

Old Mutual Limited
(Incorporated in the Republic of South Africa)
(Registration number: 2017/235138/06)
ISIN: ZAE000255360
JSE Share Code: OMU
NSX Share Code: OMM
("Old Mutual")

LEI: 213800MON84ZWWPQCN47
Ref 69/18

17 October 2018

LAUNCH OF ACCELERATED OFFERING OF UP TO 5,494,762 NEDBANK GROUP LIMITED ORDINARY SHARES

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, IN OR INTO THE UNITED STATES OF AMERICA, CANADA, AUSTRALIA OR JAPAN OR ANY JURISDICTION WHERE IT IS UNLAWFUL TO DISTRIBUTE THIS ANNOUNCEMENT

This announcement does not constitute an offer or form part of any offer or invitation to purchase, subscribe for, sell or issue, or a solicitation of any offer to purchase, subscribe for, sell or issue, any securities (whether pursuant to this announcement or otherwise) in any jurisdiction, including an offer to the public or section of the public in any jurisdiction. This announcement does not comprise a prospectus or a prospectus equivalent announcement.

Introduction

Old Mutual shareholders ("**Shareholders**") are referred to the completion announcement published on the Stock Exchange News Services of the JSE Limited ("**JSE**"), the London Stock Exchange, the Malawi Stock Exchange, the Namibian Stock Exchange and the Zimbabwe Stock Exchange (collectively "**News Services**") dated 15 October 2018 respectively wherein it was announced that Old Mutual had successfully unbundled the majority of its shareholding in the issued share capital of Nedbank Group Limited ("**Nedbank**") to its Shareholders ("**Unbundling**").

Shareholders are also referred to the detailed terms of the Unbundling, as set out in the announcement published on the News Services dated 26 September 2018 ("**Unbundling Announcement**"). Under the terms of the Unbundling, eligible Shareholders (which term excludes certain restricted foreign Shareholders affected by the laws of their relevant jurisdiction) received 3.21176 ordinary shares in Nedbank (listed on the JSE and the Namibian Stock Exchange) ("**Unbundled Nedbank Shares**"), for every 100 Old Mutual shares held.

As per the Unbundling Announcement, the Unbundled Nedbank Shares could be delivered to Shareholders in the United States ("**US Old Mutual Shareholders**") provided they were qualified institutional buyers ("**QIBs**") as defined in Rule 144A under the US Securities Act in reliance on exemptions from registration under the US Securities Act of 1933. Each US Old Mutual Shareholder that was eligible to receive Unbundled Nedbank Shares in terms of the Unbundling was required to execute and submit an investor letter in a prescribed form by 5:00 pm SA time on Friday, 12 October 2018 to Link Market Services Proprietary Limited ("**Link**"), Old Mutual's registrar. Following the close of business on Friday, 12 October 2018, Link notified Old Mutual that US Old Mutual Shareholders entitled to receive 5,494,762 Unbundled Nedbank Shares had not submitted such investor letters and are

therefore restricted from receiving the relevant Unbundled Nedbank Shares (**“Restricted US Old Mutual Shareholders”**). In accordance with the terms of the Unbundling set out in the Unbundling Announcement, such Unbundled Nedbank Shares will be aggregated and disposed in an orderly manner in the market on behalf of and for the benefit of Restricted US Old Mutual Shareholders as soon as is reasonably practicable after the implementation of the Unbundling at the best price that can reasonably be obtained at the time of the sale and the proceeds (determined on the basis set out in the Unbundling Announcement) paid to the relevant Restricted US Old Mutual Shareholders. Due to the number of such Unbundled Nedbank Shares to be sold by Old Mutual on behalf of Restricted US Old Mutual Shareholders, Old Mutual has resolved to proceed with the sale by way of an accelerated bookbuild offering (**“Placing”**).

The Placing

In terms of the Placing, up to 5,494,762 Unbundled Nedbank Shares (**“Placing Shares”**) will become available for sale to select institutional investors. The books of the Placing will open with immediate effect. The timing of closing of the books will be at the absolute discretion of the Manager (as defined below). Pricing and allocations of the Placing will be determined as soon as practicable following the closing of the book. The sale is subject to demand, price and market conditions.

