as a single segment. 100% of iWyze will now be recorded within Property & Casualty rather than Emerging Markets. Comparatives have been restated accordingly.

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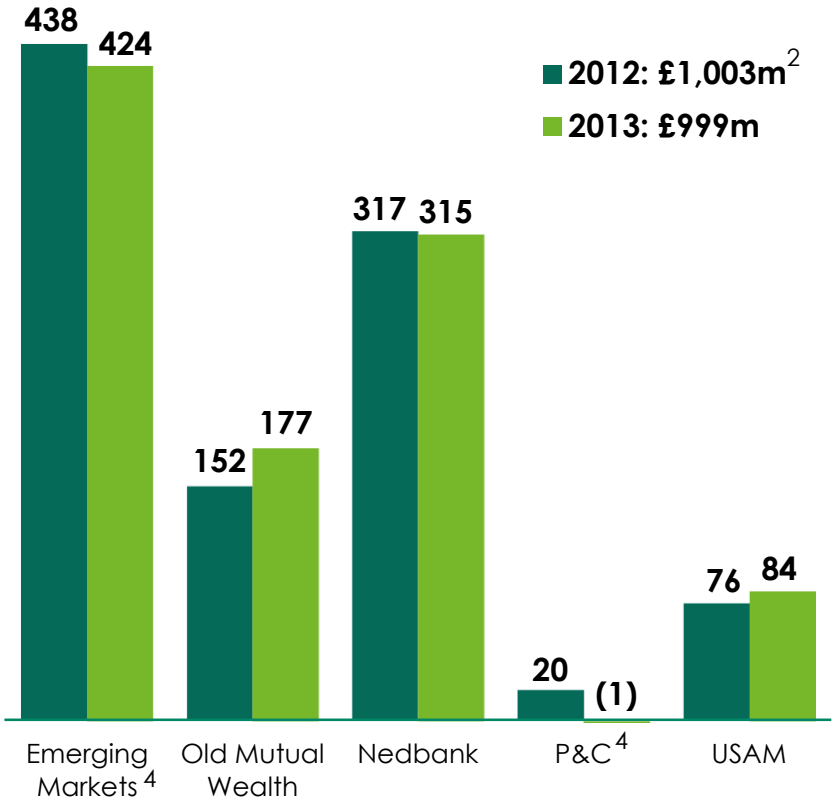
IFRS SIMPLIFIED OPERATING RESULT[1]

£m	2012[2]	2013	Δ % Constant currency
Business Units IFRS AOP	1,759	**1,719**	10%
Interest & other costs	(147)	**(107)**	31%
Total IFRS AOP (pre-tax & NCI)	1,612	**1,612**	15%
Taxation	(440)	**(424)**	(11%)
Non-controlling interests	(331)	**(298)**	(3%)
IFRS AOP post-tax & NCI	841	**890**	22%

Business Unit IFRS AOP post-tax and NCI[3] (£m)



1. Core business only.
2. Restated for the impact of changes in IAS 19.
3. Before GHO net central costs, as reported.
4. All Property & Casualty activities will be reported as a single segment. 100% of iWyze will now be recorded within Property & Casualty rather than Emerging Markets. Comparatives have been restated accordingly.

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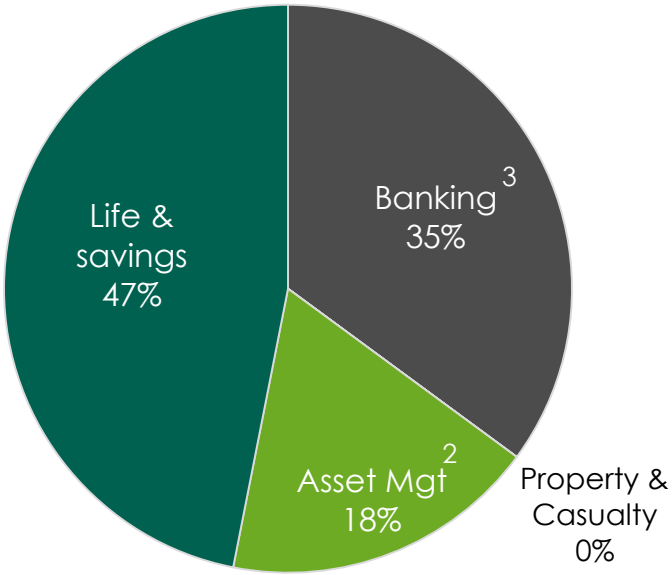
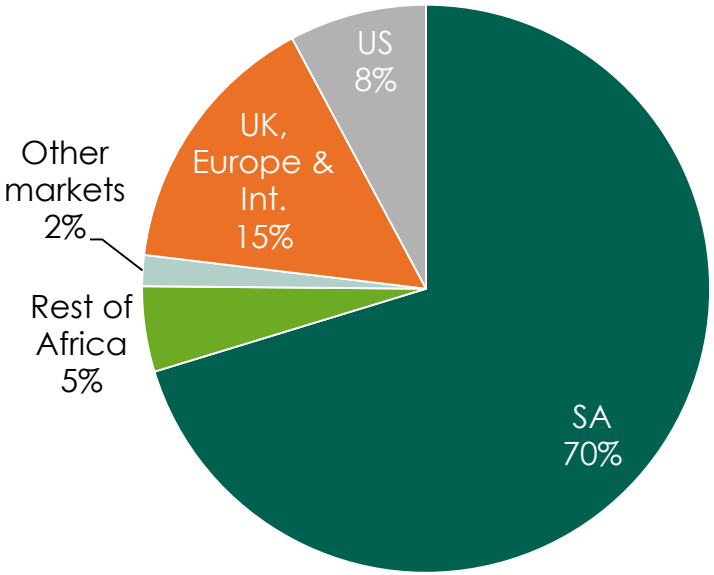
EARNINGS BY LINE OF BUSINESS AND GEOGRAPHY[1]

2013 AOP by line of business (pre-tax, post NCI)



2013 AOP by geography (pre-tax, post NCI)



1. Core operations, excluding GHO net central costs.
2. Includes USAM, OMGI, OMEM & Nedbank's asset management businesses.
3. Includes Nedbank and OMEM's Zimbabwe CABS.

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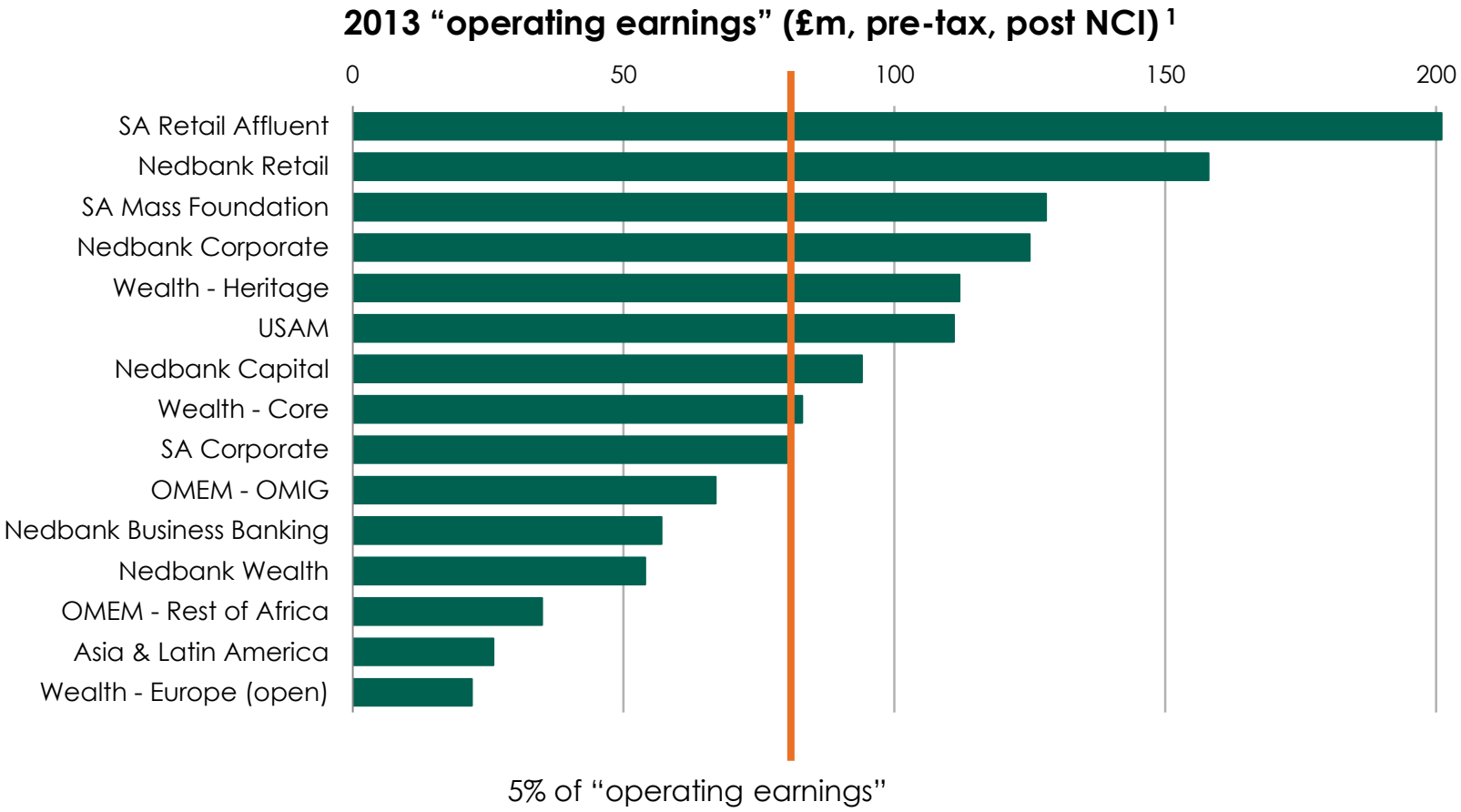
DIVERSITY OF OPERATING EARNINGS



1. Excludes LTIR, Group Head Office, OMEM central costs and unallocated income in Nedbank.

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EARNINGS SPLIT BY HALF YEAR AND KEY STATISTICS[1]

pence/share	2009	2010	2011[2]	2012[3]	2013
AOP EPS - H1	4.6	7.3	9.4	8.6	**9.3**
AOP EPS - H2	6.9	7.0	8.6	8.9	**9.1**
H1: H2	40% : 60%	51% : 49%	52% : 48%	49% : 51%	**51% : 49%**

£bn	2009	2010	2011	2012	2013
Funds under Management	275.4	295.2	267.2	262.2	**293.8**

pence/share	2009	2010	2011	2012	2013
IFRS book value per share	147	151	140	146	**138**

1. 2010, 2011, 2012 and 2013 excludes Bermuda, US Life and Nordic. 2009 excludes US Life and Bermuda, but includes Nordic.
2. After adjusting for the 7:8 share consolidation.
3. Restated for the impact of changes in IAS 19 & IFRS 10.

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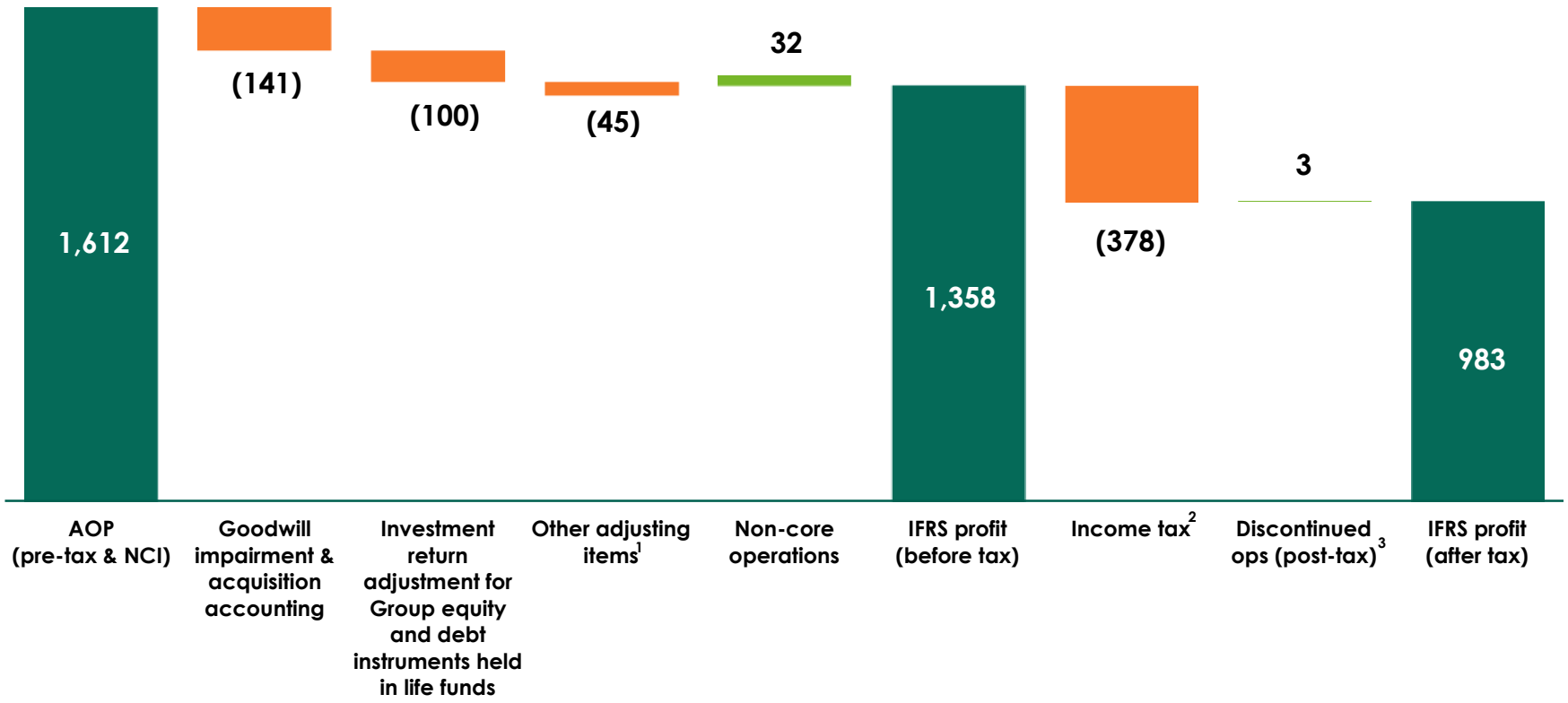
RECONCILIATION OF 2013 AOP TO IFRS PROFIT AFTER TAX (£m)



1. Other adjusting items consists mainly of dividends declared to holders of perpetual preferred callable securities £42m, US Asset Management equity plans (£38m), credit-related fair value losses on Group debt instruments (£31m) and restructuring costs (£20m).
2. Net of income tax attributable to policyholder returns.
3. Represents net income directly related to the sale of Nordic.

