

Old Mutual Investment Funds Series I

Authorised Corporate Director's Final Short Report

For the year ended 31 July 2013

- **Corporate Bond Fund**
- **Monthly Income Bond Fund**
- **UK Equity Income Fund**
- **UK Mid Cap Fund**
- **UK Smaller Companies Fund**



OLD MUTUAL
GLOBAL INVESTORS

Introduction to the Short Report

This is the annual Short Report prepared for investors in Old Mutual Investment Funds Series I, for the year 1 August 2012 to 31 July 2013. It is an abbreviated version of the long form Report & Accounts.

As an investor, you may hold shares in only one or two of the funds covered here, but the Investment Management Association (IMA) guidance require us to report on all the funds that are part of this open ended investment company.

The Short Report gives you an update on the funds, rather than on your individual holdings. If you would like more information on your own investment account, such as a current valuation, please contact our Investor Services Team on 0808 100 8808.

Some investors feel that there is too much information in the Short Report, while others think there is not enough. The information we include in this document is required by our regulator, the Financial Conduct Authority. If you would like more information, the full annual and interim Report & Accounts of the funds, together with the daily fund prices, can be found on our website, www.omglobalinvestors.com. Please note that the full Report & Accounts cover all the funds in this open ended investment company, so the documents can be over 100 pages long as they contain statutory information.

In addition, we update a factsheet on each fund every month that gives details of the latest fund performance, top ten holdings and manager's commentary. These are available on our website, www.omglobalinvestors.com.

Finally, in response to investor feedback, we have tried to simplify the language used in the Short Report to make it easier to understand.

Information about the company during the period

On the 25 February 2013 Old Mutual Asset Managers (UK) Limited and Old Mutual Fund Managers changed their name to Old Mutual Global Investors.

Contents

Old Mutual Corporate Bond Fund	4
Old Mutual Monthly Income Bond Fund	9
Old Mutual UK Equity Income Fund	14
Old Mutual UK Mid Cap Fund	19
Old Mutual UK Smaller Companies Fund	24
Information about the funds during the year	29

Old Mutual Corporate Bond Fund

Summary investment objective

To maximise total return through investment in a diversified portfolio of fixed interest and other debt securities.

Risk profile

Market prices for holdings in the fund cannot be guaranteed. There is a risk that holdings may be sold at a lower price than the one paid when they were bought, resulting in a loss to the fund.

Summary of fund performance

Share type	Net asset value as at 31 July 2013 (pence)	Net asset value as at 31 July 2012 (pence)	Net asset value % change
A class income	110.16	105.16	4.75
A class accumulation	192.50	177.59	8.40
P class income	110.27	105.27	4.75
P class accumulation	141.28	129.98	8.69
R class income	104.36	-	-
R class accumulation	102.21	-	-

Performance record to 31 July 2013

12 months to	31 July 2013	31 July 2012	31 July 2011	31 July 2010	31 July 2009
Fund	8.4%	8.2%	6.6%	25.0%	-9.1%
Sector	5.3%	8.7%	5.6%	15.2%	-0.6%
Quartile	1	3	1	1	4

Please remember that past performance is not a guide to future performance. The price of shares and the income from them may go down as well as up. You may not get back the amount you invest. The fund may not be suitable for everyone and if in doubt you should seek advice from your financial adviser.

Bond funds are affected by changes (real or anticipated) in the rate of inflation or interest rates, which may cause returns on bonds to be more or less attractive. Investment in corporate bonds brings an increased risk of default and may affect the capital value of the fund.

Highest and lowest prices

The table below shows the highest buying and lowest selling prices of shares over the last five years.

Calendar year	Income shares		Accumulation shares	
	Highest buying (pence)	Lowest selling (pence)	Highest buying (pence)	Lowest selling (pence)
2008 Class A	115.68	97.92	156.00	134.60
2008 Class P	104.28	97.33	104.28	97.33
2009 Class A	98.34	61.06	148.31	88.59
2009 Class P	98.54	61.20	107.74	64.19
2010 Class A	109.53	91.73	172.13	139.13
2010 Class P	109.67	91.89	125.36	101.10
2011 Class A	106.15	96.34	171.82	157.57
2011 Class P	106.32	96.45	125.39	114.86
2012 Class A	113.28	98.74	192.73	162.70
2012 Class P	117.24	98.89	141.23	118.88
2012 Class R	107.22	99.46	102.09	99.50
2013* Class A	117.34	107.48	203.06	186.10
2013* Class P	117.53	107.63	148.94	136.55
2013* Class R	111.26	101.89	107.71	98.77

* To 31 July 2013.

Distribution/accumulation

Share class	Distribution (p)	Distribution (p)
	for the year 1 August 2012 to 31 July 2013	for the year 1 August 2011 to 31 July 2012
A class accumulation	8.1497	7.0799
A class income	4.7628	4.2661
P class accumulation	6.2665	0.5454
P class income	5.1580	4.6175
R class accumulation	3.0615	–
R class income	4.7667	–

Fund facts

Fund accounting dates	Distribution payment dates
31 January	31 March
30 April	30 June
31 July	30 September
31 October	31 December

Ongoing Charges Fee (OCF)	As at 31 July 2013 (%)	As at 31 July 2012 (%)
Authorised Corporate Director's (ACD) periodic charge		
Share Class A	1.00	1.10
Share Class P	0.65	0.75
Share Class R	0.50	–
Other expenses		
Share Class A	0.14	0.14
Share Class P	0.14	0.14
Share Class R	0.14	–
Ongoing Charges Fee (OCF)		
Share Class A	1.14	1.24
Share Class P	0.79	0.89
Share Class R	0.64	–

Portfolio information

The top 10 holdings at the end of the previous year and at the end of the current year are shown below.

