

Old Mutual Limited  
Incorporated in the Republic of South Africa  
Registration number: 2017/235138/06  
ISIN: ZAE000255360  
LEI: 213800MON84ZWFPQCN47  
JSE Share Code: OMU  
MSE Share Code: OMU  
NSX Share Code: OMM  
ZSE Share Code: OMU  
("Old Mutual" or "OM" or "the Company")

Ref 05/20

16 March 2020

Annual results for the year ended 31 December 2019

A MESSAGE FROM OUR INTERIM CEO

Our business was resilient against significant headwinds in 2019. We faced challenging macroeconomic conditions in South Africa, our largest market, and many of our operating countries in the Rest of Africa. This put pressure on the disposable income levels of our customers and on the ability of our businesses to grow value for our customers and investors. We remain confident that our diversified business allows us to protect value for stakeholders in tough economic times. After careful consideration of the relevant facts and actions, our Board took the difficult decision to dismiss our former chief executive, Peter Moyo. We remained focused on reassuring our customers, investors and employees during the heightened media attention and scrutiny that followed, through transparent and regular communication. The Board remains confident that the decision made was in the best interests of our stakeholders and that their duties were discharged in line with the high standard of governance and ethics expected of an established and respected organisation like ours.

Our financial results were resilient after taking into account the impact of external factors in our operating environment. Results from Operations (RFO) decreased by 2% reflecting positive assumption changes offset by a decrease in Old Mutual Insure's underwriting result. Adjusted Headline Earnings (AHE) was up 5% mainly due to stronger shareholder investment returns in South Africa, partially offset by reductions in the fair value of properties in East Africa. We delivered positive Net Client Cash Flow (NCCF) which is commendable in the tough macroeconomic environment and Funds under Management (FUM) increased by 2% in line with the increase in average market levels.

Our business in China showed good growth in 2019 and is well positioned to penetrate the life insurance market which is relatively new and underpenetrated. Previously, we offered primarily investment products, but have since expanded our offering to include protection solutions such as life, disability and critical illness. Despite tough external factors, we have made great strides to be more operationally efficient so we remain relevant to our customers of the future. Since listing in 2018, we have been deliberate and focused on making what we believe to be essential culture shifts to champion positive futures for our customers every day and to attract top talent. We have been working relentlessly to become a digitally enabled business. We have made good progress on simplifying our legacy systems and processes, transforming the business to be more agile and able to meet our customers' needs and expectations. 2019 was a year in which our customers and communities were vulnerable and we remained dedicated to make an impact to their everyday lives through our responsible business efforts. Embedding a culture of being a responsible business has been a key focus since listing. We continue to create awareness amongst our employees to act responsibly, as we believe this will positively impact our ways of working and interactions with customers and the communities we serve. We have organised ourselves to make an impact through specific focus areas which align with the needs of our stakeholders and we are in the process of refining targets to track desired outcomes in each focus area.

We returned significant levels of capital to our shareholders, including share buybacks totalling R4.9 billion and total ordinary dividends of 120 cents per share, an increase of 3% from last year.

On 11 March 2020, COVID-19 (Coronavirus) was declared as a pandemic due to the rising rate and scale of infection observed. The rapid spread of virus since the start of 2020, and particularly in recent weeks, has caused significant disruption in global equity markets. The volatility of movements on global exchanges such as NYSE and FTSE is comparable to previous crises. In South Africa, the JSE SWIX has decreased by 23% since the start of the year to date. In China and Italy, significant proportions of the populations have been quarantined to prevent the spread of the virus, with other countries responding to the risk with increased screenings and travel restrictions.

We are monitoring this situation on a daily basis. We have established a special committee to ensure that our employees in all of our locations can continue to work safely, whether that is from our premises or from their homes. We have placed restrictions on all cross border business and personal travel to ensure we limit the risk of infection to our employees and customers. We also regularly model the impact of 'perfect storm' scenarios on our solvency capital and liquidity levels. These stress tests have shown we remain sufficiently capitalised with appropriate liquidity levels through these scenarios. We remain confident that the benefits of our well diversified business, strong balance sheet and stable cash generating ability will stand us in good stead, in what is anticipated to be a difficult year.

The achievement of our RFO target of nominal GDP+2% CAGR is dependent on an improvement in the macroeconomic environment in South Africa, which remains our largest operating country, and higher equity market levels. Given the anticipated disruption in global equity markets and significant downward pressure on GDP growth rates we do not anticipate being able to achieve this target for the 2020 financial year.

Iain Williamson  
Interim Chief Executive Officer

GROUP HIGHLIGHTS (EXCLUDING ZIMBABWE) (Rm unless otherwise stated)

	FY2019	FY2018	% change (FY 2019 vs FY 2018)
Adjusted Headline Earnings (AHE)	9,856	9,396	5%
Adjusted Headline Earnings per share (cents)	209.3	195.1	7%
Results from Operations (RFO)	8,972	9,139	(2%)
Final dividend per share (cents)	75	72	4%
Return on Net Asset Value (RoNAV) (%)	15.2%	16.2%	(100 bps)
FUM (Rbn)	1,048.5	1,026.0	2%
Life APE sales	12,268	11,898	3%
Gross flows	170,689	175,509	(3%)
NCCF (Rbn)	2.2	9.0	(76%)
Free Surplus Generated from Operations	6,794	6,585	3%
% of AHE converted to Free Surplus Generated	69%	70%	(100 bps)
Group Solvency ratio (%)	161%	168%	(700 bps)