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(ASSETS X MARGINS) – EXPENSES = PROFIT[1,2]

	2012 Net Margin bps[3]	2012 Net Margin bps in constant currency[3]	2013 Net Margin bps
Emerging Markets	117.8	117.8	114.1
Old Mutual Wealth	29.6	29.6	29.4
Nedbank	133.0	133.0	133.8
Property & Casualty	582.8	582.8	71.7
USAM	6.5	6.5	7.5
Overall BU net margin	**54.8**	**50.7**	**51.4**
OM plc expenses/debt	(4.4)	(5.0)	(3.3)
Old Mutual plc net margin	**50.4**	**45.7**	**48.1**

1. The profit used in the calculation is pre-tax AOP.
2. Net margin bps are calculated by taking profits divided by average assets over the period. Nedbank assets include average total banking assets plus funds under management.
3. Comparatives have been restated to reflect accounting policy changes required by IAS 19 and IFRS 10, as well as the allocation of 100% of iWyze to Property & Casualty.

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LONG-TERM INVESTMENT RETURN (LTIR)

Old Mutual Group (£m)		Emerging Markets[1]	OM Wealth[2]	P&C	Total
2013	Long-term average assets	**1,871**	**643**	**422**	**2,936**
	Actual shareholder investment return	**169**	**22**	**25**	**216**
	Less: Long-term investment return	**149**	**30**	**31**	**210**
	Short-term fluctuations (STF) in investment return	**20**	**(8)**	**(6)**	**6**
2012	Long-term average assets	1,983	579	543	3,105
	Actual shareholder investment return	115	65	34	214
	Less: Long-term investment return	178	67	47	292
	Short-term fluctuations (STF) in investment return	(63)	(2)	(13)	(78)

1. Emerging Markets includes LTIR credits and actual returns from OMSA's excess assets which are presented under 'other' in the segmental financial statements.
2. OM Wealth includes the effects of policyholder tax smoothing in the UK (2013 = £25m, 2012 = £59m).

OLDMUTUAL

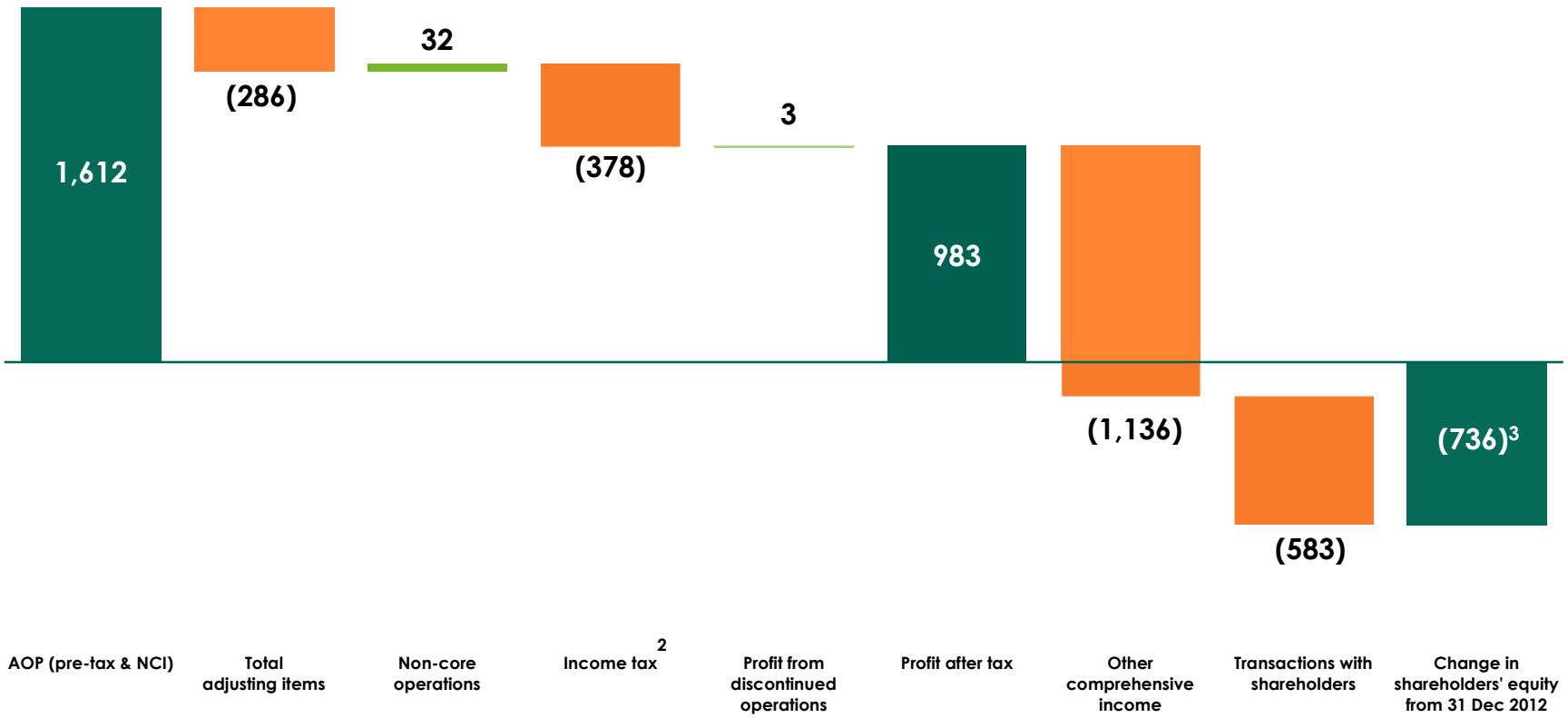
LTIR CALCULATION METHODOLOGY

Long-term investment rates[1]	2011	2012	2013
Emerging Markets long-term business	9.0% Cash, deposits & bonds: 75% Equities: 25%	9.0% Cash, deposits & bonds: 75% Equities: 25%	**8.0%** Cash, deposits & bonds: 75% Equities: 25%
Old Mutual Wealth	2.0% - 2.1% S/T cash & deposits: 57% L/T bonds: 43%	1.5% - 2.0% S/T cash & deposits: 66% L/T bonds: 34%	**1.0%** S/T cash & deposits: 76% L/T bonds: 24%
Property & Casualty	9.0% Cash, deposits & bonds: 75% Equities: 25%	8.6% Cash, deposits & bonds: 83% Equities: 17%	**7.4%** Cash, deposits & bonds: 90% Equities: 10%

1. The long-term rates are derived from an independent review of future risk-free 10 year Government bonds, 3 month Libor and money market rates. Emerging Markets and Property & Casualty hold equities in their asset portfolios and a risk premium is added to the Government Bond rate in order to derive an expected return from equities. These rates are weighted against the prescribed asset mix in each BU's asset portfolio to arrive at a blended long-term rate, as disclosed above.

OLDMUTUAL

RECONCILIATION OF AOP TO CHANGE IN EQUITY HOLDERS' FUNDS[1] (£m)



1. Total Group including perpetual preferred callable securities, ordinary shareholders equity and non-controlling interests.
2. Net of income tax attributable to policyholder returns.
3. Excludes the impact of changes in IAS 19 and IFRS 10 (£25m).

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GROUP MCEV PROFILE

31 December 2013 (£m)	Adjusted Group MCEV	Excl. Goodwill and MTM adjustments
Emerging Markets[1]	3,630	3,544
Old Mutual Wealth	2,797	2,695
Old Mutual Bermuda	365	365
Nedbank	3,113	1,671
USAM	1,058	265
Others	619	616
	11,582	9,156
Net Debt	(1,420)	(1,345)
Total	10,162	7,811
Per share (p)	**207.5**	**159.5**
31 Dec 2012	220.5	167.5

IFRS book value per share
31 Dec 2013: 138p
31 Dec 2012: 146p

1. OMEM includes black economic empowerment and employee share option plan valuation adjustments.

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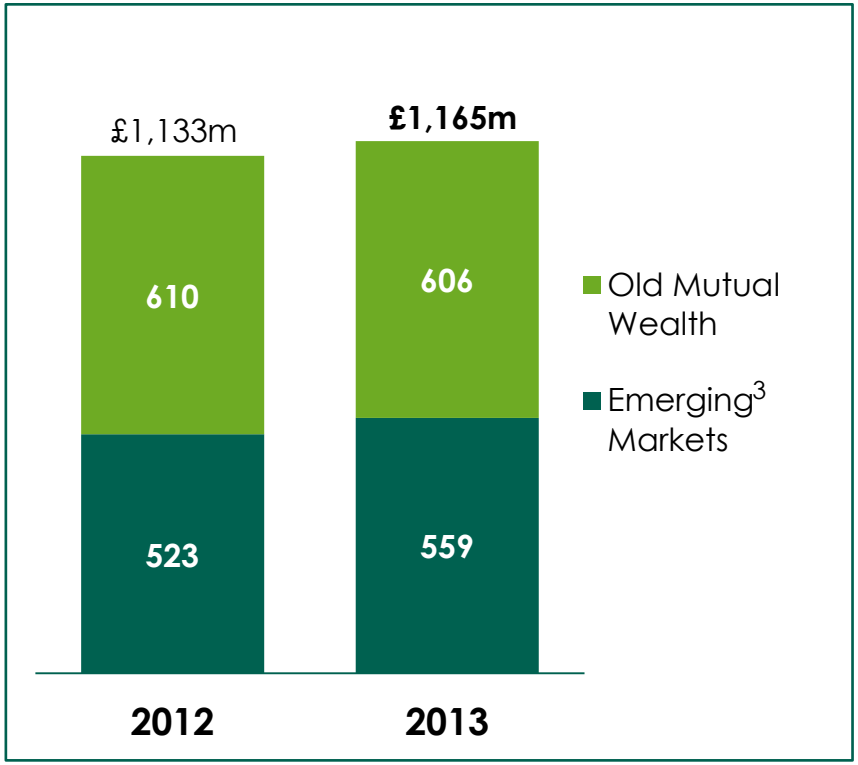
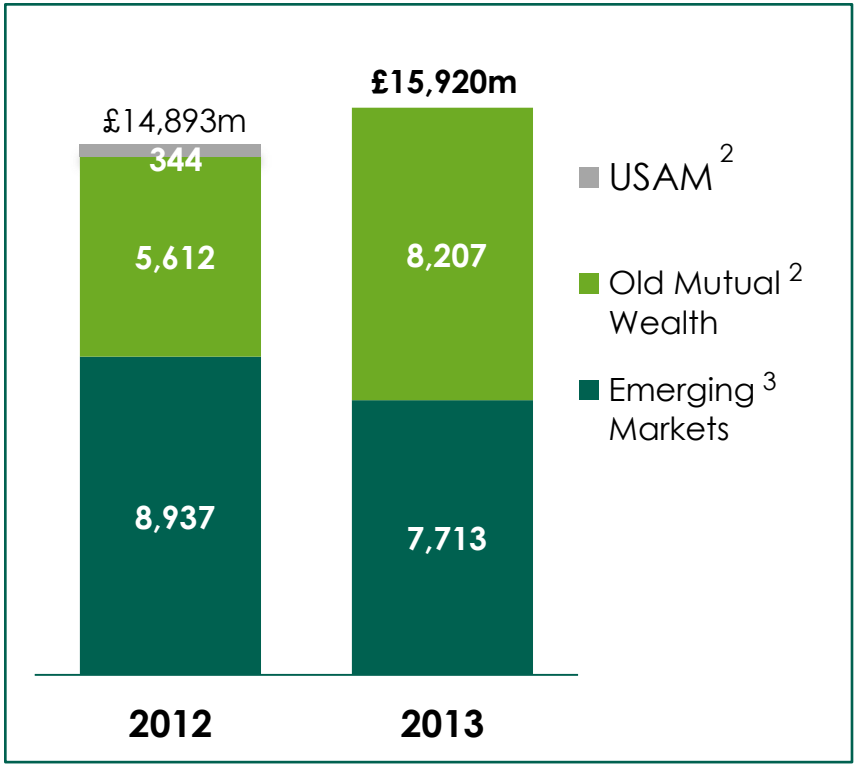
COVERED SALES (APE) & NON-COVERED SALES

Covered sales (APE) (£m)



Non-covered sales (£m)[1]



1. Includes unit trust and mutual fund sales as well as other non-covered sales.
2. From Q2 2012, OMAM (UK) has been reported within Old Mutual Wealth rather than USAM. Comparatives for Q1 2012 have not been restated.
3. From 1 January 2013, sales by the India and China businesses have been disclosed as covered rather than non-covered business. Comparatives have not been restated.

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NET CLIENT CASH FLOWS

(£bn)	2012	2013
Emerging Markets	1.2	**1.6**
Old Mutual Wealth[1]	2.0	**2.3**
Nedbank	2.0	**1.2**
USAM[1,2]	(0.2)	**10.4**
Group core operations	**5.0**	**15.5**

1. From Q2 2012 OMAM (UK) has been reported within Old Mutual Wealth rather than USAM. Comparatives for Q1 2012 have not been restated.
2. Includes net flows relating to affiliates disposed in 2012.

