

Old Mutual Limited  
 Incorporated in the Republic of South Africa  
 Registration number: 2017/235138/06  
 ISIN: ZAE000255360  
 LEI: 213800MON84ZWPPQCN47  
 JSE Share Code: OMU  
 NSX Share Code: OMM  
 MSE Share Code: OMU  
 ZSE Share Code: OMU  
 ("Old Mutual" or "Company" or "Group")

Ref 03/20  
 5 March 2020

## TRADING STATEMENT AND PERFORMANCE UPDATE FOR THE YEAR ENDED 31 DECEMBER 2019

### Financial performance

Shareholders are advised that Old Mutual Limited is currently in the process of finalising its annual results for the year ended 31 December 2019 ("current period"). This trading statement provides an indication of a range for Headline Earnings per ordinary share (HEPS) and earnings attributable to equity holders of the Group per ordinary share (EPS) in terms of paragraph 3.4(b) of the JSE Limited Listings Requirements compared to the year ended 31 December 2018 ("comparative period"). The Group's annual results will be released on the Stock Exchange News Service of the JSE Limited on Monday, 16 March 2020.

Results from Operations (RFO) is expected to decrease by approximately 0% to 5% compared to the comparative period, a resilient outcome in the context of low economic growth in South Africa. Adjusted Headline Earnings (AHE) is expected to increase by approximately 2% to 7% mainly driven by higher shareholder investment return in South Africa. Accordingly, AHE per share is expected to increase by approximately 4% to 9% to 202.9 – 212.6 cents in the current period compared to 195.1 cents for the comparative period.

Key Performance Indicators (KPIs)	Estimated 31 December 2019	31 December 2018 <sup>1</sup>	Estimated % change
RFO (Rm)	8,682 – 9,139	9,139	(5%) to 0%
AHE (Rm)	9,584 – 10,054	9,396	2% to 7%
AHEPS (cents) <sup>2</sup>	202.9 – 212.6	195.1	4% to 9%

<sup>1</sup>Restated to exclude the results of Zimbabwe.

<sup>2</sup>AHEPS defined as Adjusted Headline Earnings divided by WANS adjusted to remove the Group's BBBEE shares and shares held in policyholder and consolidated investment funds.

IFRS profits in the 2018 financial year include the accounting impacts of the transactions executed to complete the Managed Separation. These transactions included the distribution of Quilter plc and the unbundling of Nedbank Group Limited (Nedbank). Profit after tax for the comparative period therefore included the consolidated profits in respect of the Quilter plc and Nedbank businesses, these were classified as profit from discontinued operations. Profits for the comparative period also included the profit recognised on the distribution of Quilter plc on 24 June 2018 and the unbundling of Nedbank on 15 October 2018.

Profit after tax for the current period no longer includes the impact of these items related to the execution of Managed Separation, which is the main driver of the expected decrease. IFRS profit after tax attributable to equity holders of the parent on comparable basis is expected to increase by approximately 30% to 37%. IFRS profit after tax attributable to equity holders of the parent on a comparable basis is adjusted to remove the impact of Managed Separation transactions and to reflect Nedbank as if it had been accounted for as an associate for the full 2018 year.

The table below sets out the impact of the Managed Separation transactions included in profit after tax attributable to equity holders of the parent for the comparative period:

<b>R million</b>	<b>31 December 2018</b>
Profit from discontinued operations - Quilter	1,275
Profit from discontinued operations - Nedbank	7,241
Profit on Quilter distribution and unbundling of Nedbank	23,175

Accordingly, we expect Basic earnings per share to decrease by approximately 73% to 75% to 204.9 - 197.0 cents compared to 788.1 cents in the comparative period. Headline Earnings (HE) is expected to decrease by approximately 24% to 28%. We expect Headline Earnings per share (HEPS) to decrease by approximately 22% to 25% to 230.2 - 239.4 cents compared to 306.9 cents in the comparative period.

	<b>Estimated 31 December 2019</b>	<b>31 December 2018</b>	<b>Estimated % change</b>
IFRS profit after tax attributable to equity holders of the parent (Rm)	8,776-9,507	36,566	(74%) to (76%)
Basic EPS (cents)	204.9 - 197.0	788.1	(73%) to (75%)
Headline Earnings (Rm)	10,254 - 10,823	14,241	(24%) to (28%)
HEPS (cents)	230.2 - 239.4	306.9	(22%) to (25%)

The financial information in this trading statement is the responsibility of the Board of Directors and has not been reviewed or reported on by the Group's external auditors.

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#### **Sponsors**

<b>JSE</b>	Merrill Lynch South Africa (Pty) Limited
<b>Namibia</b>	PSG Wealth Management (Namibia) (Proprietary) Limited
<b>Zimbabwe</b>	Imara Capital Zimbabwe plc
<b>Malawi</b>	Stockbrokers Malawi Limited

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#### **Notes to Editors**

#### **About Old Mutual Limited**

Old Mutual is a premium African financial services group that offers a broad spectrum of financial solutions to retail and corporate customers across key markets segments in 14 countries. Old Mutual's primary operations are in South Africa and the rest of Africa, and it has a niche business in Asia. With 175 years of heritage across sub-Saharan Africa, we are a crucial part of the communities we serve and broader society on the continent.

For further information on Old Mutual, and its underlying businesses, please visit the corporate website at [www.oldmutual.com](http://www.oldmutual.com).