Holding % of fund as at 31 July 2013		Holding % of fund as at 31 July 2012	
EIB 2.5% 31 October 2022	2.1	UK 4.5000% Gilt Dec 2042	6.5
General Electric Capital 5.5% 15 September 2067	2.0	Time Warner Cable 5.75% 02 June 2031	2.0
Barclays Bank 10% 21 May 2021	2.0	Comcast Corp 5.5% November 2029	2.0
Highbury Finance 7.017% 20 March 2023	1.8	HSBC Hld 6.375%(tv)07 18 October 2022	2.0
Tesco Property Finance 6.052% 13 October 2039	1.8	Electricite de France 4.625% 26 April 2030	2.0
Wells Fargo 4.875% 29 November 2035	1.7	Highbury Finance 7.017% 20 March 2023	1.9
UBS 4.75% 22 May 2023	1.6	UK Tsy 4.25% 07 June 2032	1.8
Bank of Amercia 7% 31 July 2028	1.6	Tesco Pr Fin 6.0517% 09 13 October 2039	1.7
Pinton Estates 11.25% PERP	1.6	Group 4 Secu 7.75% 09 13 May 2019	1.6
Severn Trent Utilities Finance 3.625% 16 January 2026	1.6	Group 4 Secu 7.75% 09 13 May 2019	1.6

Portfolio allocation % as at 31 July 2013		Portfolio allocation % as at 31 July 2012	
Sterling	63.4	Sterling	80.0
Euros	18.9	Euros	14.7
United States Dollar	12.0	United States Dollar	3.5
Net Current Assets	5.9	Net Current Assets	1.6
Derivatives	-0.2	Derivatives	0.2

Total may not equal 100% due to rounding.

Investment adviser's report for the year ended 31 July 2013

Review

After such turmoil in the middle of the year risk assets delivered exceptional returns in the second half of 2012 – such was the credibility of the ECBs statements in promising to do 'whatever it takes' to save the Eurozone that under-invested investors, waiting on the sidelines for so long, finally rushed in the market to cover their short positions. The gap between credit spreads in Europe and the US, that had persisted for more than nine months as investors fled the turmoil, began to close and by year end they were close to parity.

In Government bonds, July 2012 saw the lows in yields for the period and indeed some might say for the cycle as investors allocated away from ultra low yielding assets to re-invest in more risk sensitive areas of the market. The first half of 2013 was comparatively calm – a brief hiccup around the Italian elections and the Cypriot bail-out caused credit spreads to widen but such was the improvement in sentiment these episodes were soon forgotten. Instead solidly improving growth data from developed market economies drove Government bond yields higher, and the consequences for other asset classes became the dominant feature. Periods of rapid sell off in Government yields briefly unseated credit markets but as soon as yields stabilised – although at higher levels – credit markets rapidly resumed their move tighter. Currency moves were dominated by the strength of the US dollar and the weakness in Yen. Sterling was also notably weak as expectations of an ultra dovish stance from the new Central bank governor weighed on the currency.

Outlook

There can now be little doubt that the US is positioned extremely well and looks set for a strong recovery in 2013 – surprising on the upside in growth terms. We put this scenario at the centre of our outlook, the US is the world's largest economy and is described as the 'engine of global growth' for a reason. Strong growth from the US has the potential to both re-ignite the Emerging Market and especially China growth story, and indirectly adds some much needed support to the faltering economies of Europe. Growth has been the missing part of the puzzle for so long, with its consequent positive effects for Government deficits and consumption that a strong outcome could almost come as a shock. However the benefits for fixed income and the corporate bond markets are decidedly mixed. Although we do not anticipate a rise in base rates for the developed market economies this year, the expectation of an eventual normalisation will push developed market bond yields higher. Corporates will benefit, with 'super-normal' profits as their lean, cost conscious business models, developed through years of difficult growth can perform very strongly, but with that comes the threat of a move away from the 'bond-holder friendly' policies of the last few years. In this environment we move towards a strategic view of a 'neutral' exposure to credit and a short view on duration. As always we are mindful there are still many developments to come and will seek to maintain flexibility and liquidity in our strategies to allow us to respond to events as they unfold.

Old Mutual Monthly Income Bond Fund

Summary investment objective

The fund aims to maximise total return by investing primarily in a diversified portfolio of fixed, variable and zero rate bond investments, including convertible securities. There are no specific restrictions as to the economic sectors or geographic areas that the scheme may invest in.

Risk profile

Market prices for holdings in the fund cannot be guaranteed. There is a risk that holdings may be sold at a lower price than the one paid when they were bought, resulting in a loss to the fund.