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FUM AND MARGINS

2013 (£bn)	Opening FUM	Inflows	Outflows	Market, FX and other	Closing FUM	Net Margin (bps)[1]
Emerging Markets	52.6	10.9	(9.3)	(6.1)	**48.1**	**114.1**
Old Mutual Wealth	69.2	14.4	(12.1)	7.0	**78.5**	**29.4**
Nedbank[2]	11.8	12.3	(11.1)	(1.3)	**11.7**	**133.8**
USAM	128.4	25.5	(15.1)	16.5	**155.3**	**7.5**
TOTAL	**262.2[3]**	**63.1**	**(47.6)**	**16.1**	**293.8[3]**	**48.1[4]**

2012 (£bn)						
Emerging Markets	49.9	11.7	(10.5)	1.5	**52.6**	**117.8[7]**
Old Mutual Wealth[6]	62.6	11.9	(9.9)	4.6	**69.2**	**29.6**
Nedbank[2]	9.7	8.9	(6.9)	0.1	**11.8**	**133.0**
USAM	144.8	20.0	(20.2)	(16.2)[5]	**128.4**	**6.5**
TOTAL	**267.2[3]**	**52.5**	**(47.5)**	**(10.0)**	**262.2[3]**	**50.4[4]**

1. Margins calculated on the average balance of FUM & banking assets during the year.
2. Nedbank FUM includes FUM assets only whereas net margin also includes the banking assets.
3. Total includes £0.2 billion FUM from P&C.
4. Includes P&C and GHO net central costs.
5. Includes affiliate disposals totalling $31bn.
6. Opening FUM has been restated to include £4bn of OMAM(UK) FUM transferred from USAM and gross sales have been restated to include Q1 2012 sales of £0.3bn.
7. Emerging Markets margin restated due to refinement of methodology.

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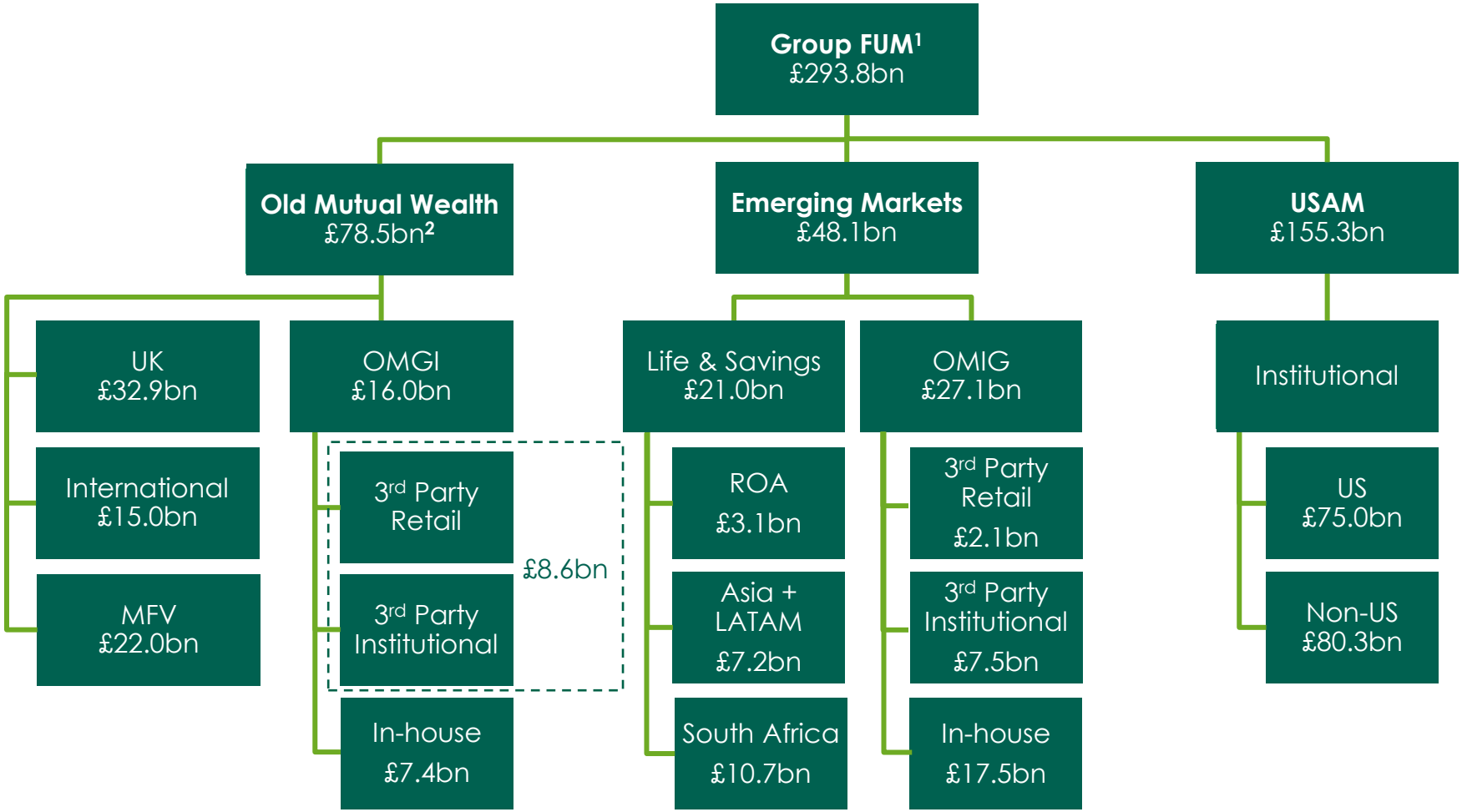
ASSET MANAGEMENT CAPABILITY



1. Group FUM from core operations includes Nedbank and P&C (£11.9bn at FY 2013).
2. Old Mutual Wealth excludes OMGI in-house FUM, which is recorded in other parts of the business unit.

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HEADLINE TARGETS

Emerging Markets (2015)	Old Mutual Wealth (2015)	Nedbank (medium to long-term targets)	Property & Casualty (2016 onwards)	USAM (on-going)
Over 9 million **customers**	£300m pre tax **AOP**	Diluted **headline earnings per share** growth: More than CPI + GDP growth + 5%	Sustainable Top 2 position in the **South African market**	**Net Client Cash Inflow:** 3-5% of Opening FuM
RoE: 20-25%	**RoE:** 12-15%	**RoE (excl. goodwill):** 5% above cost of ordinary shareholders' equity	**RoE:** 15-20%	**Operating Margin** (post MI): 25-30%
African 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	
		CAR (Basel III basis): • Common Equity Tier 1 (10.5-12.5%) • Tier 1 (11.5-13.0%) • Total (14.0-15.0%)		

1. Target includes profits from newly acquired entities and P&C earnings in Africa.
2. Calculation is pre-tax and post-minorities and includes LTIR.

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APPENDIX 2 CAPITAL / TREASURY

28 February 2014

INSURANCE | INVESTMENT | SAVINGS | BANKING

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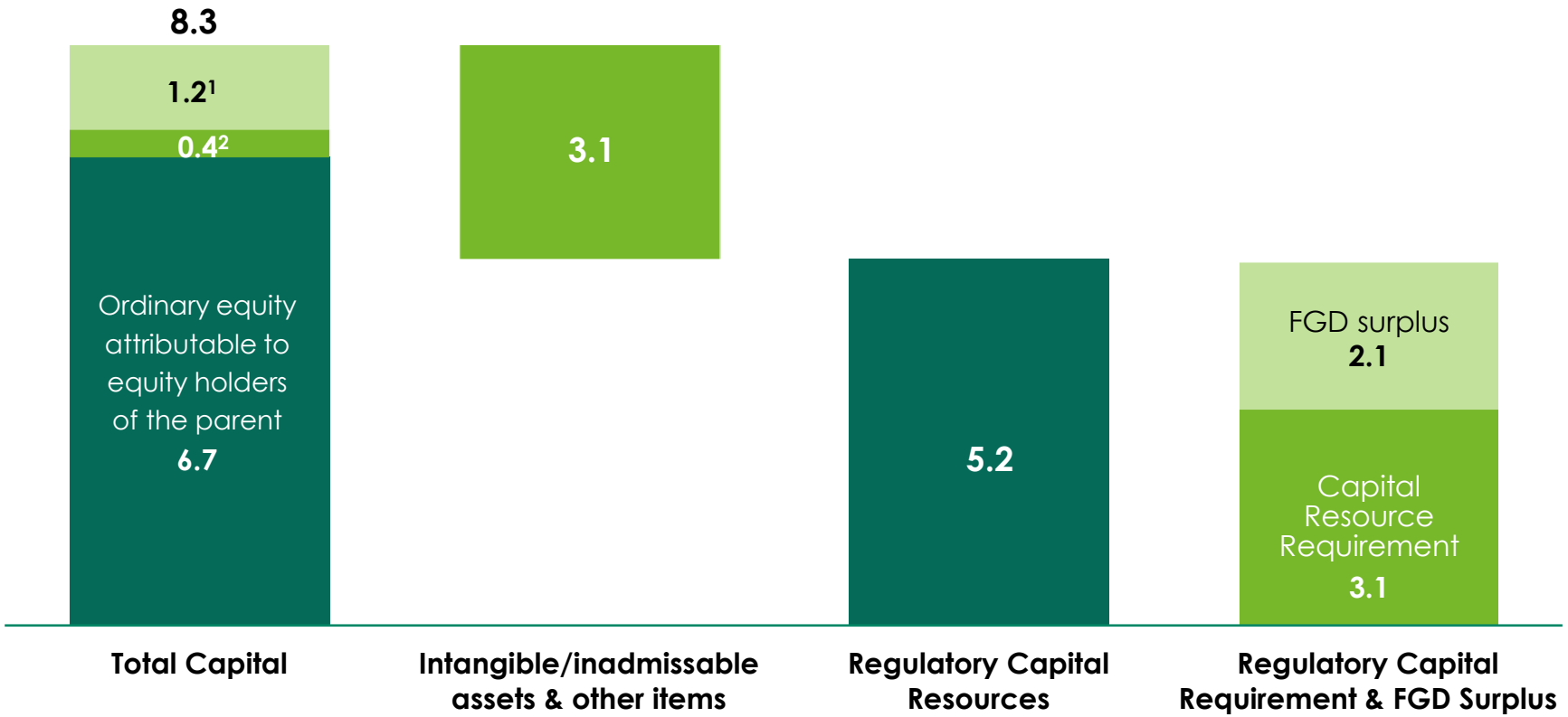
ANALYSIS OF FGD SURPLUS AT 31 DEC 2013 (£bn)



1. Tier 2 Capital (includes £253m perpetual preferred callable securities).
2. Non-core Tier 1 Capital (includes £273m perpetual preferred callable securities).

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FGD

Group FGD (£bn)	31 Dec 2012[1]	31 Dec 2013[2]
Capital resources	5.7	**5.2**
Capital requirement	3.6	**3.1**
Surplus	2.1	**2.1**
Coverage ratio %	159%	**169%**

- There has been an underlying increase in capital resources; arising from statutory profits, offset by the payment of ordinary dividends and the repayment of debt.
  Overall however, capital resources have decreased due to the FX movements.
- The capital requirement has also decreased due to FX (mainly Rand) and the lower capital requirement in Bermuda; but on an underlying basis there has been an increase in Nedbank due to Basel III regulations and P&C due to the implementation of interim SAM framework.

1. As per submission to the PRA.
2. Based on the preliminary position.

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FGD SENSITIVITIES AND BU REGULATORY CAPITAL

FGD sensitivities	Movement	Impact 2012 (£m)	Impact 2013 (£m)
Rand/sterling exchange rate	1% decrease	(16)	(10)
US dollar/sterling exchange rate	1% increase	(2)	(4)
Movement in the JSE[1]	1% decrease	(3)	(4)

Business unit ratios	31 Dec 2011	31 Dec 2012	31 Dec 2013
OMLAC (SA)	4.0x	4.0x	3.3x
Mutual & Federal[2]	1.5x	1.8x	1.8x
UK	2.0x	2.3x	2.7x
Nedbank (Total capital ratio)[3]	14.6%	15.1%	15.7%
Bermuda[4]	2.3x	1.6x	1.4x

1. Only reflects impact on OMLAC(SA).
2. 2012 and 2013 are based on interim Solvency Assessment and Management framework for non-life insurers implemented on 1 January 2012.
3. 2011 is stated in terms of Basel II.5. 2012 and 2013 are stated in terms of Basel III.
4. 2012 and 2013 are based on Bermuda's Insurance (Prudential Standards) Class E Capital Rules.

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OLD MUTUAL GROUP COMPANY RATINGS

	Moody's	Fitch
Republic of South Africa		
• Sovereign rating	Baa1 (neg)	BBB
Old Mutual plc		
• Senior debt rating	Baa2 (neg)	BBB-
• LT2 debt rating	Baa3 (neg)	BB
• T1 debt rating	Ba1 (neg)	BB
• Short-term debt rating	P2	F3
OMLAC (SA)		
• National insurance financial strength	Not rated	AAA
• National long-term senior debt rating	Not rated	AA+
• National long-term subordinated debt rating	Not rated	AA -
• Global insurance financial strength	A3 (neg)	
Skandia Life Assurance Company		
• Insurance financial strength	A2	A-
Nedbank		
• Long-term foreign currency deposit rating	Baa1 (neg)	BBB

- Ratings outlook stable unless stated otherwise; neg = negative outlook.
- In January 2013, Fitch downgraded the South African sovereign rating from BBB+ to BBB. On 17 July Moody's affirmed South African sovereign rating at Baa1 and left it on negative outlook.

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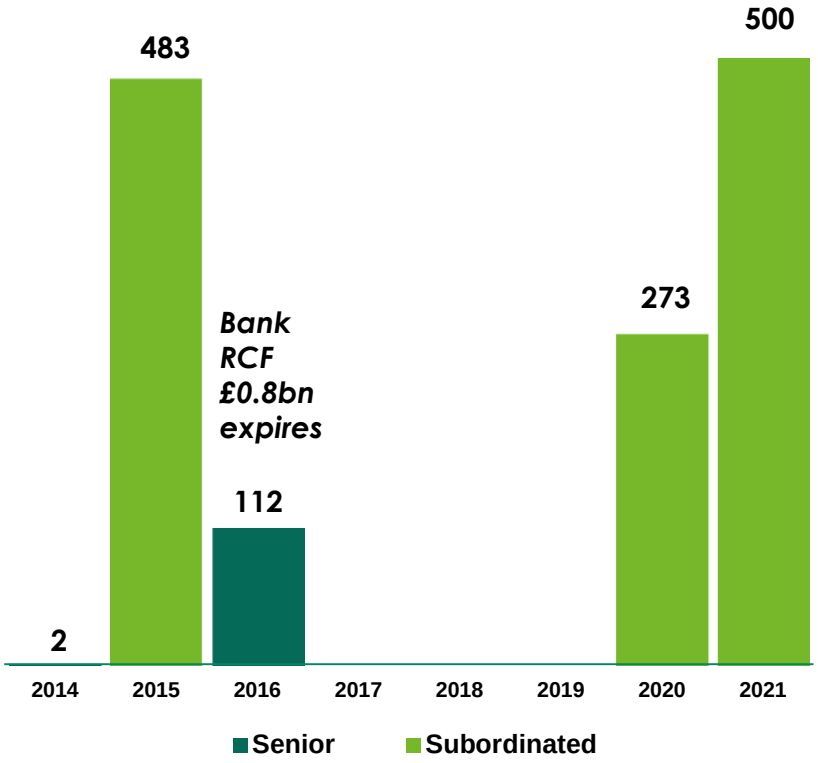
FIRST CALL MATURITY PROFILE (£m)[1]



- At 31 December 2013, the Group had total liquidity headroom of £1.3bn.
- The Group's £0.8bn revolving credit facility matures in April 2016 (previously £1.2bn, £400m was cancelled in August 2013).
- The Group has two securities callable in 2015, including a €374m bond (previously €494m) as well as the R3,000m bond that is listed in South Africa. In addition, the Group has a £273m (previously £348m) security that is callable in 2020 and a £500m instrument that matures in 2021.
- The Group reduced its debt by £176m in November 2013 via open market repurchase, to the amounts shown above.

