

Financial Performance

Year-end 2008 Results



FINANCIAL STRENGTH RATINGS

OM FINANCIAL LIFE

A- A.M. Best:

A- (Excellent) for financial strength rating. 4th highest of 15 possible rating notches.

Baa3 Moody's:

Baa3 (Adequate) insurance financial strength rating. 8th highest of 21 ratings.

BBB- Fitch:

BBB- (Adequate) for issuer financial strength rating. 9th highest of 21 ratings.

OM FINANCIAL LIFE OF NY

A- A.M. Best:

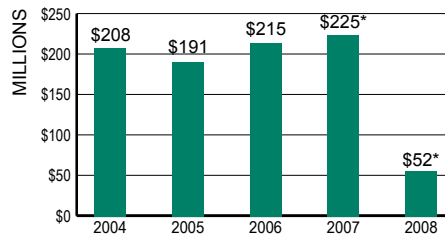
A- (Excellent) for financial strength rating. 4th highest of 15 possible rating notches.

In the U.S., Old Mutual is a provider of life insurance and annuity products. Globally, we are part of the Old Mutual plc group of companies which has provided long term savings, wealth protection and investment services since 1845. Old Mutual plc operates in over 30 countries and employs over 57,000 people worldwide. To learn more about our parent company, visit www.oldmutual.com.

Our U.S. customers benefit from a broad range of experience and insight that is increasingly valuable in a rapidly changing world. Old Mutual is serving its third generation of U.S. customers by building relationships with over one million customers and thousands of independent financial professionals who represent our products. "Old Mutual" is the marketing name for OM Financial Life Insurance Company (all U.S. jurisdictions except NY) and OM Financial Life Insurance Company of New York (NY only). Each Old Mutual company is solely responsible for its contractual commitments.

As of December 31, 2008, OM Financial Life Insurance Company (OM Financial Life) and OM Financial Life Insurance Company of New York (OM Financial Life of NY) had \$17.9 billion in combined statutory-basis assets and in force life business valued at \$120.9 billion. (\$16.0 billion and \$426.3 million have been set aside for OM Financial Life and OM Financial Life of NY policyholder liabilities, respectively).

IFRS ADJUSTED OPERATING PROFIT



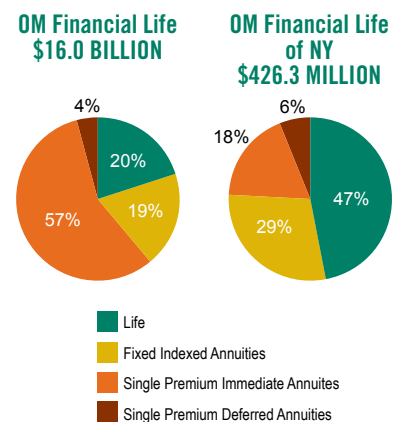
*2007 and 2008 AOP exclude the effects of non-recurring adjustments related to certain assumption changes.

Asset/Liability Management

When assessing the financial strength of any insurance company, one of the most important areas to examine is its asset/liability management program.

Our Actuarial Department regularly performs detailed projections of our portfolios under numerous economic scenarios. These projections consistently demonstrate the success of our program to favorably manage the effects on the portfolio of unexpected changes in interest rates and liquidity demands. We believe our program is one of the best in the industry and helps ensure that the Companies will deliver on their promises. Security is further enhanced by ensuring that the Companies' liabilities are diversified as to the type of risk underwritten and the distribution channel used. The Companies effectively use a variety of distribution channels which allow them to limit the risk of increased surrender activity due to any single event. In short, the Companies prudently limit risk exposure and consistently maintain a conservative level of safety in their businesses.

