



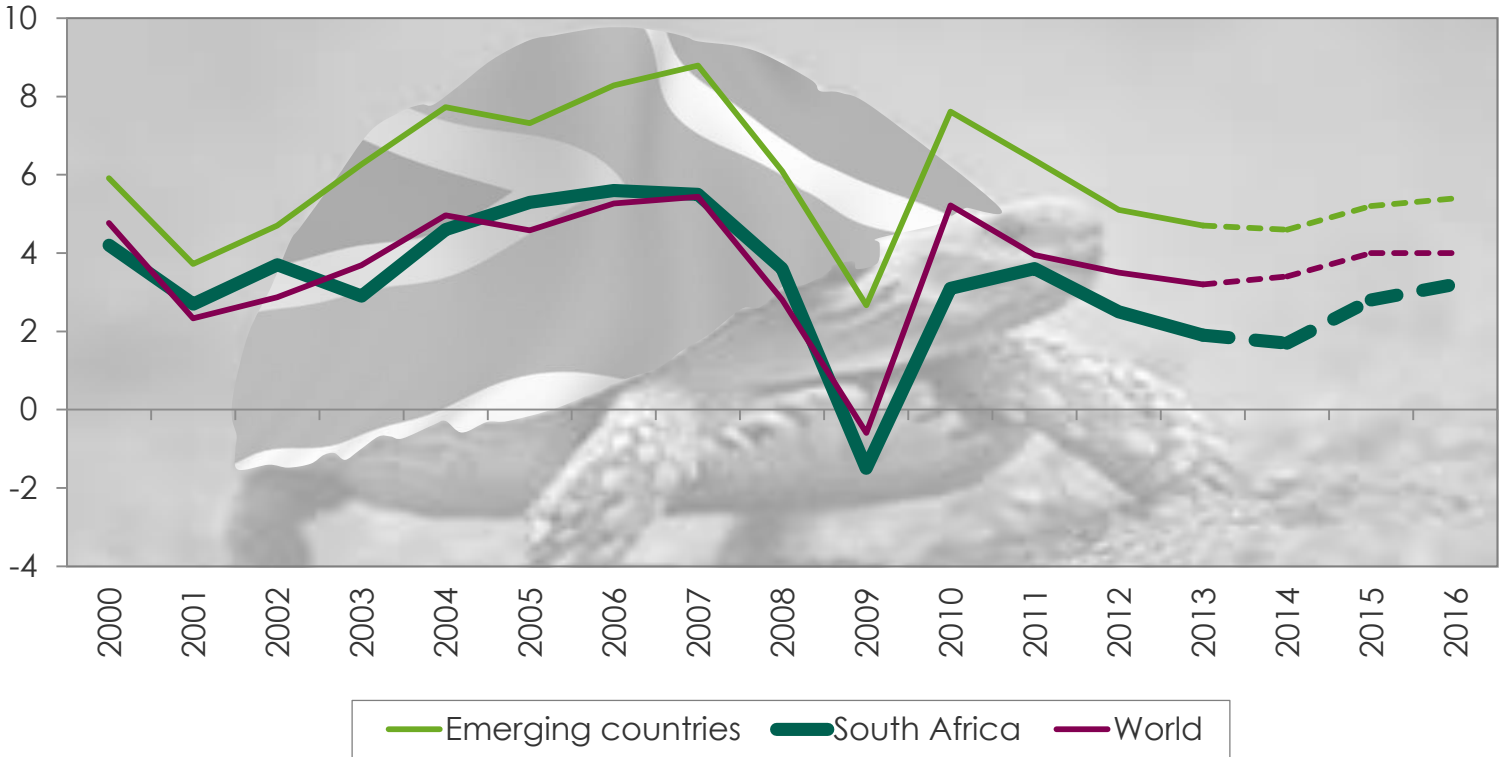
**PETER LINLEY**  
**HEAD: OLD MUTUAL EQUITIES**