1. All values shown at nominal value at 31 December 2013 foreign exchange rates.

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APPENDIX 3
FREE SURPLUS GENERATION

28 February 2014

VIF CONVERSION TO FREE SURPLUS: LIFE & SAVINGS

	2012				2013			
	Opening VIF	VIF Conversion			Opening VIF	VIF Conversion		
	£m	£m	%	Yrs	£m	£m	%	Yrs
In-force:								
Emerging Markets	1,399	220	16%	6	**1,478**	**189**	**13%**	**8**
Old Mutual Wealth	2,110	320	15%	7	**1,978**	**307**	**16%**	**6**
Life & Savings Total	3,509	540	15%	6	**3,456**	**496**	**14%**	**7**

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SOURCES AND USES OF FREE SURPLUS (£m)

	2012	2013
Generated by operations:		
- Life insurance and savings[1]	483	**426**
- Property and casualty[3]	20	**(1)**
- Banking[2]	149	**147**
- Asset management	172[4]	**220**
	824	**792**
Invested by operations - New business (life)	(293)	**(261)**
Transfers (to)/from required capital	194	**150**
Other movements:		
- Economic variances	112	**167**
- Other non-operating variances	(23)	**(37)**
	89	**130**
Core continuing operations	814	**811**
Total Group, including Bermuda	713	**1,045**

1. Includes Life & Savings VIF transfer of £496m (2012: £540m) per previous slide as well as expected existing business return of £28m (2012: £23m) and experience & other operating variances and assumption changes, net £(98)m (2012: net £(80)m).
2. Banking includes only OM share of Nedbank dividend and results of banking in Zimbabwe (CABS).
3. All Property & Casualty activities will be reported as a single segment. 100% of iWyze will now be recorded within Property & Casualty rather than Emerging Markets. Comparatives have been restated accordingly.

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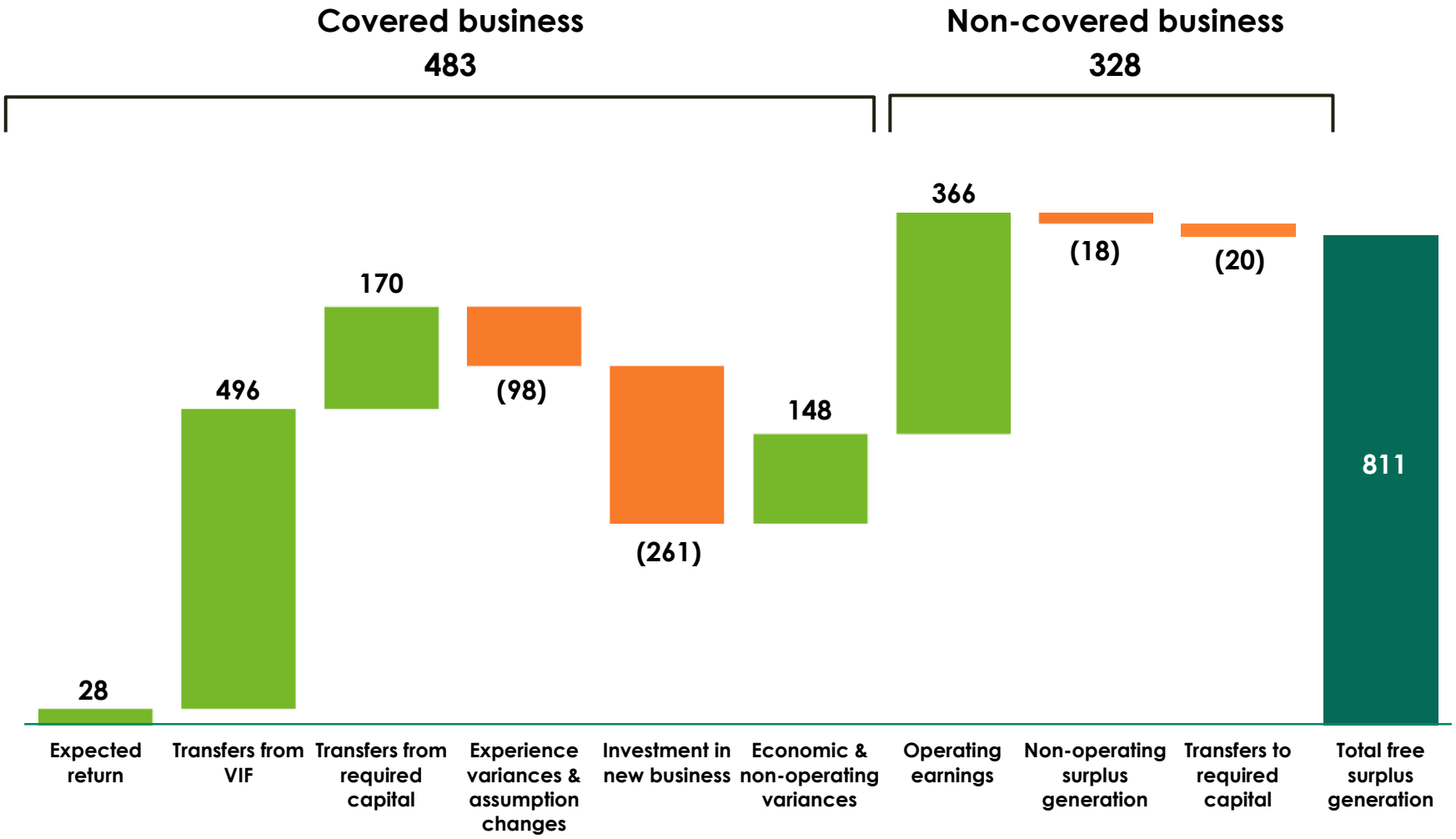
GROUP FREE SURPLUS GENERATION 2013[1] (£m)



1. Core continuing operations only.

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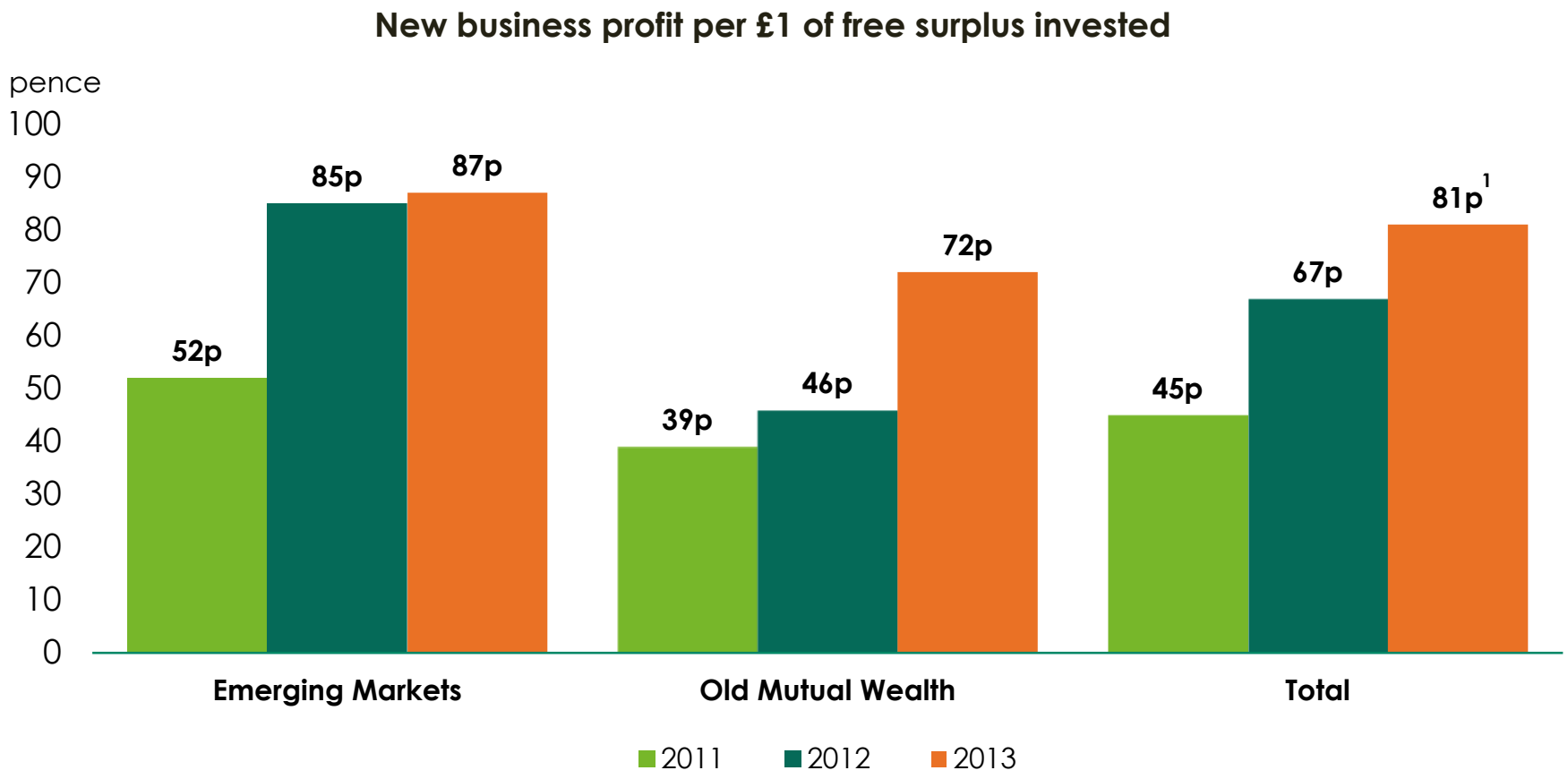
LIFE & SAVINGS NEW BUSINESS "RISK FREE" RETURN ON FREE SURPLUS INVESTED



1. For every £1 of free surplus investment (cash and capital) we expect a return (value of new business) of 81p. VNB is on an MCEV risk free basis. On a real world basis, it is expected to be higher.

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APPENDIX 4
MCEV

28 February 2014

INSURANCE | INVESTMENT | SAVINGS | BANKING

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OPERATING MCEV EARNINGS (CORE COVERED BUSINESS)[1]

£m	2012	2013
VNB	197	**212**
Expected existing business contribution	294	**253**
Experience variances	(48)	**(27)**
Assumption changes	5	**(38)**
Other operating variances	(112)	**51**
Operating MCEV earnings	336	**451**

1. Core covered business includes Emerging Markets and Old Mutual Wealth.

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RECONCILIATION IFRS EQUITY TO GROUP MCEV

£m	IFRS Equity[1]	Adjustments (a)	(b)	(c)	(d)	(e)	MCEV
Emerging Markets	1,212	158	293	(8)	1,332	(34)	2,953
Old Mutual Wealth	2,239	(917)	14	(761)	1,974	-	2,549
Old Mutual Bermuda	372	-	-	-	-	(7)	365
Non-covered business	4,266	-	(22)	-	-	1,147	5,391
Other[2]	(1,345)	-	-	-	-	249	(1,096)
Total	**6,744**	**(759)**	**285**	**(769)**	**3,306**	**1,355**	**10,162**
Per share	**137.7**	**(15.5)**	**5.8**	**(15.7)**	**67.5**	**27.7**	**207.5**

a) Adjustment to include long-term business on a statutory solvency basis. (OMB relates to the guarantee cost valuation change).
b) Market value of life funds' investments in Group equity and debt.
c) Goodwill.
d) VIF.
e) Other adjustments. (including MV uplift of Nedbank of £1,157m).

1. Net of intercompany loans and the adjustment to remove perpetual callable securities.
2. Includes debt and black economic empowerment and employee share option plan valuation adjustments.