LIABILITIES (STATUTORY)

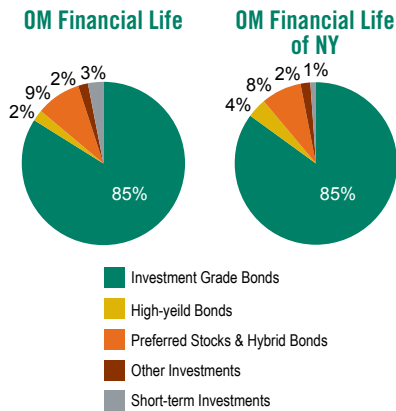


Investment Portfolio Performance

As of December 31, 2008, approximately 99% of OM Financial Life and OM Financial Life of NY's statutory invested assets consisted of fixed income securities and cash equivalents. Mortgage loans and policy loans, account for the remainder of the portfolios, with no investments in common stocks. The National Association of Insurance Commissioners (NAIC) has adopted a model regulation that limits insurance companies' investment in Class 3 - 6 bonds to no more than 20% of their admitted assets. OM Financial Life is in compliance with this provision with less than 3% in Class 3 - 6 bonds to their admitted assets and OM Financial Life of NY with less than 4% in Class 3 - 6 bonds to their admitted assets. Average sizes are limited, cyclical/speculative products or technologies are avoided and risks of defaults are managed.

Investment Portfolio Performance *Continued*

Markets in the United States and elsewhere have experienced extreme volatility and disruption for more than twelve months, due largely to the stresses affecting the global banking system, which accelerated significantly in the second half of 2008. Like other life insurers which face significant financial and capital markets risk in their operations, we have also been adversely affected by these conditions. Consequently, the Companies have been building its cash position to ensure we maintain a sufficient level of liquidity and to avoid having to sell invested assets in these adverse market conditions. The Companies thoroughly reviewed its investment holdings and determined that the fair value decreases of some of investments were other than temporary in nature and led the Companies to recognize impairment

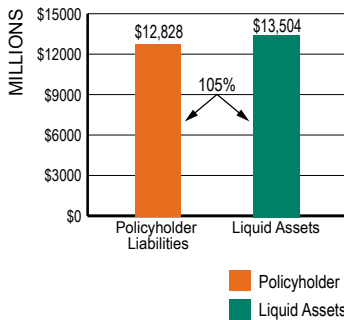


losses of \$406 million during the year. The Companies maintain a conservative relationship between its liquid assets and the potential for significant demands from policyholders on those assets, even under the most conservative estimates of those demands. The Companies are carrying the investment portfolio at adjusted carrying value as prescribed by statutory accounting rules. The carrying value of the investment portfolio exceeded the fair value by \$2.8 billion as of December 31, 2008. Those assets are largely held in investment grade securities and the Company expects these unrealized losses to largely be recovered over time as credit conditions improve.

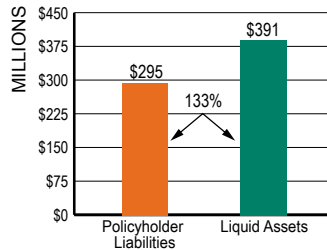
Liquidity

We have sold insurance contracts that are balanced between fixed, non-cancelable contracts and contracts with varying liquidity. We are confident that we can meet all of our policyholder obligations. Operating cash flow as of December 31, 2008 was \$108 million for OM Financial Life and \$8 million for OM Financial Life of NY. Our ratio of liquid assets to surrenderable contract liabilities was 105% for OM Financial Life and 133% for OM Financial Life of NY. Simply stated, for every \$1 of potential surrenders, the companies have \$1.05, and \$1.33, respectively, of assets at fair value at December 31, 2008 immediately available to pay for the liability.

OM Financial Life

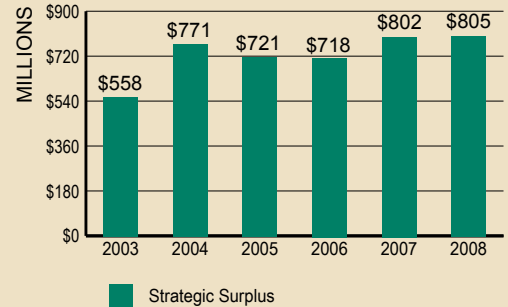


OM Financial Life of NY



STRATEGIC SURPLUS*

OM Financial Life



Surplus, the amount by which assets exceed liabilities, is a key factor in evaluating the financial strength of a life insurance company. This level of contingency funds - held beyond the statutorily required policy reserves - is a key indicator of a company's ability to withstand adverse business or market conditions.

*Strategic Surplus is Surplus plus Asset Valuation Reserve. Included in the OM Financial Life Strategic Surplus is the OM Financial Life of NY Asset Valuation Reserve.

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