Summary of fund performance

Share type	Net asset value as at 31 July 2013 (pence)	Net asset value as at 31 July 2012 (pence)	Net asset value % change
A class income	42.22	39.43	7.08
A class accumulation	65.68	58.40	12.47
P class income	100.83	–	–
P class accumulation	119.01	105.53	12.77
R class income	107.02	99.96	7.06
R class accumulation	101.04	–	–

Performance record to 31 July 2013

12 months to	31 July 2013	31 July 2012	31 July 2011	31 July 2010	31 July 2009
Fund	12.6%	8.2%	-1.6%	22.0%	-9.7%
Sector	7.3%	7.6%	5.9%	16.3%	-1.6%
Quartile	1	2	4	2	4

Please remember that past performance is not a guide to future performance. The price of shares and the income from them may go down as well as up. You may not get back the amount you invest. The fund may not be suitable for everyone and if in doubt you should seek advice from your financial adviser.

Bond funds are affected by changes (real or anticipated) in the rate of inflation or interest rates, which may cause returns on bonds to be more or less attractive. Investment in corporate bonds brings an increased risk of default and may affect the capital value of the fund.

Highest and lowest prices

The table below shows the highest buying and lowest selling prices of shares over the last five years.

Calendar year	Income shares		Accumulation shares	
	Highest buying (pence)	Lowest selling (pence)	Highest buying (pence)	Lowest selling (pence)
2008 Class A	44.52	25.48	53.32	31.60
2009 Class A	39.75	24.44	53.32	29.82
2010 Class A	42.66	37.41	59.51	50.44
2011 Class A	41.70	35.49	59.26	51.11
2012 Class A	43.19	36.27	64.98	52.56
2012 Class P	–	–	117.57	99.45
2012 Class R	109.53	99.37	–	–
2013* Class A	44.25	40.58	67.99	62.61
2013* Class P	102.04	96.70	123.03	113.38
2013* Class R	112.20	102.92	104.45	96.26

* To 31 July 2013.

Distribution/accumulation

Share class	Distribution (p)	Distribution (p)
	for the year 1 August 2012 to 31 July 2013	for the year 1 August 2011 to 31 July 2012
A class accumulation	3.9209	2.2157
A class income	2.5862	1.5237
P class accumulation	7.6107	–
P class income	0.8873	–
R class accumulation	3.8924	–
R class income	7.2398	–

Fund facts

Fund accounting dates	Distribution payment dates
Last day of each month	Last day of following month

Ongoing Charges Fee (OCF)	As at 31 July 2013 (%)	As at 31 July 2012 (%)
Authorised Corporate Director's (ACD) periodic charge		
Share Class A	1.25	1.25
Share Class P	0.75	-
Share Class R	0.65	-
Other expenses		
Share Class A	0.22	0.20
Share Class P	0.22	-
Share Class R	0.22	-
Ongoing Charges Fee (OCF)		
Share Class A	1.47	1.45
Share Class P	0.97	-
Share Class R	0.87	-

Portfolio information

The top 10 holdings at the end of the previous year and at the end of the current year are shown below.

Holding % of fund as at 31 July 2013		Holding % of fund as at 31 July 2012	
Maisons de Monde 9% 1 August 2020	2.0	UK 4.5000% Gilt Dec 2042	10.2
Cemex S.A.B de C.V 5.875% 25 March 2019	1.9	UK Tsy 4.25% 00-07 June 2032	3.3
UPC 6.375% 15 September 2022	1.8	Welltec 8% 144A 01 February 2019	2.1
Barclays Bank 10% 21 May 2021	1.8	Jaguar 8.125% Senior £ 2018	1.9
Lynx II Corp 7% 15 April 2023	1.8	Scottish and Southern Energy 5.453% C15-20 2049	1.9
Deutsche Bank 4.296% 24 May 2028	1.8	Cyfrowy Polsat Finance Ab 7.125% 20 May 2018	1.9
Thomas Cook Fiance 7.75% 15 June 2020	1.7	Hyva Global 8.625% 24 March 2016	1.9
Royal Bank of Scotland 6.125% 15 December 2022	1.7	Convatec 10.875% 2018	1.8
Koninklijke KPN 6.875% 14 March 2073	1.7	Boparan 9.750% 30 April 2018	1.6
JP Morgan Chase & Co 5.15% PERP	1.7	Tennet 6.655 02 December 2049	1.5

Portfolio allocation % as at 31 July 2013		Portfolio allocation % as at 31 July 2012	
Sterling	38.5	Sterling	45.9
Euros	37.6	Euros	33.5
United States Dollar	15.4	United States Dollar	10.7
Net Current Assets	8.5	Net Current Assets	9.0
		Swiss Franc	0.5
		Derivatives	0.3

Total may not equal 100% due to rounding.

Investment adviser's report for the year ended 31 July 2013

Markets

After such turmoil in the middle of the year risk assets delivered exceptional returns in the second half of 2012 – such was the credibility of the ECBs statements in promising to do 'whatever it takes' to save the Eurozone that under-invested investors – waiting on the sidelines for so long finally rushed in the market to cover their short positions. The gap between credit spreads in Europe and the US, that had persisted for more than nine months as investors fled the turmoil, began to close and by year end they were close to parity.