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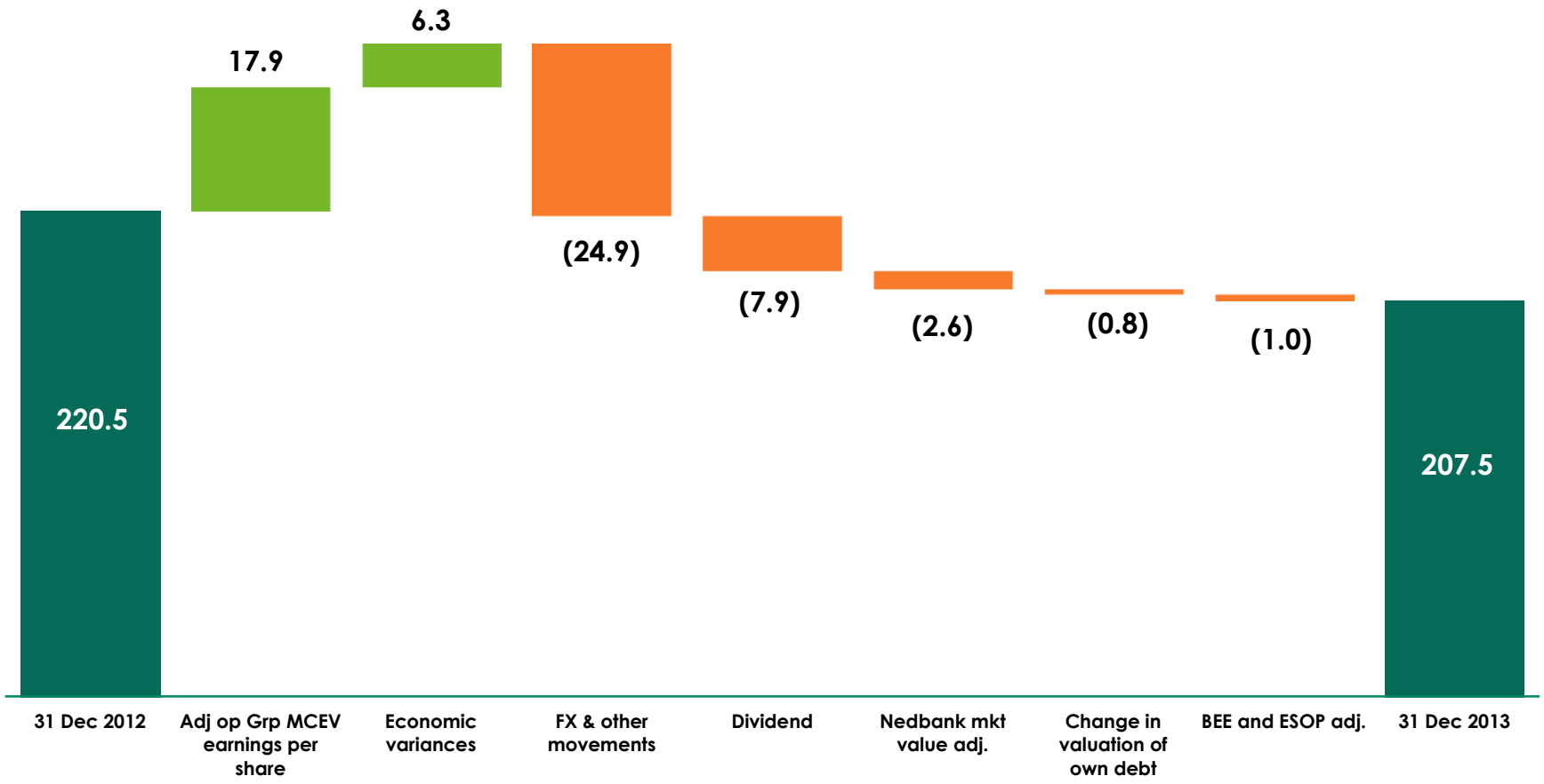
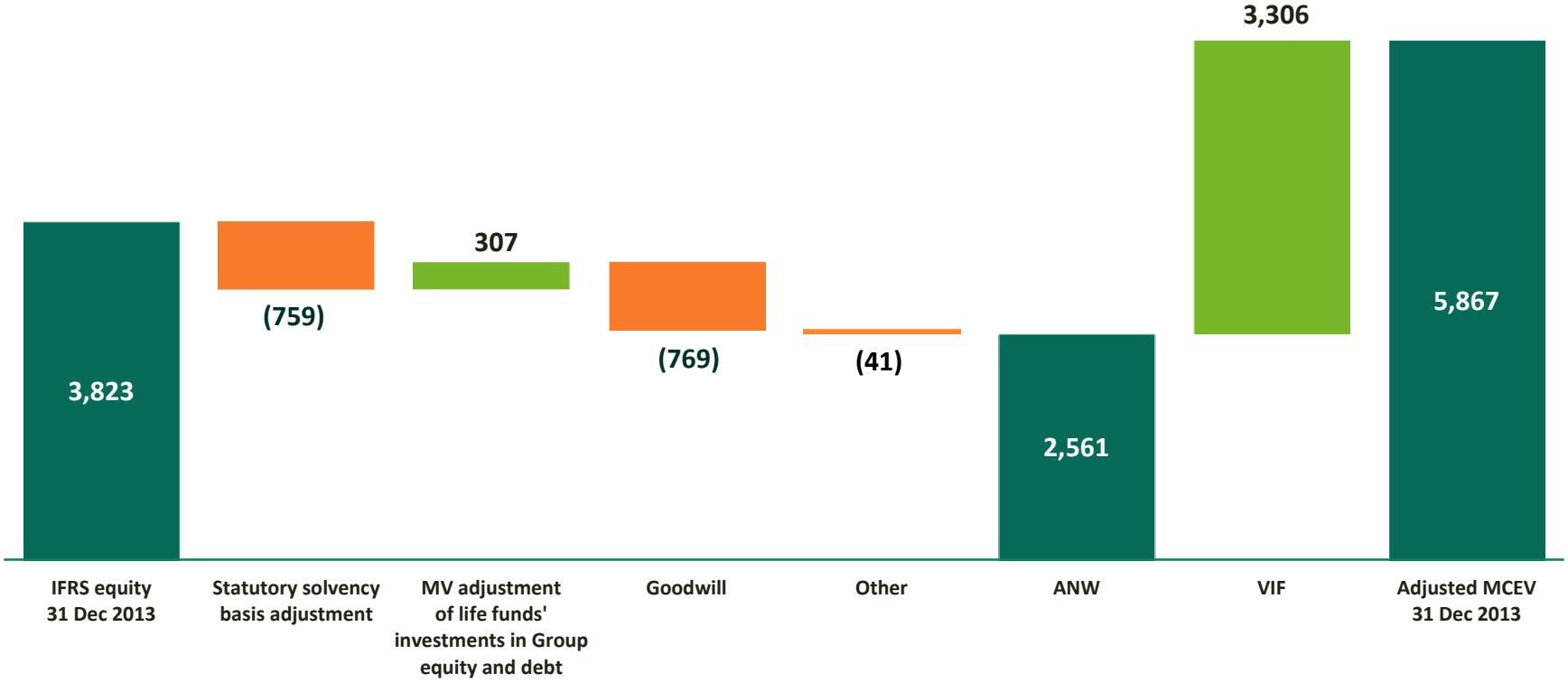
ADJUSTED GROUP MCEV PER SHARE (pence)



OLDMUTUAL

NET ASSET RECONCILIATION IFRS TO MCEV (TOTAL COVERED BUSINESS)[1] (£m)



1. Includes Old Mutual Bermuda.

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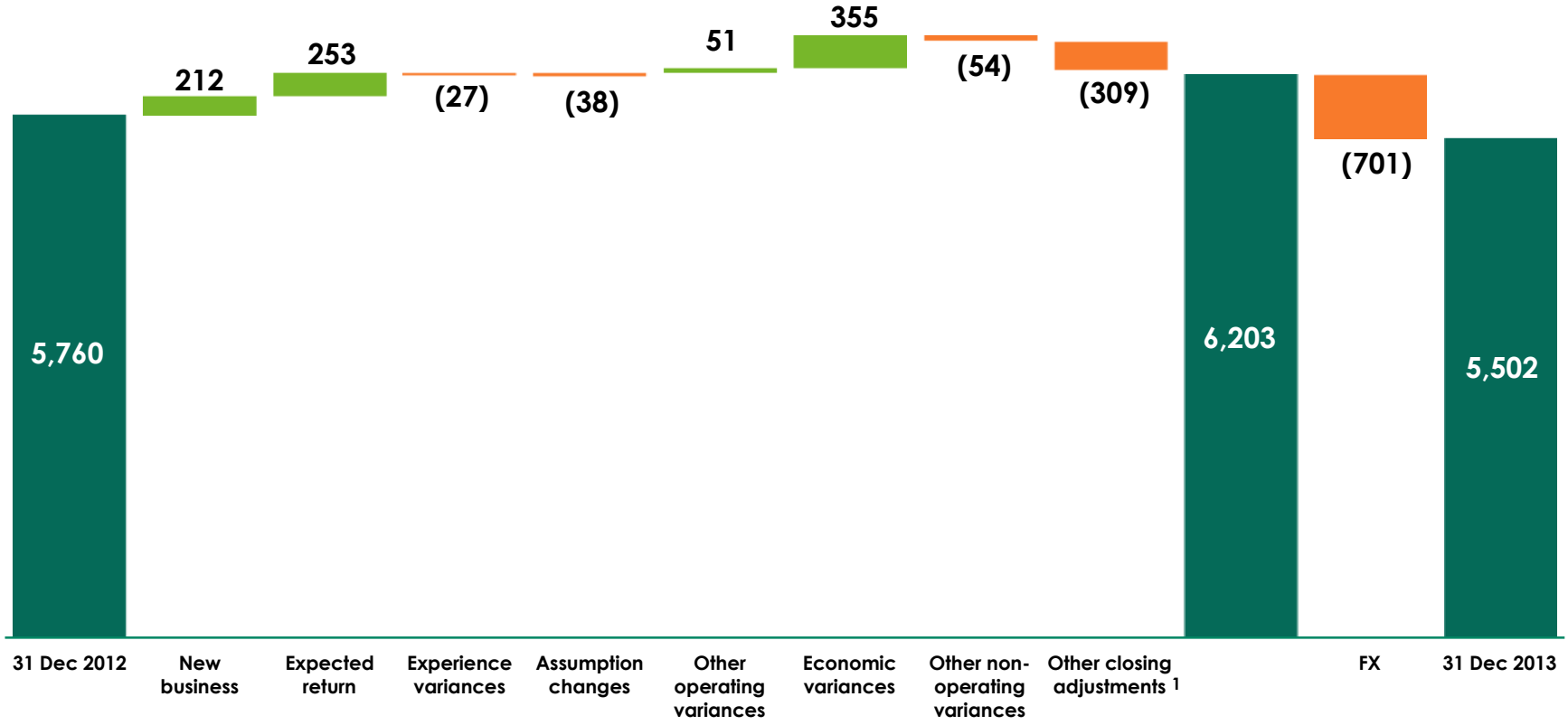
RECONCILIATION OF OPENING TO CLOSING MCEV (CORE COVERED BUSINESS) (£m)



1. Capital and dividend flows, MCEV of acquired / sold business and other adjustments.

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APPENDIX 5
BUSINESS UNITS

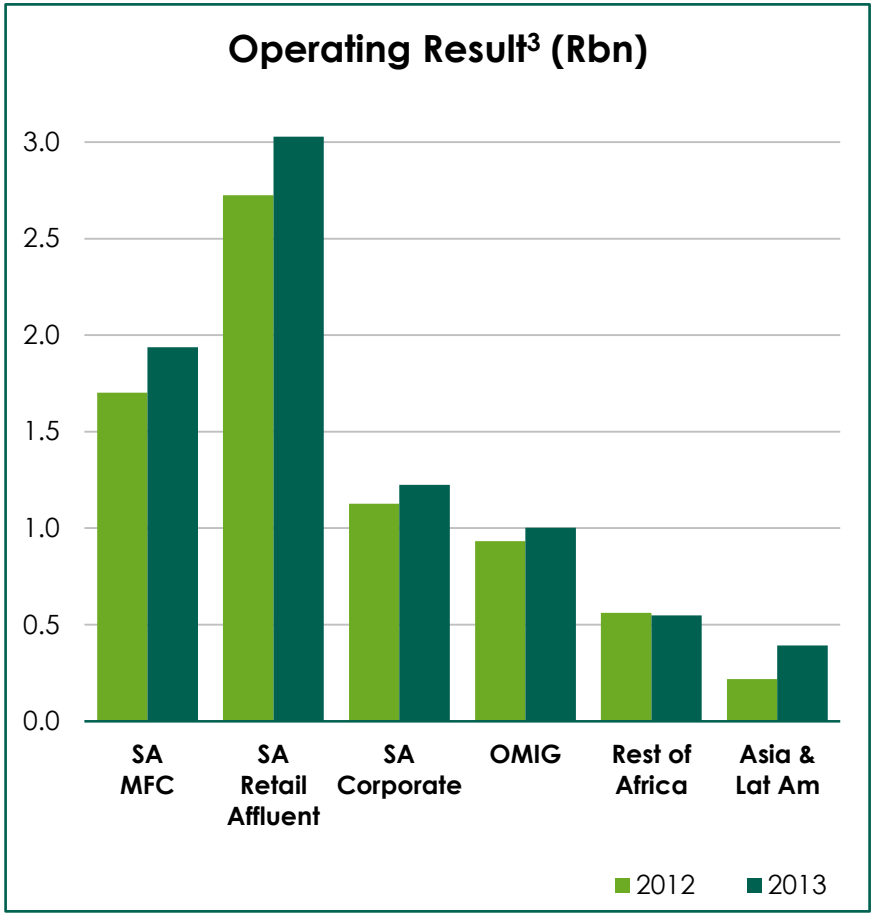
28 February 2014

INSURANCE | INVESTMENT | SAVINGS | BANKING

OLDMUTUAL

OLD MUTUAL EMERGING MARKETS

AOP (Rm)	2012	2013
South Africa		
Life & Savings[1]	5,554	**6,189**
OMIG	933	**1,003**
LTIR	1,317	**1,211**
South Africa	7,804	**8,403**
Rest of Africa		
Operating profit	561	**548**
LTIR	296	**396**
Rest of Africa[2]	857	**944**
Asia & Latin America	218	**392**
Central costs	(924)	**(828)**
Total AOP (pre-tax)	7,955	**8,911**



1. Comparative restated to reflect the move of iWyze to Property & Casualty (previously 50% was reported in OMEM).
2. Rest of Africa P&C results are included in Rest of Africa target (15% by 2015) but are not shown in these figures: P&C Africa profits in 2013 were R59m.
3. Pre-tax, excluding LTIR and central costs.