**THROUGH THE LOOKING GLASS**



**OLD MUTUAL**  
INVESTMENT GROUP

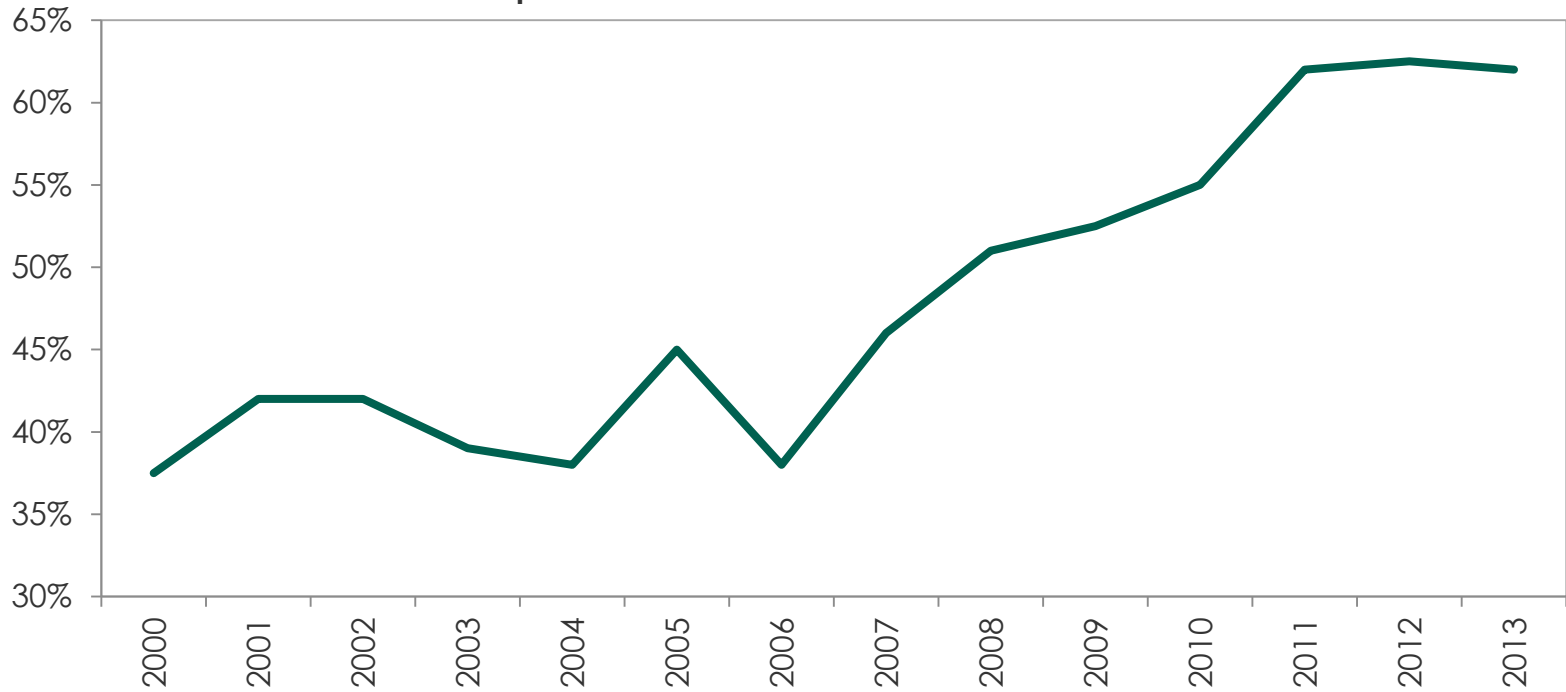
# SA GDP STUMBLES ALONG, SO WHY SA EQUITIES?



2 Source: Old Mutual Investment Group, MacroSolutions; IMF

# THE SOUTH AFRICAN EQUITY MARKET HAS EVOLVED

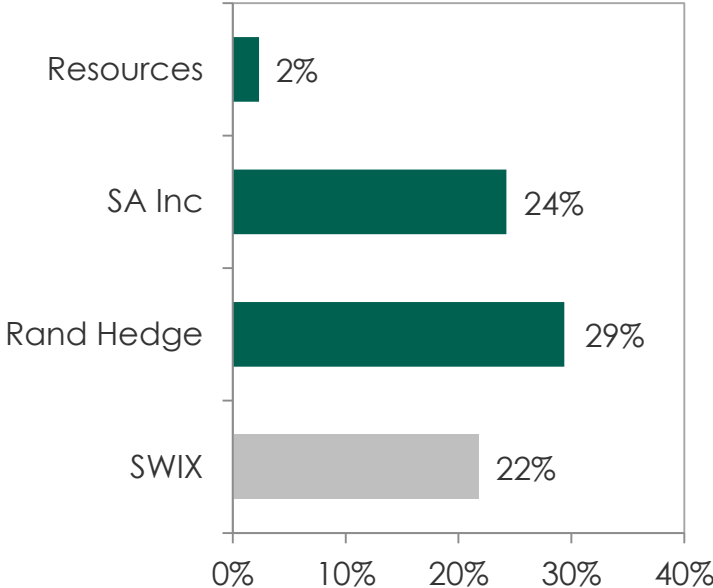
JSE Top 40: % Turnover from offshore over time



3 Source: RMB, Morgan Stanley

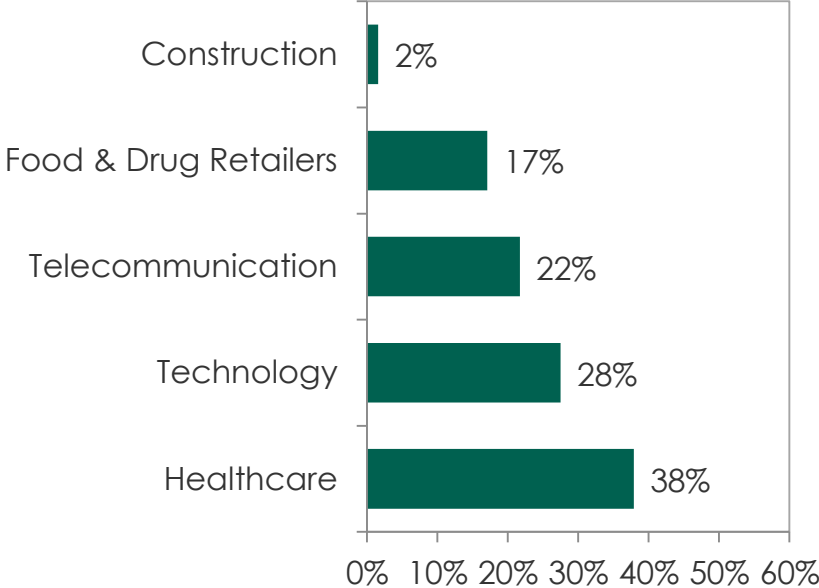
# WHERE HAVE THE RETURNS COME FROM?