The Placing process will be subject to normal share trading practices, the relevant rules, regulations and procedures of the JSE, the applicable law and the settlement authority of Strate Proprietary Limited. Merrill Lynch International (**“BofA Merrill Lynch”** or **“Manager”**) is acting as the sole global coordinator and bookrunner in relation to the Placing. Old Mutual is conducting the Placing on an undocumented basis – no prospectus, offering circular, pre-listing statement or other offering document has been or will be published in connection with the Placing. Potential investors in the Placing should take into account all publicly available information in relation to Nedbank before making an investment decision. If the Placing does not result in the full intended sale volume of 5,494,762 Placing Shares, Old Mutual intends to effect the full sell down of such shortfall in an orderly manner in the future, as market conditions allow.

The remaining ordinary shares in Nedbank held by Old Mutual will be subject to a lock-up period from the date of this announcement until the date which is 90 days after the closing date of the Placing, which is expected to be on Monday, 16 January 2019, save for certain exceptions and waiver by BofA Merrill Lynch (consent to such waiver not to be unreasonably withheld).

Sponsors:

Merrill Lynch South Africa Proprietary Limited, Johannesburg Stock Exchange sponsor
PSG Wealth Management (Namibia) Proprietary Limited, Namibian Stock Exchange sponsor

Sole Global Coordinator and Bookrunner:

BofA Merrill Lynch

Joint Financial Advisers:

Merrill Lynch South Africa Proprietary Limited
Rothschild (South Africa) Proprietary Limited

Legal Advisers to Old Mutual:

Webber Wentzel, South African legal adviser
Linklaters LLP, legal adviser with respect to English law and U.S. law

Legal Advisers to Merrill Lynch International:

Allen & Overy LLP

Enquiries:

Investor Relations

Patrick Bowes
(Interim Head of Investor Relations)

T: +44 (0)20 7002 7440
E: patrick.bowes@omg.co.uk

Communications

Tabby Tsengiwe

T: +27 (11) 217 1953
M: +27 (0)60 547 4947
E: ttsengiwe@oldmutual.com

DISCLAIMER

The contents of this announcement have been prepared by and are the sole responsibility of Old Mutual.

The information contained in this announcement is for background purposes only and does not purport to be full or complete. No reliance may be placed by any person for any purpose on the information contained in this announcement or its accuracy, fairness or completeness.

This announcement is not for publication or distribution, directly or indirectly, in or into the United States. The distribution of this announcement may be restricted by law in certain jurisdictions and persons into whose possession any document or other information referred to herein comes should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

This announcement does not contain or constitute an offer of, or the solicitation of an offer to buy, Placing Shares or any ordinary shares or other securities in Old Mutual to any person in the United States, Australia, Canada or Japan or in any other jurisdiction. The Placing Shares referred to herein have not been and will not be registered under the US Securities Act of 1933 (the "Securities Act") and may not be offered or sold in the United States absent registration or in a transaction exempt from, or not subject to, the registration requirements of the Securities Act. The offer and sale of Placing Shares referred to herein have not been and will not be registered under the applicable securities laws of Australia, Canada or Japan. The Placing Shares referred to herein will not be offered and sold within the United States of America, Australia, Canada or Japan, subject to certain exemptions. There will be no public offer of the Placing Shares in the United States, Australia, Canada or Japan or elsewhere.

In member states of the European Economic Area ("EEA") (each, a "Relevant Member State"), this announcement and any offer if made subsequently is directed only at persons who are "qualified investors" within the meaning of the Prospectus Directive ("Qualified Investors"). For these purposes, the expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including Directive 2010/73/EU), and includes any relevant implementing measure in the Relevant Member State. In the United Kingdom this announcement is directed exclusively at Qualified Investors (i) who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order") or (ii) who fall within Article 49(2)(A) to (D) of the Order, and (iii) to whom it may otherwise

lawfully be communicated, and any investment activity to which it relates will only be engaged in with such persons and it should not be relied on by anyone other than such persons.