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EMERGING MARKETS[1]

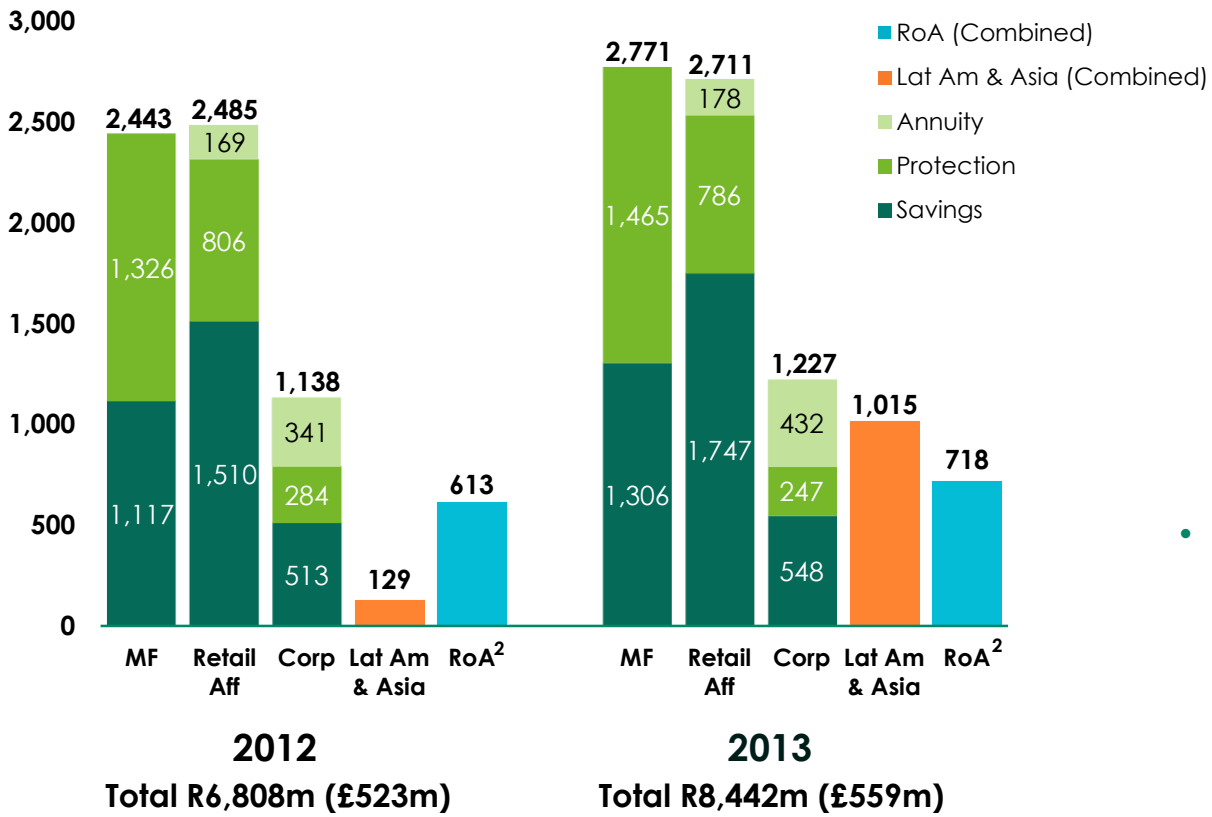
Rm	2012	2013
IFRS adjusted operating profit[2]	7,955	**8,911**
Life new business APE	6,808	**8,442**
Life VNB[1]	1,762	**2,043**
New business APE margin[1]	27%	**27%**
Gross sales	152,041	**164,995**
Unit trust/mutual fund sales + other non-covered sales	116,275	**116,441**
Net client cash flow (Rbn)	16.2	**24.7**
Funds under management (Rbn)	724.6	**837.9**
Return on equity	25%	**25%**

- Emerging Markets AOP up 12% mainly due to positive impact of higher equity markets, favourable investment variances, and non-recurrence of adverse impact from external factors (bond yield and tax changes) included in SA retail businesses results in 2012.
- Emerging Markets Life APE growth mainly due to MFC (up 13%) and Retail Affluent (up 9%) in South Africa, strong Rest of Africa sales (up 17%) and the reclassification of Asia non-covered sales as Life APE.
- Significant NCCF improvement (up 52%) as a result of strong flows in the SA Retail businesses and good net flows in the OMIG business, partially offset by lower NCCF in Latin America due to higher Q4 withdrawals.

1. Emerging Markets includes South Africa, Rest of Africa (RoA), Colombia, Mexico, Uruguay (Latin America), India and China (Asian JVs). RoA includes Namibia, Zimbabwe, Swaziland, Kenya, Nigeria and Malawi. The comparative for Life VNB and APE margin for RoA includes Namibia only as VNB has only been calculated in the other African countries from 1 Jan 2013.
2. Following the announcement that all Property & Casualty activities will be reported as a single segment, 100% of iWyze will now be recorded within Property & Casualty. Comparatives have been restated accordingly.

OLDMUTUAL

EMERGING MARKETS LIFE APE SALES BY SEGMENT AND PRODUCT (Rm)[1]



- South Africa sales:
  - 5% growth in regular premiums driven by MFC (up 13%), partially offset by lower protection sales in Corporate (down 13%).
  - Significant single premium growth (26%) due to a significant annuity deals in Corporate and strong sales of the newly launched XtraMAX product in Retail Affluent.
- RoA, Latin America and Asia sales:
  - Strong growth in RoA (17%) largely in Namibia and Zimbabwe and the acquisition of Nigeria.
  - Asia non-covered sales reclassified as Life APE sales.

1. Segments are Mass Foundation, Retail Affluent, Corporate, Latin America & Asia (Colombia, Mexico, India and China) and Rest of Africa (RoA).
2. From 1 January 2013, Rest of Africa Life APE sales are reported net of minority interest whereas previously reported gross of minority interest. Comparatives have not been restated. On a like-for-like basis gross Life APE sales increased by 31%.

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EMERGING MARKETS OLD MUTUAL FINANCE KEY METRICS

	2012	2013
Lending book (gross) (Rm)	6,431	**8,258**
Sales: loans advanced (Rm)	5,482	**6,250**
NPAT: Average lending book[1]	3.8%	**3.9%**
Loan approval rate	34.2%	**31.0%**
Impairments: Average lending book	13.3%	**14.0%**
Return on Equity	35.3%	**32.1%**
Branches	201	**225**
Staff	1,821	**2,055**

1. Net profit after tax (NPAT)/average lending book is stated after capital charges.

OLDMUTUAL

EMERGING MARKETS: RETAIL AFFLUENT – AGGREGATE SALES GROWTH

Rm	2012	2013	% change
Covered life APE sales			
Recurring premium	1,529	**1,485**	(3%)
Single premium	956	**1,226**	28%
Total covered life APE sales	2,485	**2,711**	9%
Non-covered sales			
Unit trust/mutual fund	21,063	**23,184**	10%
SA life licence – unit trust[1]	3,401	**5,067**	49%
SA life licence – other[1]	2,435	**2,686**	10%
OMI life licence[1]	1,642	**3,189**	94%
Other	11,554	**15,888**	38%
Total non-covered sales	40,095	**50,014**	25%
Reported by Old Mutual Emerging Markets	38,453	**46,825**	22%
Reported by Old Mutual Wealth (OMI life licence)	1,642	**3,189**	94%

1. Note: Life licence business represents business sold by the SA life businesses that utilise a locally regulated life company licence and is classified as non-covered business from an MCEV perspective. OMI life licence sales represent sales made in SA that are reported as part of Old Mutual Wealth's International business.

OLDMUTUAL

EMERGING MARKETS: SPLIT OF SA LIFE RESERVES[1]

2013 (Rm)	Retail[2]	Corporate	Total
Smoothed	78,365	135,846	**214,211**
Non-profit	41,064	13,845	**54,909**
Market-related	148,966	40,166	**189,132**
Total	**268,395**	**189,857**	**458,252**

2012 (Rm)	Retail[2]	Corporate	Total
Smoothed	71,343	122,065	**193,408**
Non-profit	42,250	10,610	**52,860**
Market-related	124,269	33,266	**157,535**
Total	**237,862**	**165,941**	**403,803**

1. Total reserves disclosed in OMLAC(SA)'s stand alone financials.
2. Includes the Retail Affluent and Mass Foundation segments.

OLDMUTUAL

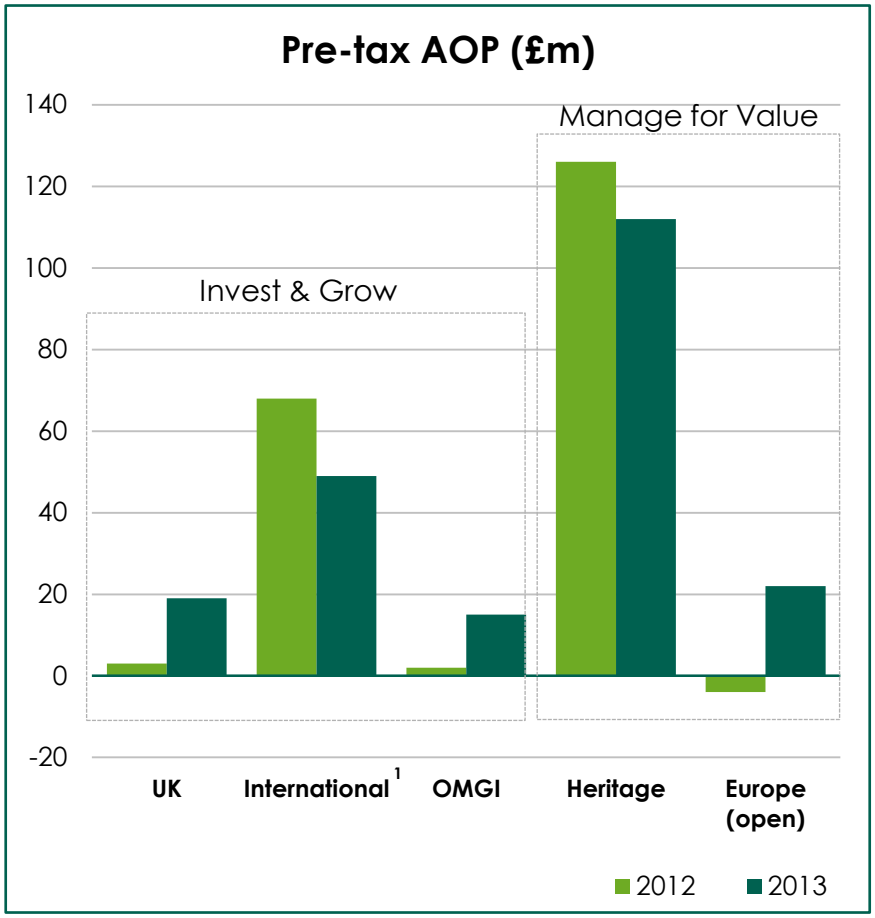
OMIG FUND MIX

	NCCF (Rbn)			FuM: End Manger (Rbn)		Revenue drivers (Rm)				Pre-tax profit (Rm)
Asset Class	Gross inflows	Gross outflows	NCCF	Dec 2013	Dec 2012	Base fees	Perf. fees & Transactional fees	Invest return and Mark to Market	Portfolio returns (Net interest margin)	Dec 2013
Listed Asset Management	30.4	(26.1)	4.3	388.8	353.1	788	169	-	-	272
Alternatives	1.5	(0.1)	1.4	36.7	31.9	172	22	41	-	88
OMSFIN	-	-	-	51.4	51.3	44	105	266	332	601
Properties	0.6	(0.6)	-	30.0	27.0	102	200	-	-	42
Total	**32.5**	**(26.8)**	**5.7**	**506.9**	**463.3**	**1,106**	**496**	**307**	**332**	**1,003**

OLDMUTUAL

OLD MUTUAL WEALTH

£m	2012[1]	2013
FuM based revenue	783	**883**
Commission & acquisition expenses[2]	(332)	**(399)**
Other fees[3]	98	**88**
Risk profits	26	**15**
Investment return	18	**15**
Net revenue	593	**602**
Admin. expenses	(440)	**(392)**
Policyholder tax contribution	58	**24**
Adviser fees	(16)	**(17)**
AOP pre-tax	195	**217**



1. 2012 includes £13m profit from Finland, sold during H2 2012 and £22m exceptional policyholder tax benefits.
2. Includes DAC net of deferred fee income.
3. Includes fixed fees, surrender fees and other net income/expenses.

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OLD MUTUAL WEALTH

£m	2012	2013
IFRS adjusted operating profit	195	**217**
Life new business APE	610	**606**
Life VNB	62	**76**
New business APE margin	10%	**13%**
Gross Sales[1,2]	11,630	**14,434**
Non-covered sales[2]	5,612	**8,207**
Net client cash flow (£bn)[2]	2.0	**2.3**
Funds under management (£bn)	69.2	**78.5**
Return on equity	13%	**16%**

- AOP increased by 11% due to increased average FUM in the period. The comparable period included £13m of profits from the Finnish business which was sold in H2 2012 and £22m exceptional policyholder tax benefits. Excluding these items, AOP grew by 36%.
- Overall operating margin increased from 33% to 36%, mainly as a result of efficiencies following last year's restructuring. The operating margin was also improved by the greater share of AUM being managed within our own asset management capability (OMGI).
- Non-covered sales were up 46% (excluding £270m of Q1 2012 OMAM (UK) sales from 2012), driven by strong sales in OMGI.
- FUM increased 13%, with positive NCCF and higher equity markets contributing to the increase. UK Platform assets were up 21% to £27.3 billion. OMGI FUM was up 16% to £16.0 billion.