IFRS profit after tax for the comparative period includes the accounting impacts of the transactions executed to complete the Managed Separation. These included the distribution of Quilter plc and the unbundling of Nedbank. IFRS profit after tax for the comparative period therefore included the consolidated profits in respect of Quilter plc and Nedbank, both of these were classified as profit from discontinued operations. IFRS profits for the comparative period also included the profit recognised on the distribution of Quilter plc and Nedbank of R23,175 million. IFRS profit after tax for the current period no longer includes the impact of these items, which is the main driver of the decrease. IFRS profit after tax attributable to equity holders of the parent on a comparable basis increased by 34% from the prior year. IFRS profit after tax attributable to equity holders on a comparable basis is derived by adjusting the comparative 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 year in 2018. The increase of 34% is driven by material Residual plc losses in 2018 which did not recur, partially offset by a decrease in Zimbabwe earnings.

ACCOUNTING IMPACTS OF THE DISTRIBUTION OF QUILTER AND UNBUNDLING OF NEDBANK (Rm unless otherwise stated)

	31 December 2018
Profit from discontinued operations - Quilter plc	1,275
Profit from discontinued operations - Nedbank	7,241
Profit on Quilter plc distribution and unbundling of Nedbank	23,175

	FY 2019	FY 2018	% change (FY2019 vs FY 2018)
IFRS HIGHLIGHTS (Rm unless otherwise stated)			
Profit after tax attributable to equity holders of the parent	9,386	36,566	(74%)
Headline Earnings (HE)	10,641	14,241	(25%)
Basic earnings per share (cents)	208.3	788.1	(74%)
Headline Earnings per share (HEPS)	236.1	306.9	(23%)

SHORT FORM ANNOUNCEMENT

This short form announcement is the responsibility of the directors. It is only a summary of the information contained in the full announcement and does not contain full or complete details. Any investment decision should be based on the full announcement accessible from Monday, 16 March 2020, via the JSE link <https://senspdf.jse.co.za/documents/2020/jse/isse/OMUE/FY19Result.pdf> and also available on the Company's website at <https://www.oldmutual.com/investor-relations/reporting-centre/results>.

The short form announcement has itself not been audited, however, the financial information included herein has been extracted from the audited consolidated annual financial statements which have been audited by KPMG Inc. and Deloitte & Touche, who expressed an unmodified opinion thereon. The Old Mutual Limited Audited Annual Financial Statements containing the audit opinion, including key audit matters can be obtained on the Company's website via the link <https://www.oldmutual.com/investor-relations/reporting-centre/reports>

FINAL DIVIDEND DECLARATION

The final dividend of 75 cents per share, results in a full dividend cover of 1.74 times for the 2019 year which is in line with Old Mutual Limited's dividend cover target of 1.5 times to 2.0 times. The final dividend will be paid out of distributable reserves and is payable on 04 May 2020 to all ordinary shareholders recorded on the record date. Shareholders on the London, Malawian, Namibian and Zimbabwean registers will be paid in the local currency equivalents of the final dividend.

Old Mutual Limited's income tax number is 9267358233. The number of ordinary shares in issue in the company's share register at the date of declaration is 4,708,553,649.

Declaration date  
Transfers suspended between registers

Monday, 16 March 2020  
Close of business on Monday,  
23 March 2020

Exchange rates announced  
Last day to trade cum dividend for shareholders on the South African Register and Malawi, Namibia and Zimbabwe branch registers  
Ex-dividend date for shareholders on the South African Register and Malawi, Namibia and Zimbabwe branch registers  
Last day to trade cum dividend for shareholders on the UK register  
Ex-dividend date for shareholders on the UK register  
Record date (all registers)  
Transfers between registers restart

Payment date

Monday, 23 March 2020 by 11:00am SA  
Tuesday, 31 March 2020  
  
Wednesday, 01 April 2020  
  
Wednesday, 01 April 2020  
Thursday, 02 April 2020  
Close of business on Friday, 03 April 2020  
Opening of business on Monday, 06 April 2020  
Monday, 04 May 2020

Share certificates for shareholders on the South African register may not be dematerialised or rematerialised between Wednesday, 01 April and Friday, 03 April 2020, both dates inclusive. Transfers between the registers may not take place between Tuesday, 24 March and Friday, 03 April 2020, both dates inclusive. Trading in shares held on the Namibian section of the principal register through Old Mutual (Namibia) Nominees (Pty) Limited will not be permitted between Monday, 23 March and Friday, 03 April 2020, both dates inclusive.

Shareholders that are tax resident in jurisdictions other than South Africa may qualify for a reduced rate under a double taxation agreement with South Africa. To apply for this reduced rate, non-SA taxpayers should complete and submit a declaration form to the respective registrars. The declaration form can be found at: <https://www.oldmutual.com/investor-relations/dividend-information/dividend-tax-considerations>.

#### Sponsors

Johannesburg Stock Exchange  
Merrill Lynch South Africa (Pty) Limited

Namibia  
PSG Wealth Management (Namibia) Proprietary Limited

Zimbabwe  
Imara Capital Zimbabwe plc

Malawi  
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 market segments in 14 countries. Old Mutual's primary operations are in South Africa and the rest of Africa, and we have a niche business in China. With over 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).