**MARKET RETURNS**  
3 Years to 30 June 2014 (Annualised)



Source: Old Mutual Equities

**SECTOR RETURNS**  
3 Years to 30 June 2014 (Annualised)



Source: Old Mutual Investment Group/I-Net

# A DIVERSE AND EXPERIENCED TEAM

**Jonathan Larcombe** (14 yrs)

**Randolph Oosthuizen** (8yrs)

**Ian Woodley** (20 yrs)

**Leanne Micklewood** (18 yrs)

**Cavan Osborne** (16 yrs)

**David Lumby** (16 Yrs)

**Philip Short** (11 yrs)

**Peter Linley** (29 yrs)



**Michael Schroder** (24 yrs)

**Graham Bell** (36 yrs)

**Brian Pyle** (16 yrs)

**Neelash Hansjee** (3 yrs)

**Pearlene Govender** (7 yrs)

**Ebrahim Moola** (1 yr)

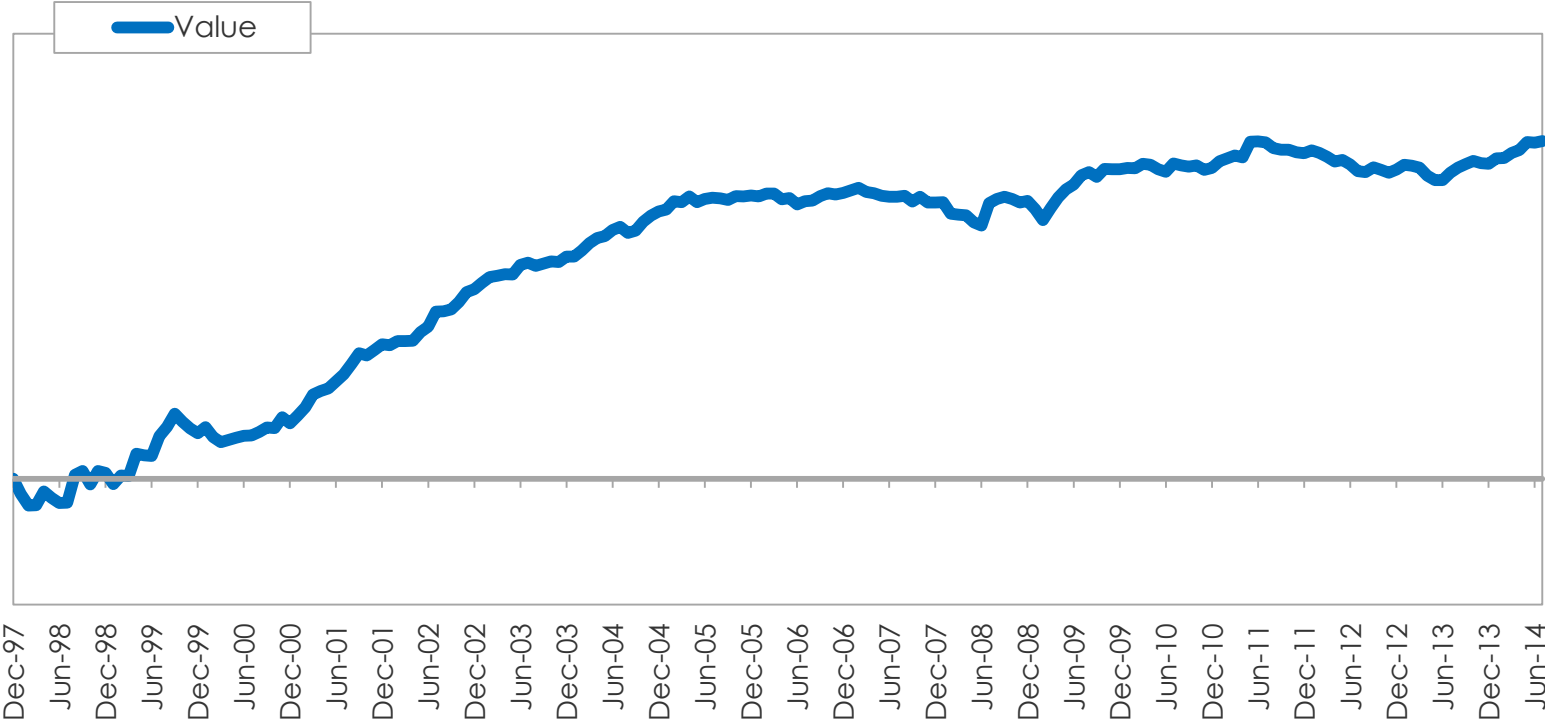
**Tracy Brodziak** (13 yrs)

