

Old Mutual Limited

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Old Mutual expects break-up to be complete at year end, posts 2017 profit growth

Old Mutual PLC (LON:OML) said its managed separation is on track for completion at the end of this year as it reported a 22% increase in 2017 profits.

The company is splitting Old Mutual Wealth (OMW), Old Mutual Emerging Markets (OMEM), South African lender Nedbank and US firm Old Mutual Asset Management (OMAM) into four separate entities.

As part of the plan, it will spin off its wealth arm and will create a newly-listed holding company called Old Mutual Limited (OML), which will include OMEM, Nedbank and the residual parts of Old Mutual PLC.

OMAM, which will be renamed as Quilter Plc, and OML will both be listed in London and Johannesburg.

The listing of Quilter is expected to be accompanied by a secondary offering of up to 9.6% of its shares followed by the listing of OML.

Managed separation progress in second half

The group said it achieved further progress in its restructuring in the second half with the sale of its Indian joint venture with Kotak Mahindra in October, the sell-down of its stake in OMAM to HNA Capital and reducing its holding company debt by a further £548m.

Old Mutual also agreed to sell the wealth management arm's Single Strategy business to private equity firm TA Associates for £600m in December.

READ: Old Mutual sells part of wealth management arm for £600m amid managed separation

In January, it also received approval from competition authorities for OML to acquire Old Mutual plc.

The company said its guidance for the overall one-off costs of the managed separation remains in line with its previous estimate of £280m.

Old Mutual lifts dividend as it reports profit growth

Alongside the update on its managed separation, Old Mutual posted pre-tax adjusted operating profit of £2bn for 2017, compared to £1.7bn the previous year.

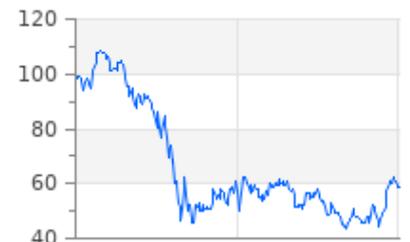
The adjusted net asset value per share rose to 242.3p from 228.6p, .

The full year dividend was lifted by 17% to 7.10p each as the company declared a second interim dividend of 3.57p, up 5% on the prior year.

Price: 61.12

Market Cap: £2.88 billion

1 Year Share Price Graph



November 2019 May 2020 November 20

Share Information

Code: OMU

Listing: LSE

52 week High Low
110.2 42.76

Sector: Insurance

Website: www.oldmutual.com

Company Synopsis:

Old Mutual Limited (OML) is a premium African financial services group that offers a broad spectrum of financial solutions to retail and corporate customers across key markets in 17 countries.

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