

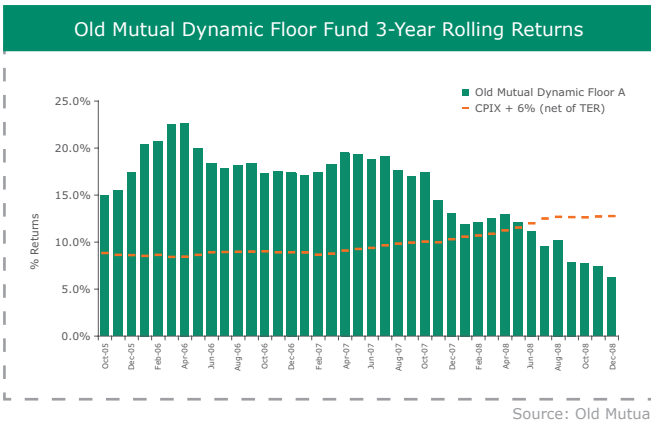
Old Mutual Dynamic Floor Fund

A shield in turbulent times

While recent market volatility has seen equity markets drop by 23.2% over one year to 31 December 2008, investors in the Old Mutual Dynamic Floor Fund have enjoyed some protection from this volatility. These investors rest assured in the knowledge that as market conditions change, their fund manager adjusts the fund's asset allocation in order to protect its capital value. The Old Mutual Dynamic Floor Fund is designed for investors who want access to the growth potential of the markets with a defined level of capital protection. The fund aims to outperform inflation over the medium term and has a return target of CPIX + 6% (gross of fees). The fund achieves these twin objectives by switching between cash and growth assets (such as shares and listed property) as market conditions dictate.

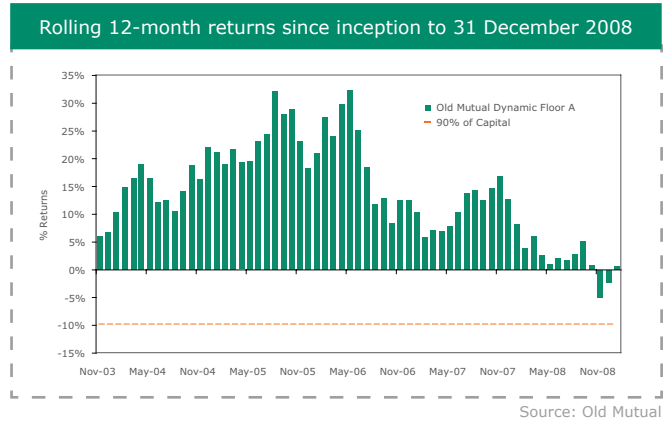
Protecting against losses in the short term

The fund's built-in "floor" is set at 90% of the net capital and means that the fund potentially avoids large losses in a bear market. In a rising equity market, effective equity exposure is increased and, as the fund value increases, it locks in gains already made. The fund uses a "forward floor" level which, when reached, is a trigger to the fund manager to lock in gains. This mechanism protects investors' capital and aims to protect the investor from losing more than 10% of their net investment amount over any 12-month period.



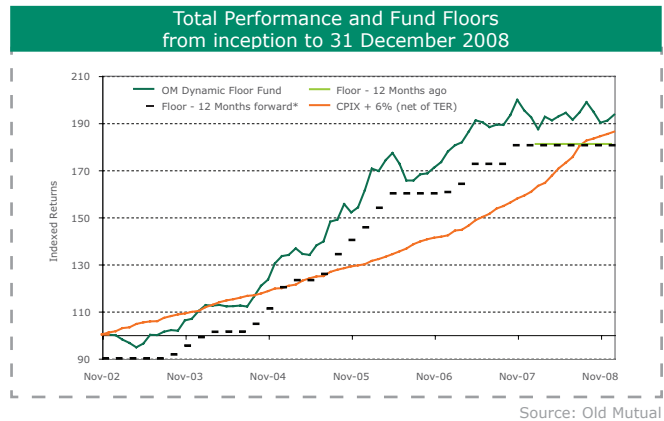
The last year has certainly proved a good test of this ability to protect capital. For the 12 months ending 31 December 2008 the FTSE/JSE All Share Index lost 23.2% while the fund was up 0.6%. The bulk of the portfolio is invested in short-dated money market and cash instruments to provide steady

returns. The fund manager has cut the inflation-linked bond holdings down to 3% as inflation has peaked and is likely to be lower in future. In order to beat its inflation-plus target by a decent margin over the long run, the fund needs to have growth assets like equities and property. We will selectively add to these as the market starts to recover.