**Meryl Pick** (2 yrs)

# OUR INVESTMENT PHILOSOPHY

- Value outperforms over time, but themes driving markets are cyclical
- Market inefficiencies can be exploited through extensive research and analysis
- Skilful risk management is critical to long-term success
- ESG focused companies are more likely to create long-term shareholder value
- Successfully timing the market is impossible

# VALUE OUT-PERFORMS OVER TIME



7 Source: Old Mutual Equities

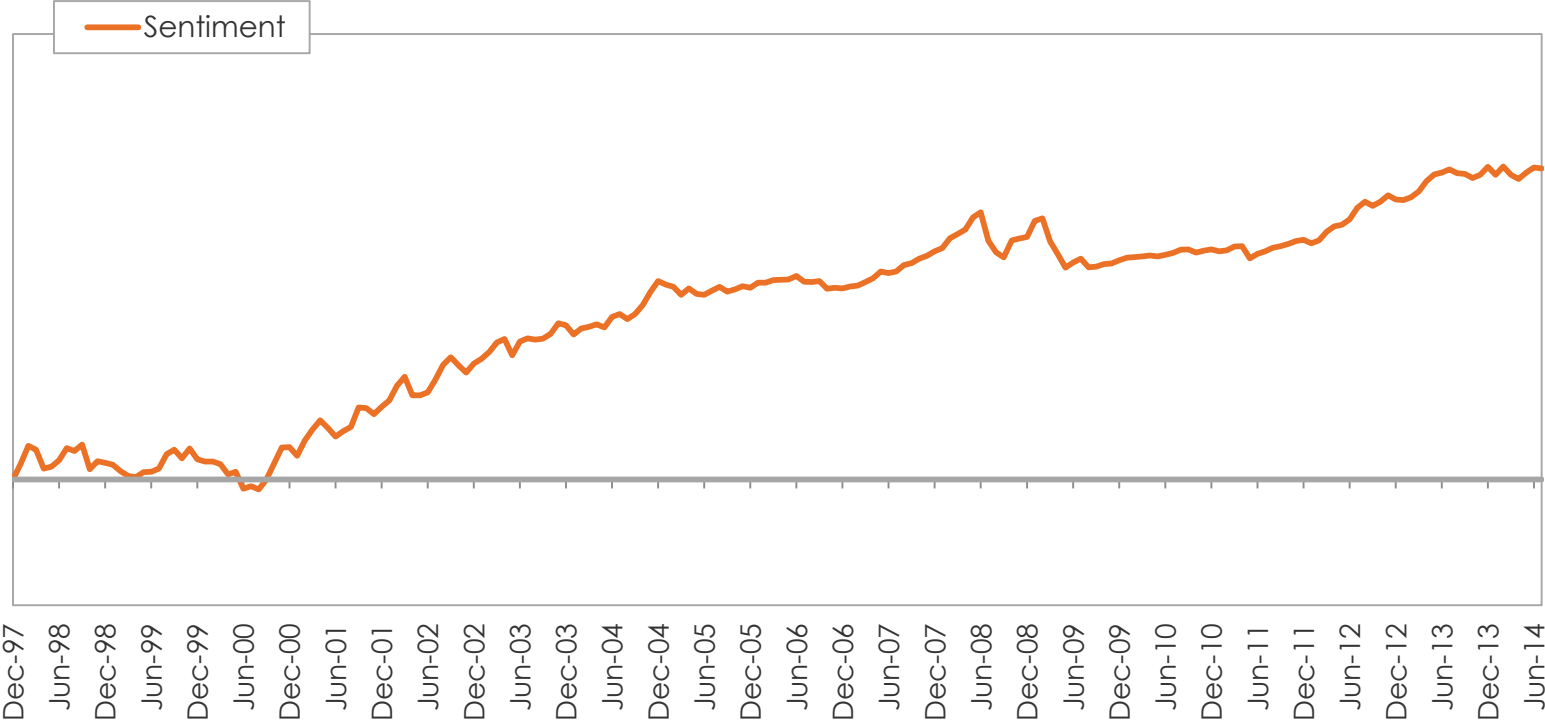
# BUT YOU CANNOT IGNORE OTHER THEMES IN THE MARKET