In Government bonds, July 2012 saw the lows in yields for the period and indeed some might say for the cycle as investors allocated away from ultra low yielding assets to re-invest in more risk sensitive areas of the market. The first half of 2013 was comparatively calm – a brief hiccup around the Italian elections and the Cypriot bail-out caused credit spreads to widen but such was the improvement in sentiment these episodes were soon forgotten. Instead solidly improving growth data from developed market economies drove Government bond yields higher, and the consequences for other asset classes became the dominant feature. Periods of rapid sell off in Government yields briefly unseated credit markets but as soon as yields stabilised – although at higher levels – credit markets rapidly resumed their move tighter. Currency moves were dominated by the strength of the US dollar and the weakness in Yen. Sterling was also notably weak as expectations of an ultra dovish stance from the new Central bank governor weighed on the currency.

Outlook

There can now be little doubt that the US is positioned extremely well and looks set for a strong recovery in 2013 – surprising on the upside in growth terms. We put this scenario at the centre of our outlook, the US is the world's largest economy and is described as the 'engine of global growth' for a reason. Strong growth from the US has the potential to both re-ignite the Emerging Market and especially China growth story, and indirectly adds some much needed support to the faltering economies of Europe. Growth has been the missing part of the puzzle for so long, with its consequent positive effects for Government deficits and consumption that a strong outcome could almost come as a shock. However the benefits for fixed income and the corporate bond markets are decidedly mixed. Although we do not anticipate a rise in base rates for the developed market economies this year, the expectation of an eventual normalisation will push developed market bond yields higher. Corporates will benefit, with 'super-normal' profits as their lean, cost conscious business models, developed through years of difficult growth can perform very strongly, but with that comes the threat of a move away from the 'bond-holder friendly' policies of the last few years. In this environment we move towards a strategic view of a 'neutral' exposure to credit and a short view on duration. As always we are mindful there are still many developments to come and will seek to maintain flexibility and liquidity in our strategies to allow us to respond to events as they unfold.

Old Mutual UK Equity Income Fund

Summary investment objective

To achieve an above average yield with growth in income and capital appreciation over the long term, through the active management of a diversified portfolio invested primarily in UK equities.

Risk profile

Market prices for holdings in the fund cannot be guaranteed. There is a risk that holdings may be sold at a lower price than the one paid when they were bought, resulting in a loss to the fund.

Summary of fund performance

Share type	Net asset value as at 31 July 2013 (pence)	Net asset value as at 31 July 2012 (pence)	Net asset value % change
A class income	792.88	617.76	28.35
A class accumulation	2,444.59	1,819.21	34.38
P class income	112.03	–	–
P class accumulation	138.96	102.89	35.06
R class income	122.28	–	–
R class accumulation	123.58	–	–

Performance record to 31 July 2013

12 months to	31 July 2013	31 July 2012	31 July 2011	31 July 2010	31 July 2009
Fund	34.4%	3.8%	14.8%	18.5%	-12.1%
Sector	26.3%	3.1%	14.1%	18.5%	-10.3%
Quartile	1	2	2	2	3
Benchmark: <i>FTSE All Share</i>	24.3%	0.4%	14.9%	19.4%	-10.5%

Please remember that past performance is not a guide to future performance. The price of shares and the income from them may go down as well as up. You may not get back the amount you invest. The fund may not be suitable for everyone and if in doubt you should seek advice from your financial adviser.

Highest and lowest prices

The table below shows the highest buying and lowest selling prices of shares over the last five years.

Calendar year	Income shares		Accumulation shares	
	Highest buying (pence)	Lowest selling (pence)	Highest buying (pence)	Lowest selling (pence)
2008 Class A	656.00	427.01	1,605.47	1,044.69
2009 Class A	612.05	405.19	1,610.63	1,024.40
2010 Class A	681.09	510.35	1,864.91	1,372.64
2011 Class A	699.74	503.13	1,928.30	1,421.57
2012 Class A	680.64	570.91	2,026.40	1,663.92
2012 Class P	–	–	114.79	94.01
2012 Class R	104.17	96.99	101.89	99.71
2013* Class A	808.06	679.76	2,462.77	2,023.88
2013* Class P	114.16	99.80	139.97	114.62
2013* Class R	124.61	104.08	124.46	101.81

* To 31 July 2013.

Distribution/accumulation

Share class	Distribution (p)	Distribution (p)
	for the year 1 August 2012 to 31 July 2013	for the year 1 August 2011 to 31 July 2012
A class accumulation	101.6003	73.2786
A class income	33.8702	25.5480
P class accumulation	5.7804	–
P class income	2.9512	–
R class accumulation	3.3079	–
R class income	3.8288	–

Fund facts

Fund accounting dates	Distribution payment dates
31 January	31 March
30 April	30 June
31 July	30 September
31 October	31 December

Ongoing Charges Fee (OCF)	As at 31 July 2013 (%)	As at 31 July 2012 (%)
Authorised Corporate Director's (ACD) periodic charge		
Share Class A	1.50	1.50
Share Class P	1.00	-
Share Class R	0.75	-
Other expenses		
Share Class A	0.22	0.22
Share Class P	0.22	-
Share Class R	0.22	-
Ongoing Charges Fee (OCF)		
Share Class A	1.72	1.72
Share Class P	1.22	-
Share Class R	0.97	-

Portfolio information

The top 10 holdings at the end of the previous year and at the end of the current year are shown below.