Neither this announcement nor the Placing constitutes or is intended to constitute an offer to the public in South Africa in terms of the South African Companies Act 71 of 2008 (as amended) (the "South African Companies Act"). In South Africa this announcement is only being distributed to, and is only directed at, and any investment or investment activity to which this announcement relates is available only to, and will be engaged in only with, persons in South Africa who (i) fall within the categories of persons set out in section 96(1)(a) of the South African Companies Act or (ii) who are persons who subscribe, as principal, for Placing Shares at a minimum placing price of R1 000 000, as envisaged in section 96(1)(b) of the South African Companies Act, in each case to whom the Placing is specifically addressed.

This announcement may include statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements may be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "projects", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements reflect the Old Mutual's current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Group's business, results of operations, financial position, liquidity, prospects, growth or strategies. Forward-looking statements speak only as of the date they are made.

Each of Old Mutual, BofA Merrill Lynch, and their respective affiliates expressly disclaims any obligation or undertaking to update, review or revise any forward looking statement contained in this announcement whether as a result of new information, future developments or otherwise.

This announcement does not identify or suggest, or purport to identify or suggest, the risks (direct or indirect) that may be associated with an investment in Placing Shares. Any purchase of Placing Shares in the proposed Placing should be made solely on the basis of publicly available information. Such information has not been independently verified by BofA Merrill Lynch or any of its affiliates.

Acquiring investments to which this announcement relates may expose an investor to a significant risk of losing all of the amount invested. Persons considering making such investments should consult an authorised person specialising in advising on such investments. This announcement does not constitute a recommendation concerning the Placing. The value of shares can decrease as well as increase. Potential investors should consult a professional adviser as to the suitability of the Placing for the person concerned.

BofA Merrill Lynch is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority, is acting exclusively for Old Mutual and no-one else in connection with the Placing. It will not regard any other person as its client in relation to the Placing and will not be responsible to anyone other than Old Mutual for providing the protections afforded to its clients, nor for providing advice in relation to the Placing, the contents of this announcement or any transaction, arrangement or other matter referred to herein.

The information contained in this announcement constitutes factual information as contemplated in section 1(3)(a) of the South African Financial Advisory and Intermediary Services Act, 37 of 2002, as

amended ("FAIS Act") and should not be construed as an express or implied recommendation, guide or proposal that any particular transaction in respect of the Placing Shares or in relation to the business or future investments of Old Mutual is appropriate to the particular investment objectives, financial situations or needs of a prospective investor, and nothing in this announcement should be construed as constituting the canvassing for, or marketing or advertising of, financial services in South Africa.

In connection with the Placing, BofA Merrill Lynch and any of its affiliates may take up a portion of the Placing Shares in the Placing as a principal position and in that capacity may retain, purchase, sell, offer to sell for their own accounts such Placing Shares or related investments in connection with the Placing or otherwise. Accordingly, references to the Placing Shares being issued, offered, subscribed, acquired, placed or otherwise dealt in should be read as including any issue or offer to, or subscription, acquisition, placing or dealing by, BofA Merrill Lynch and any of its affiliates acting in such capacity. In addition BofA Merrill Lynch and any of its affiliates may enter into financing arrangements (including swaps or contracts for differences) with investors in connection with which BofA Merrill Lynch and any of its affiliates may from time to time acquire, hold or dispose of Placing Shares. BofA Merrill Lynch does not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

None of BofA Merrill Lynch or any of its directors, officers, employees, advisers or agents accepts any responsibility or liability whatsoever for or makes any representation or warranty, express or implied, as to the truth, accuracy or completeness of the information in this announcement (or whether any information has been omitted from the announcement) or any other information relating to Old Mutual, Nedbank, or their subsidiaries or associated companies, whether written, oral or in a visual or electronic form, and howsoever transmitted or made available or for any loss howsoever arising from any use of this announcement or its contents or otherwise arising in connection therewith.

Notes to Editors

About Old Mutual

Old Mutual is a premium African financial services group that offers a broad spectrum of financial solutions to retail and corporate customers across key markets segments in 17 countries. Old Mutual's primary operations are in South Africa and the rest of Africa, and it has niche businesses in Latin America and Asia. With over 173 years of heritage across sub-Saharan Africa, we are a crucial part of the communities we serve and broader society on the continent.

For further information on Old Mutual, and its underlying businesses, please visit the corporate website at www.oldmutual.com.