8 Source: Old Mutual Equities

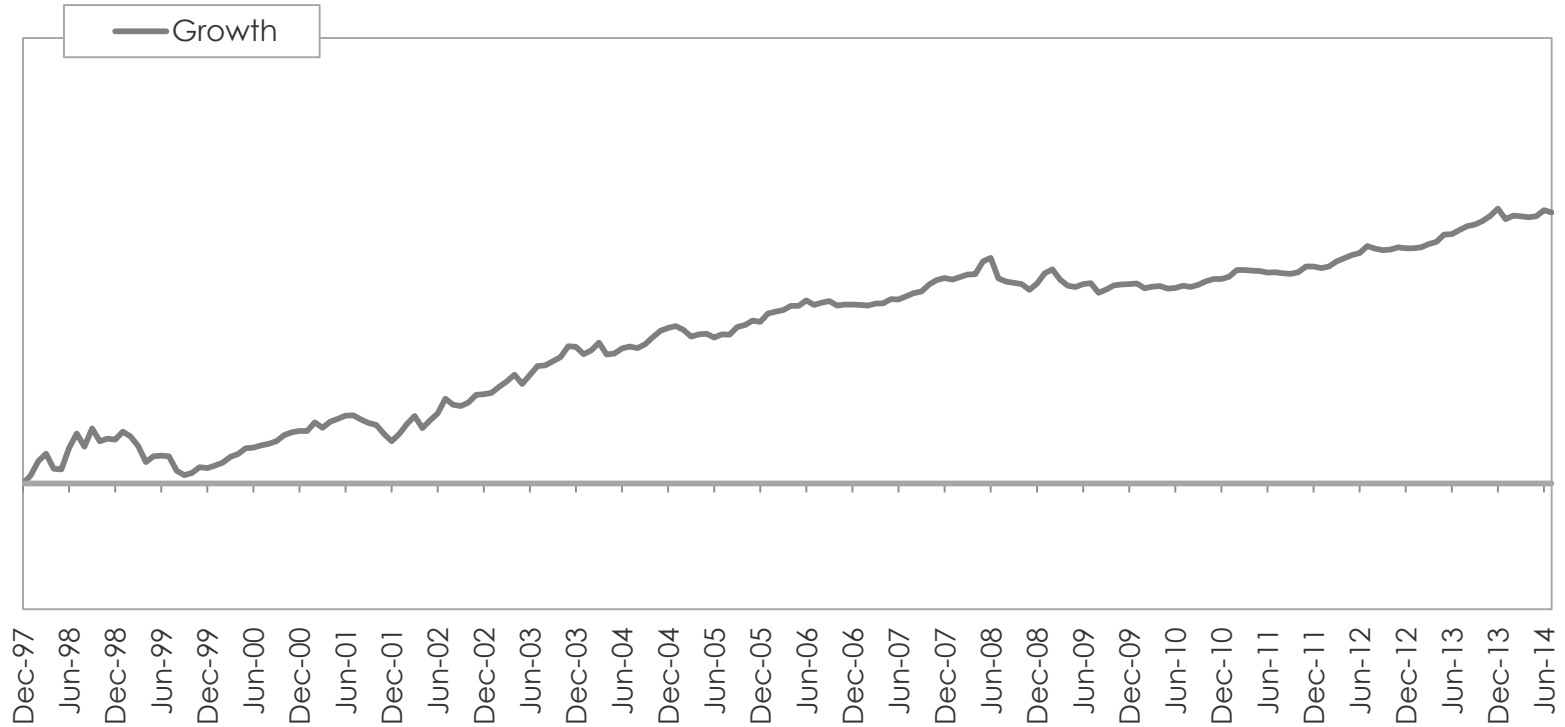


# BUT YOU CANNOT IGNORE OTHER THEMES IN THE MARKET



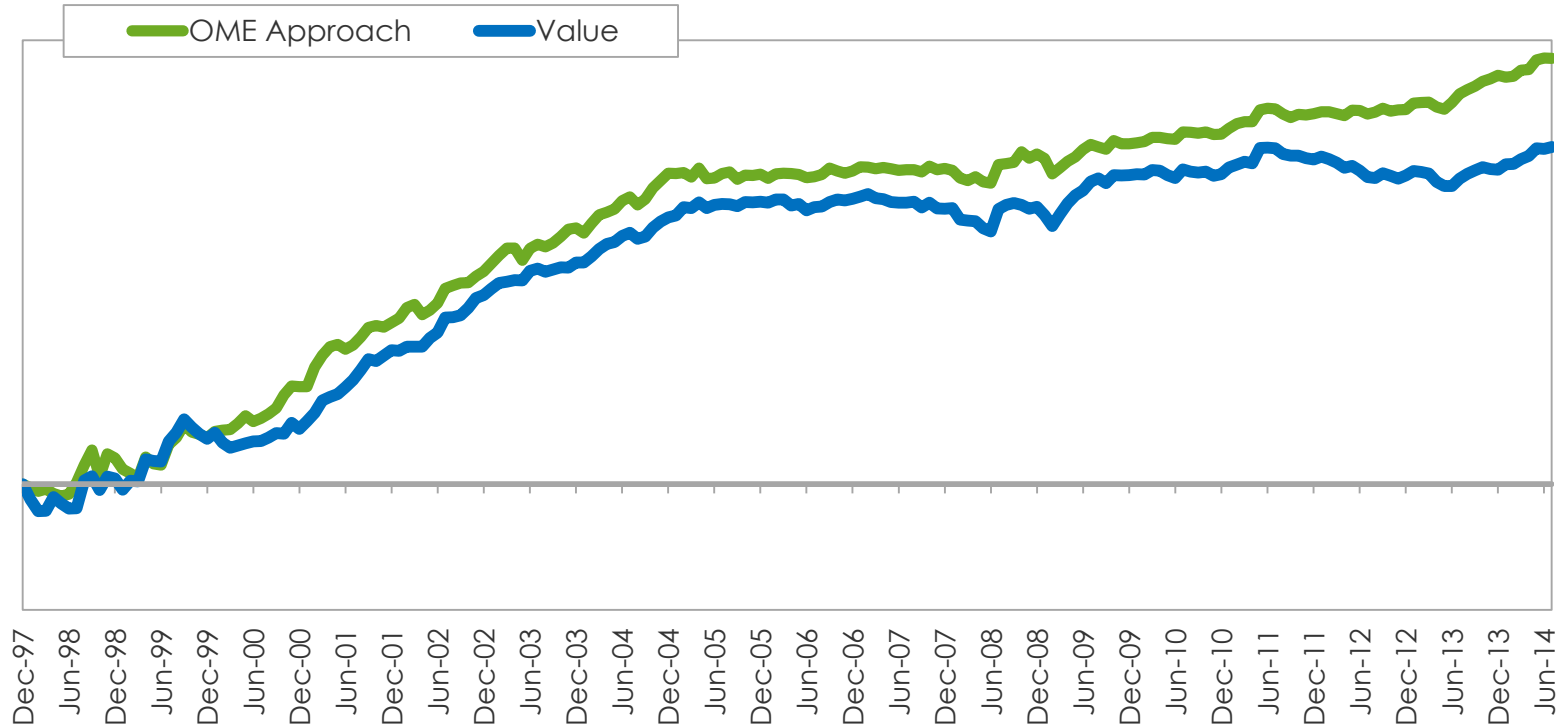
9 Source: Old Mutual Equities

# BUT YOU CANNOT IGNORE OTHER THEMES IN THE MARKET



10 Source: Old Mutual Equities