Holding % of fund as at 31 July 2013		Holding % of fund as at 31 July 2012	
Legal & General Group	5.0	GlaxoSmithKline	5.8
HSBC	5.0	Vodafone	5.2
BP	4.2	Royal Dutch Shell	4.3
Vodafone Group	4.1	BP	3.7
GlaxoSmithKline	3.5	Legal & General	3.2
Centrica	3.4	Booker Group	3.0
ITV	3.0	British American Tobacco	2.9
Greene King	2.9	BT	2.9
Booker Group	2.9	Restaurant Group	2.8
Howden Joinery Group	2.7	Petrofac Ltd	2.7

Industry allocation % as at 31 July 2013		Industry allocation % as at 31 July 2012	
Financial	25.8	Consumer Services	20.3
Industrials	16.8	Industrials	15.6
Consumer Services	14.5	Financial	15.1
Telecommunications	10.5	Oil & Gas	14.2
Utilities	7.3	Consumer Goods	8.7
Oil & Gas	7.2	Telecommunications	7.7
Health Care	5.9	Health Care	6.2
Consumer Goods	5.8	Basic Materials	4.7
Technology	3.3	Utilities	3.7
Basic Materials	2.3	Technology	3.1
Unclassified	0.3	Net Current Assets	0.4
Net Current Assets	0.3	Other	0.3

Total may not equal 100% due to rounding.

Investment adviser's report for the year ended 31 July 2013

Review

In the first few months of the review period, equities posted a small gain as both European and US central banks announced their intention to provide further stimulus measures to support economies. Following the results of the US presidential election in November investors focussed on the political gridlock between the Republican and Democrat parties in US congress over future tax and spending policies, also known as the 'fiscal cliff'. A partial agreement was eventually reached, although this arrived after the year end close in markets which set up an exceptionally strong start for equity markets in 2013. March saw the return of increasing concern over the financial stability of the Euro zone, this time with the focus on the restructuring of the Cypriot banking sector. Equity markets continued their general upward trend from the start of the year until mid May given comments from the US Federal Reserve that it may begin to reduce the level of financial stimulus that it had provided, conditional on continued improvement in the economic backdrop. As a result bond yields rose materially and equities sold off before recovering a lot of the lost ground in the final month. The corporate sector generally delivered solid results accompanied by growing dividends whilst in our view the outlook commentary from many management teams was increasingly optimistic, particularly from those companies operating domestically.

A strong period of performance for the portfolio, returning 34.4% compared to returns of 24.3% and 25.1% for the index and peer group respectively. Leading contributors to performance included investments in broadcaster ITV, airline Easyjet, kitchen supplier Howden Joinery, life insurer Legal and General, specialty plastics business Essentra (formerly Filtrona), asset manager Aberdeen, paper and packaging group DS Smith and equipment rental business Ashtead. Leading detractors to performance included holdings in oil service business Petrofac, construction group Balfour Beatty, cruise operator Carnival and oil explorer Tullow Oil. At a sector level the portfolio benefitted from being underweight the basic materials and oil and gas sectors and from being overweight the consumer services and industrials sectors. Being underweight the bank sector was a negative drag on performance.

New investments included house builder Galliford Try, savings business Standard Life, medical devices company Smith and Nephew, broadband provider TalkTalk, broking business ICAP, storage provider Big Yellow Group, software and controls business Invensys and food retailer Tesco. Sales included oil sector companies Tullow Oil and Petrofac, data centre business Telecity, cruise operator Carnival, media agency WPP, software business Aveva and packaging group Rexam.

Outlook

Our outlook for equity markets continues to be positive as we consider current valuations to be attractive whilst corporate profits can continue to grow as the global economy recovers. The prospect of rising bond yields as a result of a reduction in financial stimulus measures from central banks may give rise to bouts of volatility in equity markets. However we ultimately consider these developments to be positive in the long term given that support will only be withdrawn once policy makers are confident of a sustainable economic recovery. Overweight sectors in the portfolio include financials, telecommunications, consumer services and utilities whilst being underweight the consumer goods, oil and gas and basic materials sectors. The portfolio also has a bias to a number of businesses operating domestically which we feel can benefit from a UK economy that is showing tentative signs of improvement. Given the strength of corporate balance sheets we are also optimistic on the outlook for dividend growth and the potential for further shareholder friendly measures such as special dividends and share buybacks.

Old Mutual UK Mid Cap Fund

Summary investment objective

To provide capital growth from investing primarily in a portfolio of medium sized UK companies.

Risk profile

Market prices for holdings in the fund cannot be guaranteed. There is a risk that holdings may be sold at a lower price than the one paid when they were bought, resulting in a loss to the fund.