1. Excluding intra-group transfers/sales of £2,643m (2012: £1,736m).
2. OMAM (UK) included from Q2 2012 onwards.

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OLD MUTUAL WEALTH SALES

Gross sales (£m)	2012	2013	% change
Invest and Grow markets			
UK Platform	4,140	**4,718**	14%
UK Other	968	**823**	(15%)
International	1,681	**1,921**	14%
OMGI[1]	4,506	**7,572**	68%
Total Invest and Grow	11,295	**15,034**	33%
Manage for Value markets			
UK Heritage	296	**207**	(30%)
OMW Europe – open book	1,185	**1,278**	8%
OMW Europe – closed book	590	**558**	(5%)
Total Manage for Value	2,071	**2,043**	(1%)
Elimination of intra-Group assets	(1,736)	**(2,643)**	(52%)
Total Old Mutual Wealth	11,630	**14,434**	24%

1. OMAM (UK) included from Q2 2012 onwards.

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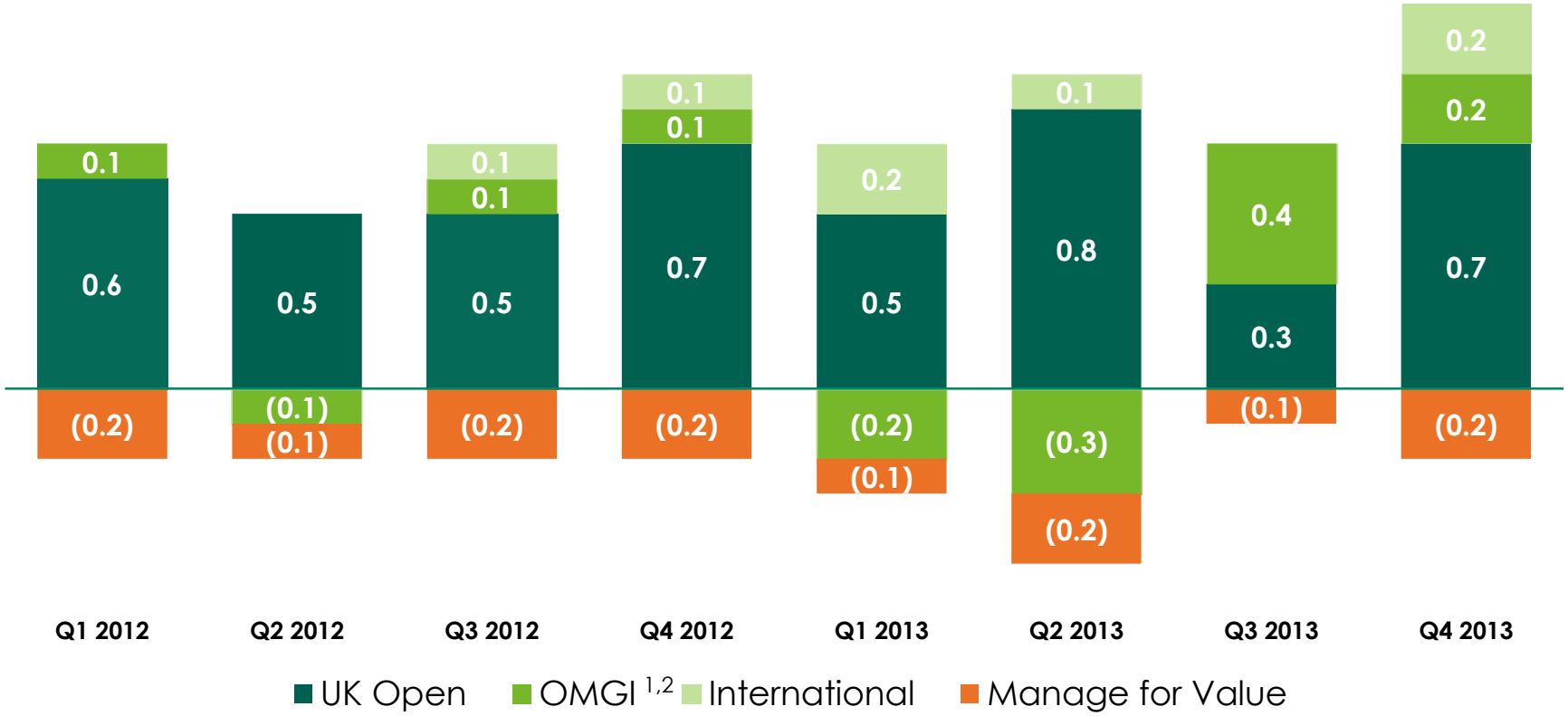
OLD MUTUAL WEALTH NCCF (£bn)



1. After elimination of intra-Group assets.
2. OMAM (UK) included from Q2 2012 onwards.

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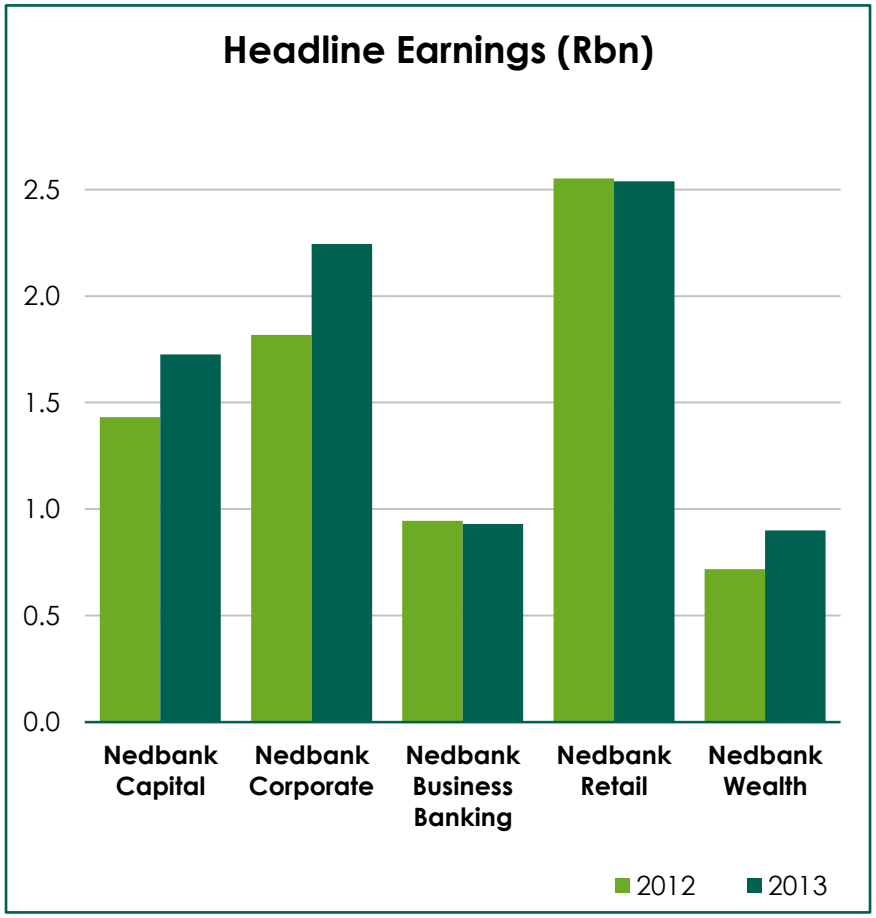
NEDBANK

Rm	2012[1]	2013
Net interest income	19,680	**21,220**
Non-interest revenue	17,324	**19,361**
Impairments	(5,199)	**(5,565)**
Operating income	31,805	**35,016**
Operating expenses	(20,563)	**(22,419)**
Indirect taxation	(561)	**(601)**
Associate income	1	**27**
Headline earnings before direct taxation[2]	10,682	**12,023**



1. Comparatives restated to reflect requirements of IAS 19.
2. On a headline earnings basis: on an AOP basis profit is R3m higher (2012: R56m higher).

OLDMUTUAL

NEDBANK

Rm	2012	2013
IFRS adjusted operating profit[1]	10,738	**12,026**
Net interest income	19,680	**21,220**
Non-interest revenue	17,324	**19,361**
Net interest margin	3.53%	**3.57%**
Impairments	5,199	**5,565**
Credit loss ratio	1.05%	**1.06%**
Common equity tier 1 capital ratio[2]	11.6%	**12.5%**
Return on equity (excl. goodwill)	16.4%	**17.2%**

- Solid increase in AOP in 2013.
- Double-digit growth in non-interest revenue due to increases in commissions and fees, and insurance income. Positive increase in net interest income.
- Net interest margin improved steadily due to advances and deposit mix changes and risk adjusted pricing of new loans.
- Impairments increased marginally due to further strengthening of provisions in personal loans and a single client charge in business banking.

1. IFRS AOP in 2012 has been restated due to an IAS 19 adjustment related to employee benefits of (R27m).
2. Based on Basel III.

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NEDBANK TARGETS

Metric	2012 Performance		2013 Performance		Medium to long-term target	2014 Outlook
ROE (excl goodwill)	16.4%	✗	17.2%	✔	5% above cost of ordinary shareholders' equity	Below target
Growth in diluted headline earnings per share (EPS)	18.7%	✔	15.0%	✔	At least consumer price Index + GDP growth + 5%	At least consumer price Index + GDP growth
Credit loss ratio	1.05%	✗	1.06%	✗	Between 0.8% and 1.2% of average banking advances[1]	Meeting target, improving slightly on 2013
NIR : Expenses ratio	84.4%	✗	86.4%	✔	> 85%	At target
Efficiency ratio	55.6%	✗	55.2%	✗	50.0% - 53.0%	Above target
CAR (Basel III basis) : • Common Equity Tier 1 • Tier 1 • Total	 • 11.6% • 13.1% • 15.1%	✔	 • 12.5% • 13.6% • 15.7%	✔	 • 10.5% - 12.5% • 11.5% - 13.0% • 14.0% - 15.0%	At or above top end of new targets
Economic capital		✔		✔	Internal Capital Adequacy Assessment Process (ICAAP) : A debt rating (including 10% capital buffer)	
Dividend cover policy	2.18 times	✔	2.11 times	✔	1.75 to 2.25 times	Within the target range

1. 2013 was reviewed against the old target of 0.6% - 1.0%.

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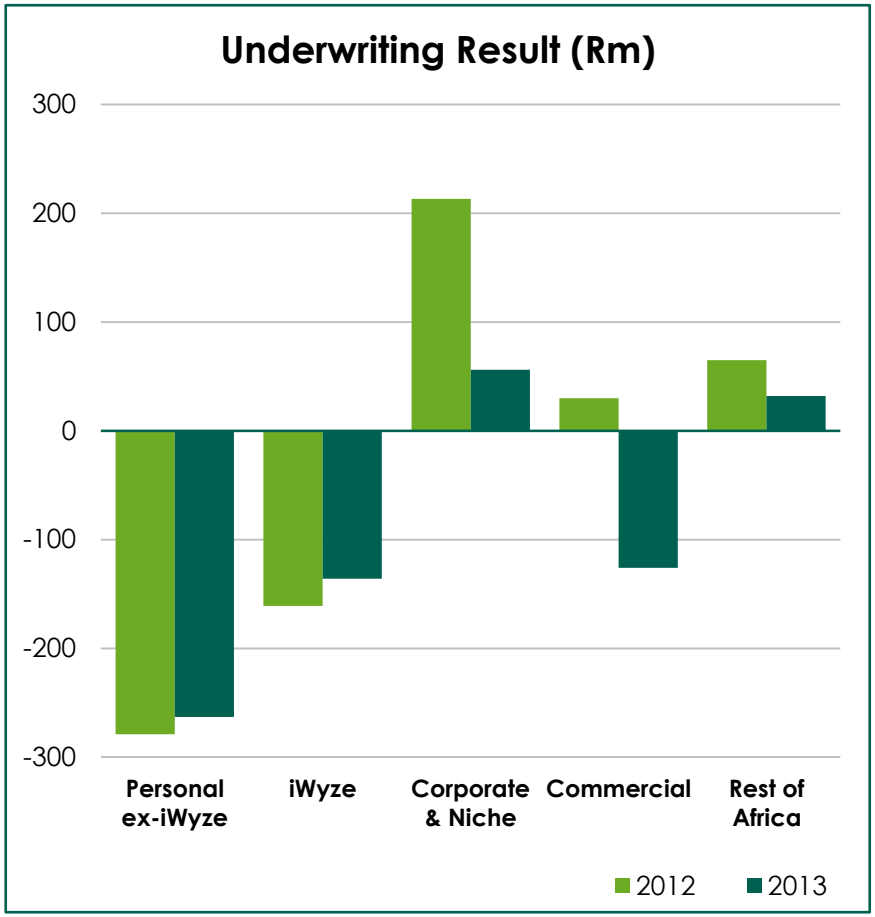
PROPERTY & CASUALTY

Rm	2012[1]	2013
Gross written premiums	9,706	**11,315**
Net earned premiums	7,573	**8,856**
Claims	(5,483)	**(6,689)**
Acquisition expenses	(1,175)	**(1,468)**
Operating expenses	(1,047)	**(1,136)**
Underwriting result	(132)	**(437)**
LTIR	608	**472**
Other	(1)	**23**
AOP pre-tax & NCI	475	**58**



1. Comparative restated to include 100% of iWyze.

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PROPERTY & CASUALTY

Rm	2012	2013
IFRS adjusted operating profit[1]	475	**58**
Gross written premiums	9,706	**11,315**
Claims ratio	72.4%	**75.5%**
Underwriting result	(132)	**(437)**
International solvency ratio[2]	64.0%	**54.1%**
Return on equity	7.1%	**0.6%**

- Strong premium growth in 2013 largely attributable to the Treaty Inwards business.
- International solvency ratio remains strong.
- Operating expenses well controlled.
- Underwriting result impacted by high volume and severity of claims attributable to severe weather-related losses, drought conditions and a continuing soft market in South Africa.

1. In both periods, AOP includes 100% of underwriting losses incurred by iWyze, M&F's direct insurance joint venture with Emerging Markets.
2. Ratio of net assets to net premiums.

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PROPERTY & CASUALTY - CLAIMS ANALYSIS

Channel (Rm)	**2012**	**2013**
Personal	2,321	**2,520**
Commercial	2,278	**2,517**
Corporate & Niche	654	**1,343**
Rest of Africa	230	**309**
Total P&C Claims	5,483	**6,689**

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USAM ADJUSTED OPERATING PROFIT: CONTINUING OPERATIONS[1,2]

$m	2012	2013	% change
Management fees	496	**578**	**17%**
Performance & transaction fees	21	**19**	**(10%)**
Other revenue	19	**12**	**(37%)**
Total revenue	536	**609**	**14%**
Operating expenses	(227)	**(238)**	**(5%)**
Variable compensation	(139)	**(169)**	**(22%)**
Total expenses	(366)	**(407)**	**(11%)**
AOP pre-minorities	170	**202**	**19%**
Minority interests	(19)	**(28)**	**(47%)**
AOP post-minorities	151	**174**	**15%**
Operating margin[3]	32%	**33%**	

1. Excludes affiliates disposed of during 2012 and OMAM (UK) which was transferred to Old Mutual Wealth from Q2 2012 onwards. Includes the results of Echo Point which was discontinued in Q4 2013.
2. 2013 reflects equity accounting for Heitman (IFRS 10), comparatives have been restated accordingly.
3. Operating margin is before non-controlling interests; post-NCI operating margin is 29% (2012: 28%).