# THE OME APPROACH MODERATES CYCLES AND OUTPERFORMS



Source: Old Mutual Equities

# FUNDAMENTAL VALUE SUPPORTED BY OTHER THEMES



# POWERFUL INSIGHT DRIVES DEBATE AND STRONG CONVICTION

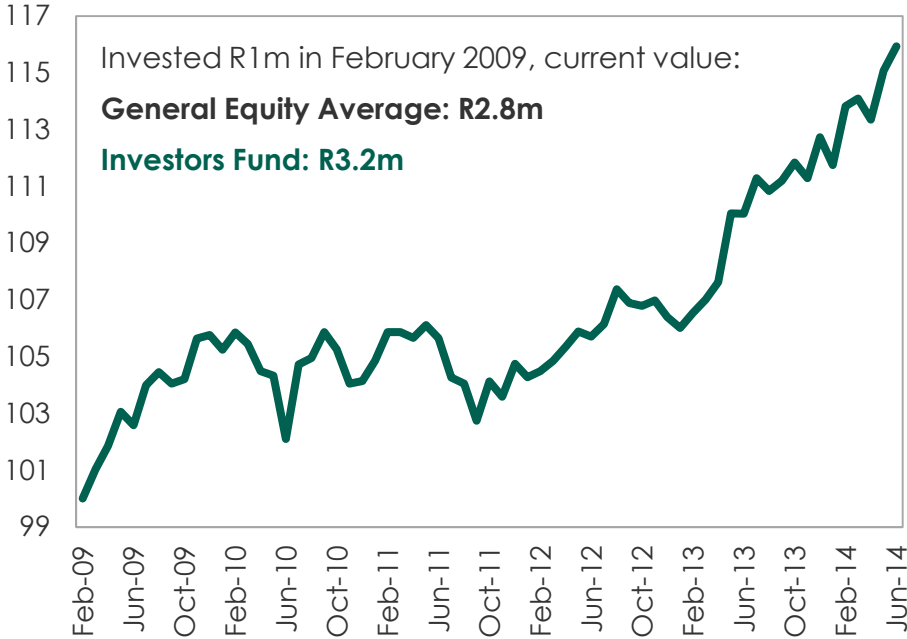


# POWERFUL INSIGHT DRIVES DEBATE AND STRONG CONVICTION

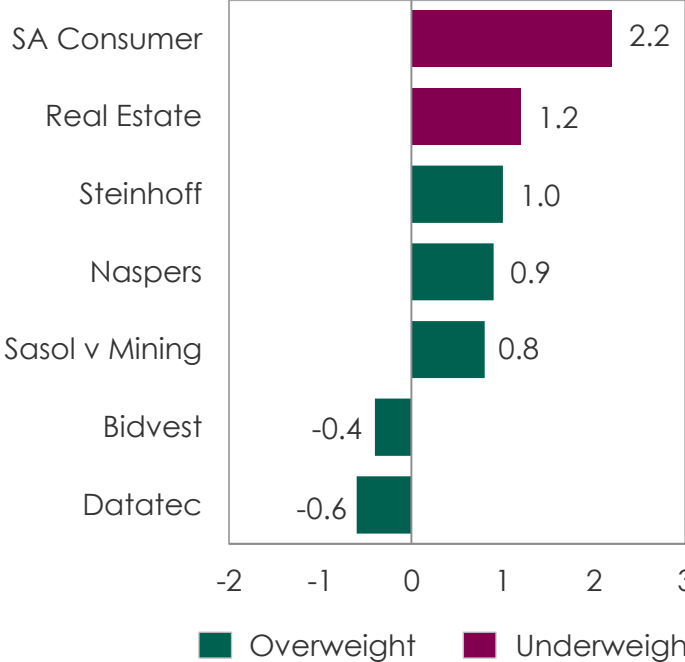