Summary of fund performance

Share type	Net asset value as at 31 July 2013 (pence)	Net asset value as at 31 July 2012 (pence)	Net asset value % change
A class income	224.60	153.20	46.61
A class accumulation	248.72	168.29	47.79
P class income	133.23	–	–
P class accumulation	207.84	139.86	48.61
R class income	134.24	–	–
R class accumulation	159.86	107.28	49.01

Performance record to 31 July 2013

12 months to	31 July 2013	31 July 2012	31 July 2011	31 July 2010	31 July 2009
Fund	47.8%	1.4%	23.2%	21.5%	-7.6%
Sector	27.5%	-0.8%	15.0%	19.9%	-11.6%
Quartile	1	1	1	2	1
Benchmark: <i>FTSE 250 ex Its</i>	40.2%	0.0%	19.7%	28.3%	-4.5%

Please remember that past performance is not a guide to future performance. The price of shares and the income from them may go down as well as up. You may not get back the amount you invest. The fund may not be suitable for everyone and if in doubt you should seek advice from your financial adviser.

Highest and lowest prices

The table below shows the highest buying and lowest selling prices of shares over the last five years.

Calendar year	Income shares		Accumulation shares	
	Highest buying (pence)	Lowest selling (pence)	Highest buying (pence)	Lowest selling (pence)
2008 Class A	124.73	76.00	132.98	81.00
2008 Class P	–	–	108.21	65.96
2009 Class A	130.02	81.64	140.60	87.01
2009 Class P	–	–	115.19	71.02
2010 Class A	156.63	112.72	170.27	121.90
2010 Class P	–	–	140.34	100.02
2011 Class A	168.52	121.18	183.20	132.39
2011 Class P	–	–	151.40	109.56
2012 Class A	177.18	134.77	196.62	147.24
2012 Class P	104.05	100.17	162.06	122.01
2012 Class R	105.78	98.39	124.50	98.79
2013* Class A	228.06	178.09	250.51	195.62
2013* Class P	135.51	104.61	209.33	162.94
2013* Class R	136.80	106.37	161.01	125.20

* To 31 July 2013.

Distribution/accumulation

Share class	Distribution (p)	Distribution (p)
	for the year 1 August 2012 to 31 July 2013	for the year 1 August 2011 to 31 July 2012
A class accumulation	0.9612	0.9101
A class income	0.7421	0.8330
P class accumulation	1.0556	1.4415
P class income	1.3168	–
R class accumulation	2.2253	–
R class income	1.5791	–

Fund facts

Fund accounting dates	Distribution payment dates
31 January	N/A
31 July	30 September

Ongoing Charges Fee (OCF)	As at 31 July 2013 (%)	As at 31 July 2012 (%)
Authorised Corporate Director's (ACD) periodic charge		
Share Class A	1.50	1.50
Share Class P	1.00	1.00
Share Class R	0.75	-
Other expenses		
Share Class A	0.17	0.17
Share Class P	0.17	0.17
Share Class R	0.17	-
Ongoing Charges Fee (OCF)		
Share Class A	1.67	1.67
Share Class P	1.17	1.17
Share Class R	0.92	-

Portfolio information

The top 10 holdings at the end of the previous year and at the end of the current year are shown below.

Holding % of fund as at 31 July 2013		Holding % of fund as at 31 July 2012	
Ashtead Group	4.6	Telecity Group PLC	3.4
Barratt Developments	3.5	Melrose	2.8
easyJet	3.4	Ashtead Group	2.8
Capital & Counties Properties	3.2	Aberdeen Asset	2.7
St James's Place	3.1	Premier Oil	2.7
Greene King	3.0	Howden Group	2.6
William Hill	2.9	Wood Group	2.6
Dixons Retail	2.9	Rightmove	2.5
Persimmon	2.9	Provident Financial	2.4
Howden Joinery Group	2.7	SDL	2.4

Industry allocation % as at 31 July 2013		Industry allocation % as at 31 July 2012	
Consumer Services	25.4	Industrials	24.2
Financial	25.4	Consumer Services	22.4
Industrials	21.2	Financials	16.7
Consumer Goods	12.1	Technology	12.2
Technology	4.9	Oil & Gas	8.0
Oil & Gas	4.6	Net Current Assets	5.8
Net Current Assets	2.2	Consumer Goods	5.6
Health Care	1.8	Basic Materials	2.6
Telecommunications	1.6	Utilities	1.4
Basic Materials	0.8	Telecommunications	1.2

Total may not equal 100% due to rounding.

Investment adviser's report for the period ended 31 July 2013

Review

Equity markets performed strongly over the course of the period driven by stronger than expected economic data in the US and UK and signs of stabilisation and modest improvement in the Eurozone. It is early days and therefore we should not get too carried away but the recent run of economic data is raising optimism that the both the US and UK are moving towards self-sustaining recoveries. Here in the UK, the recent data has been very encouraging and broad based; the manufacturing Purchasing Managers' Index has recorded 5 straight months of expansion and is at its highest level in 2 1/2 years, the PMI construction survey is at its highest level since September 2007 and the services PMI is growing at its fastest rate in more than 6 years. Taken together, the composite survey is at its highest level since records began in 1998. Against this backdrop, it is unsurprising that equities made strong progress in the period.