The graph shows how the fund has performed relative to its benchmark (CPIX) and its performance target (CPIX + 6% p.a.) over rolling three-year periods since inception. The fund has met its dynamic benchmark 35 out of 39 periods, and achieved its performance objective 29 times.

In addition, the fund has met its risk target of protecting at least 90% of the net investment amount over rolling 12-month periods consistently since inception.



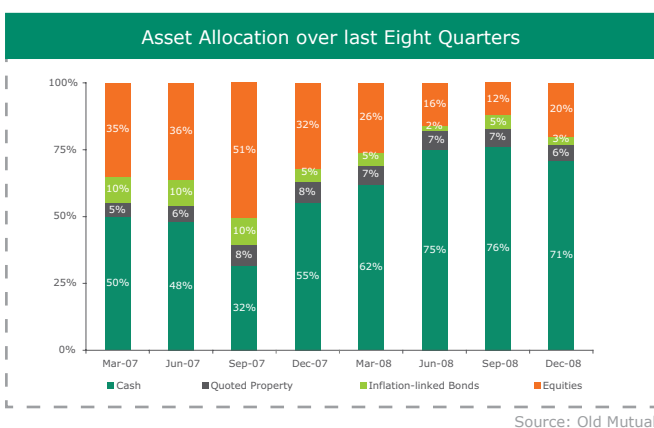
Inflation-beating returns over the longer term

Launched in 2002, the fund has been tested through bull and bear market conditions. Note that the client who invested at inception now enjoys a floor level that has grown by 79% (or by 10.12% p.a.) since inception.

Poised to participate in a market rally

While the combination of unexpectedly high inflation and a severe market downturn has resulted in the fund falling short of its performance target, we anticipate that inflation will fall in 2009. This, coupled with our ability to increase market exposure as conditions improve, should result in a fund that is well-positioned to capitalise on any market recovery.

The fund follows a quantitative process to ensure that the asset allocation shifts to growth assets during rising equity markets. During the 2002/3 and 2008 bear markets the fund reduced equity exposure to below 20%. However, during the 2003-2007 bull market the fund had equity exposure closer to 50%, and occasionally higher.



The current equity exposure is around 20%, as the focus has been on capital preservation. But that exposure is able to grow as the market grows. This allows investors to participate in any potential market recovery. In the meantime, with between 70% and 80% in cash and bonds, investors can look forward to positive returns even in flat markets.

Old Mutual Dynamic Floor Fund versus Cash

Many investors are currently moving to cash as a safe haven in volatile markets. While cash may be suitable as a short term parking bay, it is unlikely to give inflation-beating returns over the long term. The Old Mutual Dynamic Floor Fund is an attractive investment alternative for longer term investors, since:

- The fund currently has a high cash weighting, so it is cushioned from market turbulence.
- The fund can actively increase growth asset holdings (to a maximum of 75% of the portfolio) in a market recovery.
- Investors are more likely to earn higher real returns over time with growth assets than with cash.

This fund is available directly from Old Mutual Unit Trusts, via Investment Frontiers, MAX Investments, Galaxy and other major LISPs. Speak to your Old Mutual Investment Group Sales Executive or Regional Investment Specialist for further information.

This fund is available via Old Mutual Unit Trusts, Investment Frontiers, MAX Investments, MAX Income, Galaxy and other major LISPs.

Sources: Morningstar & OMIGSA; all data as at 31 December 2008 unless otherwise stated. Portfolio performance is calculated on a NAV-NAV basis and does not take any initial fees into account. Income is reinvested on the ex-dividend date. Actual investment performance will differ based on the initial fees applicable, the actual investment date and the date of reinvestment of income. Lump sum basis. TER as at 30 September 2008: 1.24%. Unit trusts are generally medium to long term investments. Past performance is no indication of future growth. It is important that you are prepared for some shorter term fluctuations as your investment moves in line with the markets. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. Unit trusts can engage in borrowing and scrip lending. A schedule of fees and charges and maximum commissions is available from the company/intermediary. You can easily sell your investment at the ruling price of the day (calculated at 15h00 on a forward pricing basis and 17h00 at month-end for Old Mutual Umbono RAFI® 40 Tracker Fund and Old Mutual Umbono Top 40 Fund). The Old Mutual Money Market Fund unit price aims to be static but investment capital is not guaranteed. The total return is primarily made up of interest (declared daily at 13h00), but may also include any gain/loss on any particular instrument and this may result in a capital loss in extreme cases. Each portfolio's total expense ratio (TER) reflects the percentage of the average Net Asset Value of each portfolio that was incurred as charges, levies and fees. A higher TER ratio does not necessarily imply a poor return, nor does a low TER imply a good return. Certain funds may be capped in order to be managed in accordance with their mandates. Old Mutual Unit Trusts is a member of the Association of Collective Investments, SA.