# INVESTORS' FUND TOP QUARTILE OVER 1, 2, 3, 4 & 5 YEARS

INVESTORS FUND RELATIVE TO PEER GROUP AVERAGE FROM 1 MARCH 2009

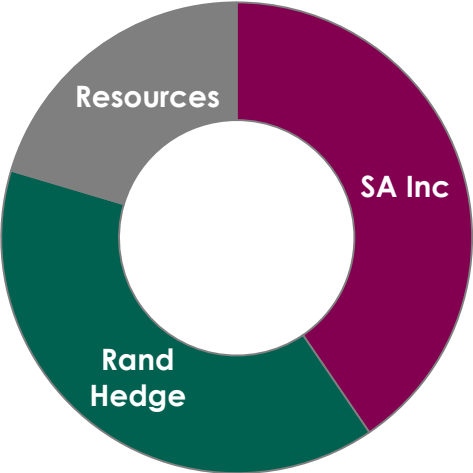


Attribution Over 1 Year



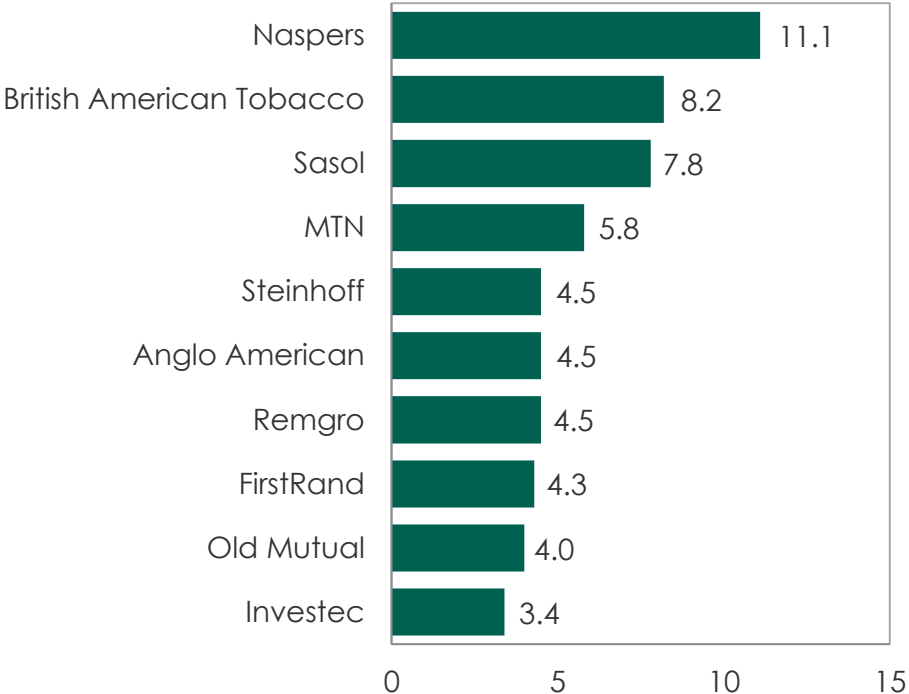
15 Feb'09 Indexed at 100. First return Mar'09 when Peter Linley started managing the fund