Outlook

Moving in to the second half of 2013 and in to 2014 gives reasons for optimism. Improving economic data in developed economies should be a tailwind for equities. Given the recent strength of data in the US, the market is absorbing the high probability of the start of Fed tapering or a slowdown in the amount of stimulus being provided. This can be seen most clearly in the recent rise in US government bond yields, with a similar move also evident in UK yields. In our view as long as bond yield rises are gradual and supported by improving economic fundamentals we see no reason why equities cannot make further progress. As such, we continue to be positive on the outlook for equity markets. With a starting dividend yield of 3-to-3.5%, mid to high single digit earnings growth and the prospect of a modest valuation re-rating a low teens type of return per annum for the UK equity market going forward doesn't seem unreasonable. Whilst the outlook is not without risk, we think this type of return profile is attractive.

Old Mutual UK Smaller Companies Fund

Summary investment objective

To provide capital growth from investing primarily in a portfolio of UK smaller companies.

Risk profile

Market prices for holdings in the fund cannot be guaranteed. There is a risk that holdings may be sold at a lower price than the one paid when they were bought, resulting in a loss to the fund.

Summary of fund performance

Share type	Net asset value as at 31 July 2013 (pence)	Net asset value as at 31 July 2012 (pence)	Net asset value % change
A class income	259.79	188.18	38.05
A class accumulation	270.98	195.57	38.56
P class income	117.78	–	–
P class accumulation	198.15	142.30	39.25
R class income	130.74	–	–
R class accumulation	137.70	98.46	39.85

Performance record to 31 July 2013

12 months to	31 July 2013	31 July 2012	31 July 2011	31 July 2010	31 July 2009
Fund	38.6%	-0.5%	27.9%	24.3%	-9.0%
Sector	33.0%	-4.6%	30.1%	25.0%	-13.4%
Quartile	2	2	3	3	1
Benchmark: <i>Numis Smaller Companies Index</i>	40.4%	-1.4%	24.2%	25.7%	-1.1%

Please remember that past performance is not a guide to future performance. The price of shares and the income from them may go down as well as up. You may not get back the amount you invest. The fund may not be suitable for everyone and if in doubt you should seek advice from your financial adviser.

Highest and lowest prices

The table below shows the highest buying and lowest selling prices of shares over the last five years.

Calendar year	Income shares		Accumulation shares	
	Highest buying (pence)	Lowest selling (pence)	Highest buying (pence)	Lowest selling (pence)
2008 Class A	142.29	88.03	146.58	90.70
2008 Class P	–	–	104.29	64.55
2009 Class A	153.24	92.80	158.92	95.62
2009 Class P	–	–	113.98	68.25
2010 Class A	192.34	133.27	199.67	138.21
2010 Class P	–	–	144.11	99.31
2011 Class A	206.93	154.63	214.81	160.57
2011 Class P	–	–	155.46	116.33
2011 Class R	–	–	102.86	80.20
2012 Class A	214.58	167.15	223.00	173.57
2012 Class P	–	–	162.60	125.92
2012 Class R	108.18	100.03	112.73	86.94
2013* Class A	264.81	215.23	275.21	223.68
2013* Class P	120.25	99.17	201.23	163.11
2013* Class R	134.18	108.53	139.82	113.10

* To 31 July 2013.

Distribution/accumulation

Share class	Distribution (p)	Distribution (p)
	for the year 1 August 2012 to 31 July 2013	for the year 1 August 2011 to 31 July 2012
A class accumulation	0.9908	0.1523
A class income	0.9529	0.1470
P class accumulation	1.5722	0.8240
P class income	0.6253	–
R class accumulation	1.5928	–
R class income	1.4100	–

Fund facts

Fund accounting dates	Distribution payment dates
31 January	N/A
31 July	30 September

Ongoing Charges Fee (OCF)	As at 31 July 2013 (%)	As at 31 July 2012 (%)
Authorised Corporate Director's (ACD) periodic charge		
Share Class A	1.75	1.75
Share Class P	1.25	1.25
Share Class R	0.88	0.88
Other expenses		
Share Class A	0.17	0.17
Share Class P	0.17	0.17
Share Class R	0.17	0.17
Ongoing Charges Fee (OCF)		
Share Class A	1.92	1.92
Share Class P	1.42	1.42
Share Class R	1.05	1.05

Portfolio information

The top 10 holdings at the end of the previous year and at the end of the current year are shown below.

Holding % of fund as at 31 July 2013		Holding % of fund as at 31 July 2012	
Ashtead Group	4.0	Telecity Group PLC	3.4
Bellway	2.2	Bellway	2.9
Dixons Retail	2.1	Anite	2.8
Jupiter Fund Management	2.1	Aveva	2.7
Thomas Cook Group	2.1	Ashtead Group	2.5
Keller Group	2.0	SDL	2.3
Greene King	2.0	Shaftesbury	2.1
Telecom Plus	2.0	Greene King	2.1
Smith (DS)	2.0	Oxford Instruments	2.0
Galliford Try	1.9	Lancashire Holdings	2.0

Industry allocation % as at 31 July 2013		Industry allocation % as at 31 July 2012	
Industrials	34.7	Industrials	25.5
Consumer Services	18.7	Consumer Services	18.5
Financials	15.9	Financials	13.4
Technology	10.0	Technology	13.3
Consumer Goods	7.3	Oil & Gas	6.9
Net Current Assets	4.5	Net Current Assets	6.8
Oil & Gas	4.2	Other	5.1
Telecommunications	2.3	Basic Materials	4.0
Health Care	1.9	Consumer Goods	3.9
Basic Materials	0.3	Telecommunications	2.5
Utilities	0.2		

Total may not equal 100% due to rounding.