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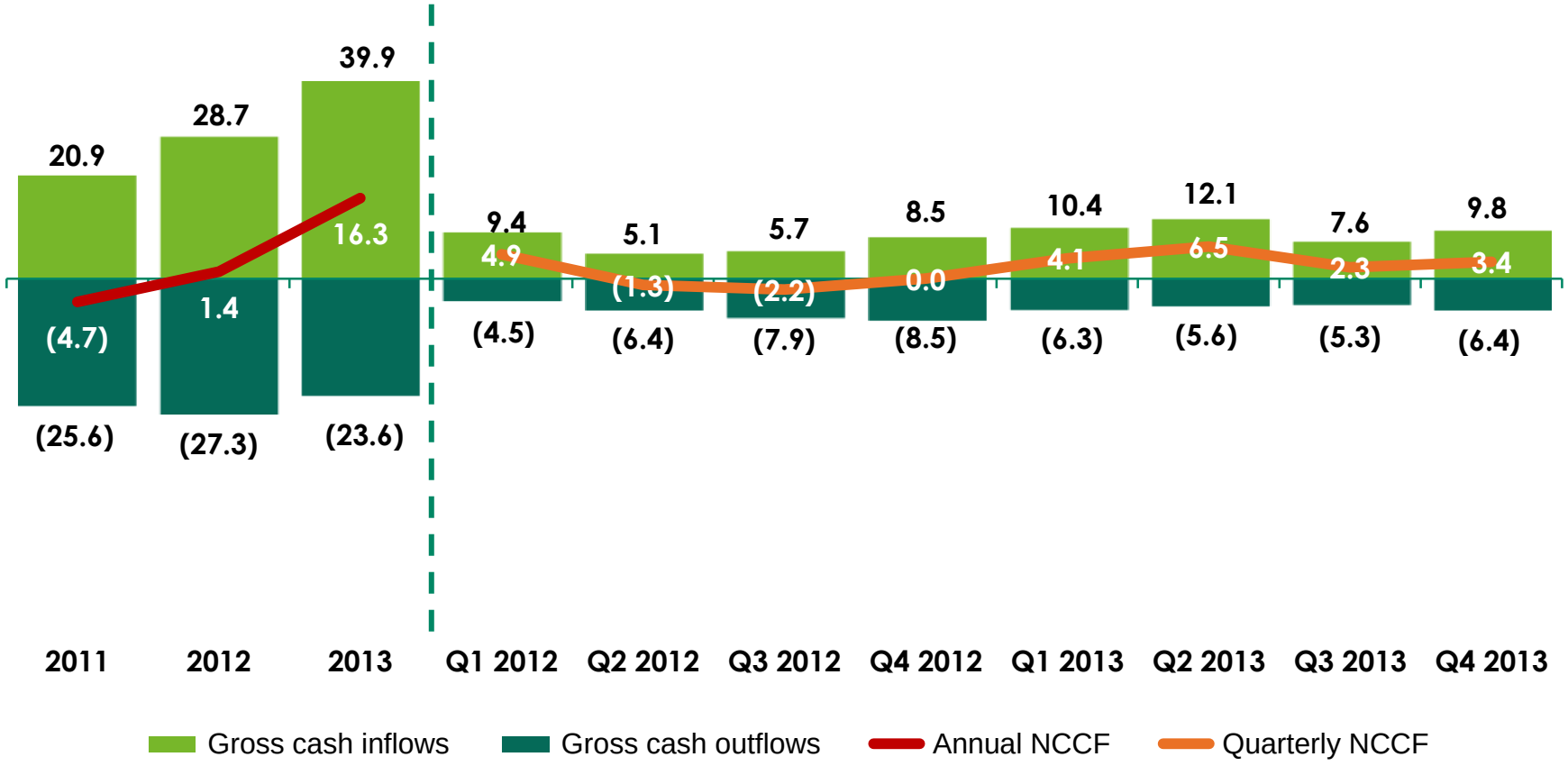
USAM NCCF ($bn): CONTINUING OPERATIONS[1]



1. Excludes affiliates disposed of during 2012 and OMAM (UK) which was transferred to Old Mutual Wealth from Q2 2012 onwards. Includes the results of Echo Point which was discontinued in Q4 2013.

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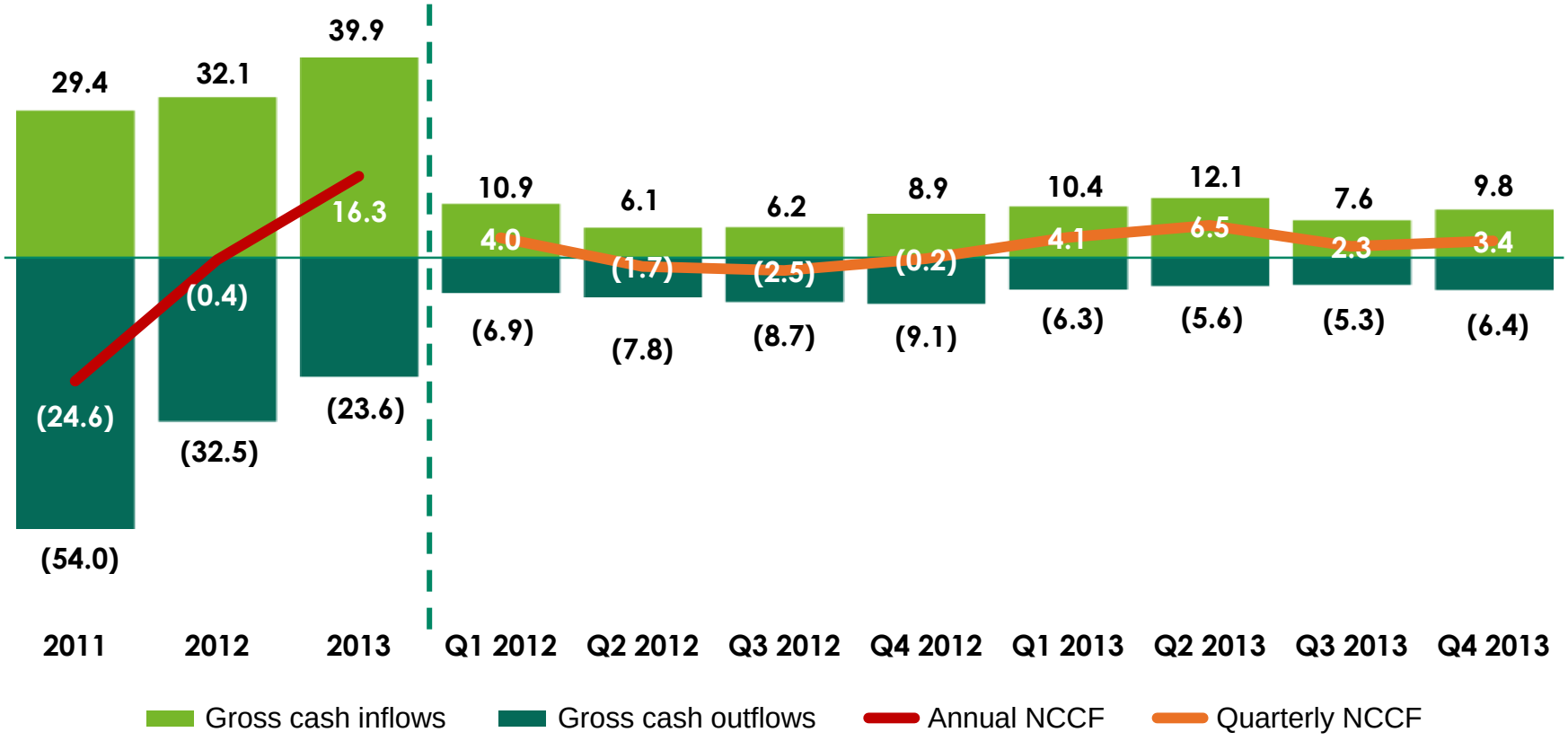
USAM NCCF ($bn): REPORTED RESULTS[1]



1. Net flows from Q2 2012 onwards exclude OMAM (UK).

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USAM: INVESTMENT PERFORMANCE[1]

At 31 December 2013	Outperformance vs benchmark	Revenue outperformance vs benchmark
1 year	**48%**	**66%**
3 years	**90%**	**91%**
5 years	**88%**	**84%**

At 31 December 2012	Outperformance vs benchmark	Revenue outperformance vs benchmark
1 year	62%	67%
3 years	66%	71%
5 years	76%	68%

1. Calculations include continuing operations only. Echo Point was discontinued in Q4 2013, comparatives have been not been restated.

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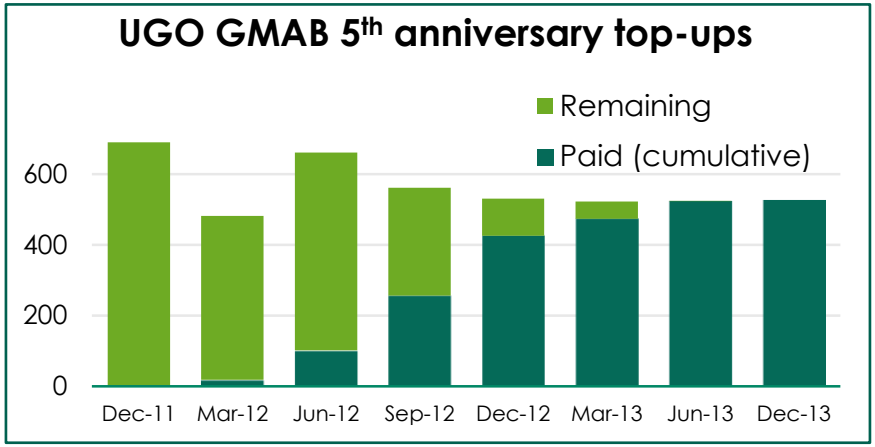
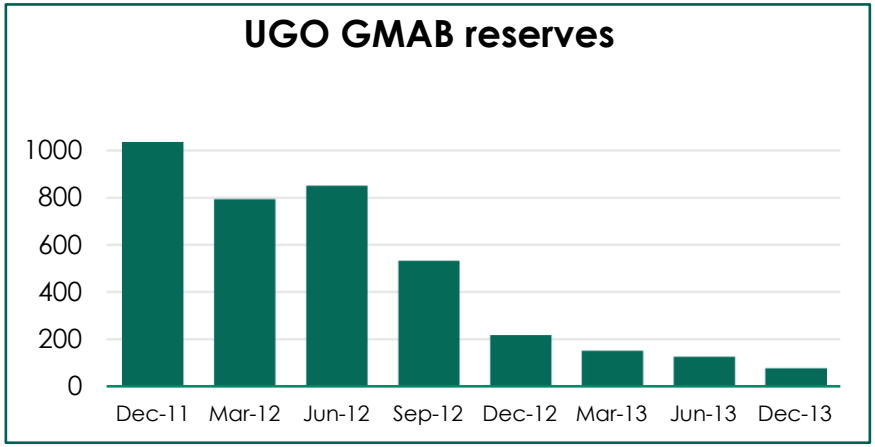
BERMUDA RUN-OFF



All UGO GMAB contracts have passed their 5th anniversary dates: 74% (by value) have surrendered.



UGO GMAB Reserves have reduced by $140 million since 1 January 2013.

- $550 million of capital has been repatriated to Group in 2013.
- Total policyholder liabilities have reduced by 45% since 1 January 2013.
- HAV feature for the Hong Kong UGO GMAB book has been hedged.
- Downside equity and FX risk for the 10-year UGO GMAB continues to be hedged at 50%.

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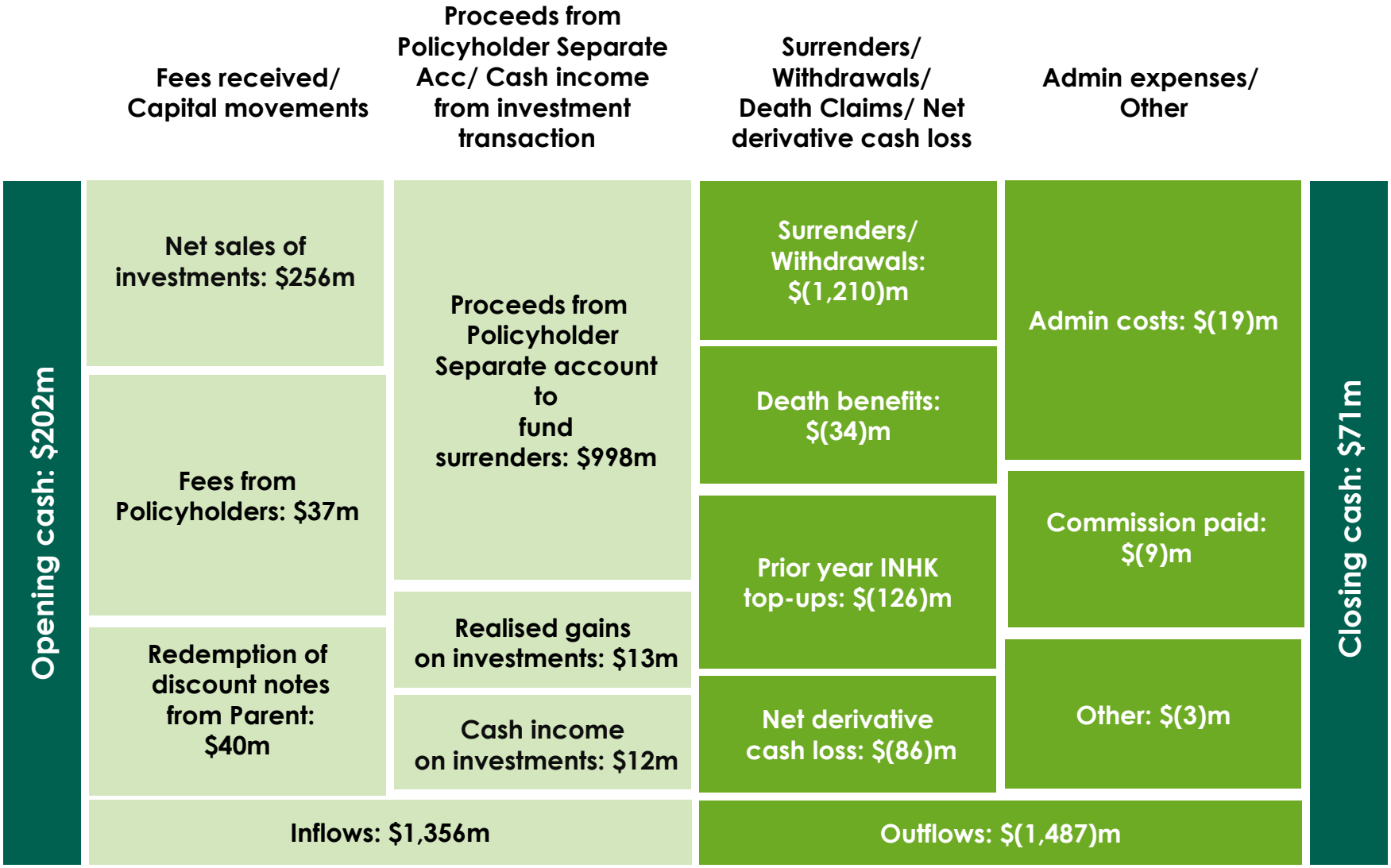
BERMUDA: 2013 CASH FLOW



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