# INVESTORS' FUND - HOW IS IT POSITIONED?



- Overweight
- Neutral
- Underweight

**Top Ten Holdings (% Of Fund)**





# NASPERS HAS DEMONSTRATED ITS ABILITY TO REINVEST MATURE CASH FLOWS INTO NEW INNOVATIVE AREAS



## MONETISE THE INTERNET

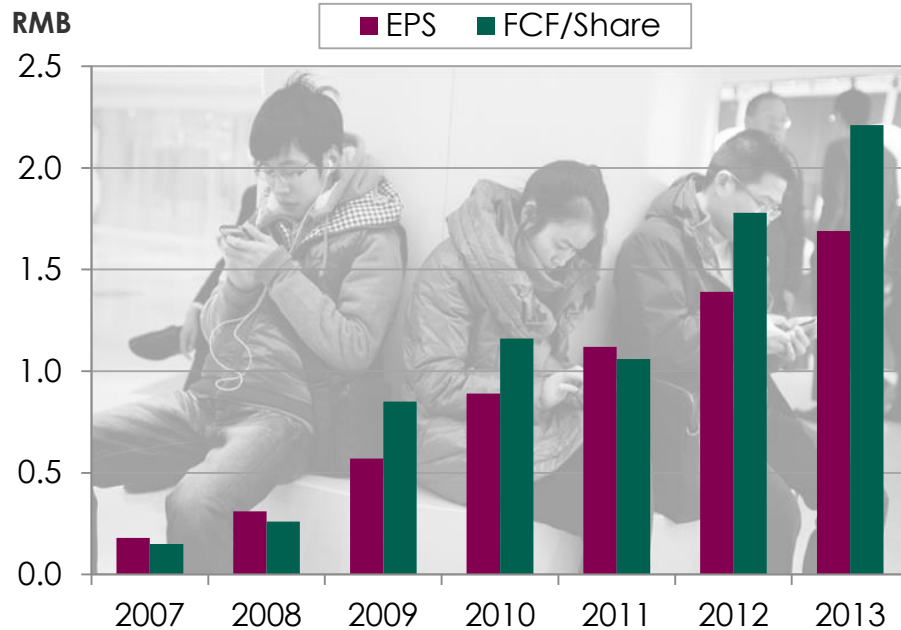


**South Africa**

85%

<p><b>Eastern Europe</b></p> <p>97% <b>allegro</b></p> <p>71% <b>mediatool</b> 70% <b>EMAG</b></p> <p>79% <b>Netretail</b> 50% <b>Explosion days</b></p>	<p><b>Middle East</b></p> <p>25% <b>dubizzle.com</b></p> <p><b>SOUQ.com</b></p>	<p><b>India</b></p> <p>80% <b>ibibo GROUP</b></p> <p>51% <b>Flipkart</b></p> <p>10% <b>Flipkart</b></p>
<p><b>Western Europe</b></p> <p>100% <b>ricardo</b></p>	<p><b>Africa</b></p> <p>100% <b>kalahari.com</b></p> <p>85% <b>KORBITEC</b></p> <p>100% <b>Price Check</b></p>	<p><b>Southeast Asia</b></p> <p>81% <b>MULTIPLY</b></p> <p>75% <b>sulit.com.ph</b></p> <p>50% <b>SI</b></p>
<p><b>Latam</b></p> <p>95% <b>buscapé company</b></p> <p>84% <b>OLX</b></p>	<p><b>Various countries</b></p> <p><b>PAYU</b></p>	

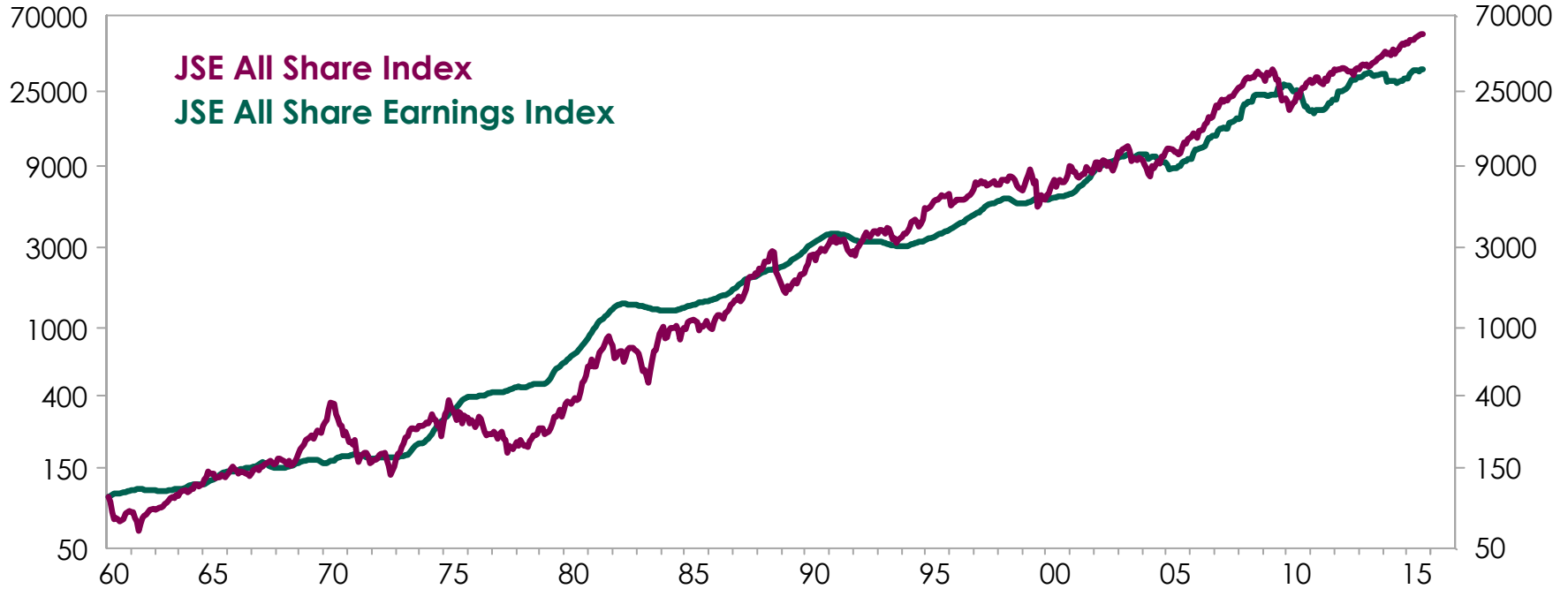
# NASPERS: TENCENT – APPEALING GROWTH COMPANY



EPS CAGR ('07-'13) = 50%

- 800 m logged in
- Fastest growing social network
- Strong growth
  - Online advertising
  - Mobile gaming
  - Mobile payments
- Strong cash earnings
- Banking?

# EQUITIES ARE ESSENTIAL TO LONG TERM PERFORMANCE



**“MY DEAR, HERE WE MUST RUN AS FAST AS WE CAN, JUST TO STAY IN PLACE. AND IF YOU WISH TO GO ANYWHERE YOU MUST RUN TWICE AS FAST AS THAT”\***

- A tested approach which differentiates us
- Stable and experienced team
- Listed equity focus
- The Investors Fund is our flagship



20 \*Lewis Carroll, Alice's Adventures in Wonderland

# REGULATORY INFORMATION

Old Mutual Investment Group (Pty) Limited

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Telephone number: +27 21 509 5022

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