Investment adviser's report for the year ended 31 July 2013

Review

UK equity markets began the year under review fearful of forthcoming macroeconomic events and were consequently cheaply rated. However some of the key risks within the global economy have significantly abated over the last 12 months. The US fiscal cliff has passed without mishap, Chinese regime change has proceeded smoothly with GDP growth stabilizing around the 7% level and above all the ECB has finally stepped forward to guarantee survival of the Euro. Coupled with this, the US recovery has become self-sustaining with GDP there looking likely to accelerate into 2014. 'Double dip' fears in the UK have been confounded and the Eurozone economy has now stabilized. Against this backdrop, investor confidence increased progressively and UK equities have performed strongly. Over the review period, the fund rose by 38.6% placing it in the second quartile within the UK Smaller Companies peer group but behind the Numis Smaller Companies Index (excluding Investment Trusts), which rose by 40.4%.

Outlook

Moving in to the second half of 2013 and in to 2014 gives reasons for optimism. Improving economic data in developed economies should be a tailwind for equities. Given the recent strength of data in the US, the market is absorbing the high probability of the start of Fed tapering or a slowdown in the amount of stimulus being provided. This can be seen most clearly in the recent rise in US government bond yields, with a similar move also evident in UK yields. In our view as long as bond yield rises are gradual and supported by improving economic fundamentals we see no reason why equities cannot make further progress. As such, we continue to be positive on the outlook for equity markets. With a starting dividend yield of 3-to-3.5%, mid to high single digit earnings growth and the prospect of a modest further re-rating, a low teens type of return per annum for the UK equity market going forward doesn't seem unreasonable. Whilst the outlook is not without risk, we think this type of return profile is attractive.

Information about the funds during the period

Report & Accounts

This document is the final Short Report of the Old Mutual Investment Funds Series I for the period 1 August 2012 to 31 July 2013. The full Report & Accounts are available on our website www.omglobalinvestors.com or upon written request to Investor Services, Old Mutual Global Investors, 2 Lambeth Hill, London EC4V 4AD.

Fund name changes

The following fund name changes took place on the 25 February 2013:

Old Mutual Dynamic Bond Fund renamed Old Mutual Monthly Income Bond Fund.

Old Mutual Equity Income Fund renamed Old Mutual UK Equity Income Fund.

Old Mutual UK Select Mid Cap Fund renamed Old Mutual UK Mid Cap Fund.

Old Mutual UK Select Smaller Companies Fund renamed Old Mutual UK Smaller Companies Fund.

On the 25th February 2013 the share classes in all the funds within Series I changed their name from Share Class B and Share Class C to Share Class P and Share Class R respectively, this name change is also reflected in the historic data.

Basis of valuation of investments

The valuation point is 12.00 noon on the last business day of the accounting period. Quoted investments are valued at the marked bid price net of any accrued interest which is included in the balance sheet as an income-related item.

Performance information

Source for retail fund performance taken from © 2013 Morningstar, Inc. All Rights reserved. Bid to bid, income reinvested on a net tax basis, in sterling, as at 31 July 2013.

The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

Quartile rank

The quartile ranking shows a particular fund's ranking in its relevant sector. It is measured by ranking the performance of all the funds in a particular sector over any period, into four sections. The first (or top) quartile will be the top 25% in terms of performance, the second quartile will be the next 25%, the third quartile will be the next 25% and the fourth quartile will be the last 25%.

Ongoing Charges Fee (OCF)

This is a measure of the total costs associated with managing the fund. Apart from the initial charge and transaction costs all other expenses are included in the OCF. The OCF is an internationally accepted standard for the comparison of costs for authorised funds.

Investment adviser's report

External sources of underlying economic data used by Old Mutual Global Investors Limited include MSCI, Datastream and Factset. Market performance data is sourced from Datastream. Each quoted index or stock return is based on the price movement between the market close on 31/07/2012 and the close on 31/07/2013. Returns quoted are sterling or local currency returns as specified.

Distribution/Accumulation

All rates are quoted as net for equity dividends and gross for bond interests.

This page is intentionally left blank

Depository

National Westminster Bank Plc
135 Bishopsgate
London
EC2M 3UR

Administrators

International Financial Data Services (IFDS)
Freepost RRYH-XTSY-HEZH
PO Box 10278
Chelmsford
CM99 2AR

Auditors

KPMG Audit Plc
One Canada Square
London
E14 5AG

Authorised and regulated by the Financial Conduct Authority

Registered Office

Old Mutual Fund Managers Limited,
2 Lambeth Hill, London, EC4V 4AD

Authorised and regulated by the Financial Conduct Authority

Telephone: 020 7332 7500

Calls may be recorded for security purposes and to improve customer service

Fax: 020 7489 5252

www.omglobalinvestors.com

