NEWS **RELEASE**

Old Mutual plc

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OLD MUTUAL SELLS STAKE IN KOTAK MAHINDRA OLD MUTUAL LIFE INSURANCE LIMITED

Old Mutual plc ("Old Mutual") today announces that it has agreed to sell its 26% stake in Kotak Mahindra Old Mutual Life Insurance Limited to its joint venture partner Kotak Mahindra Bank Limited.

The gross cash consideration for the transaction, before tax, is INR 12,927 million (£156 million equivalent[1]). The net consideration is expected to be approximately INR 11,700 million (£141 million equivalent[1]). The transaction is subject to Indian regulatory approvals and is expected to complete in the second half of 2017. As at 31 December 2016, the carrying value in Old Mutual's consolidated financial statements of its stake in the joint venture was £45 million.

The conclusion of the transaction will also terminate the joint venture arrangement, including the respective put and call option arrangements between the parties relating to a 23% stake in the joint venture.

Old Mutual will use the proceeds from the transaction for general corporate purposes. Rothschild acted as financial adviser to Old Mutual in connection with the transaction.

1 Based on the spot exchange rate on 27 April 2017.

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Notes to Editors

Old Mutual provides investment, savings, insurance and banking services to 19.4 million customers in Africa, the Americas, Asia and Europe. Originating in South Africa in 1845, Old Mutual has been listed on the London and Johannesburg Stock Exchanges, among others, since 1999.

Old Mutual is executing its strategy of managed separation, which will entail separating its four businesses into standalone entities. The four businesses are:

Old Mutual Emerging Markets: an attractive business with a dominant position in South Africa, well-placed to capitalise on sub-Saharan African growth as a diversified financial services provider with strong operations in key East and West African markets.

Nedbank: one of South Africa's four largest banks with very strong corporate, commercial and property finance franchises, and a growth opportunity in the retail market, as well as pan-African optionality through its stake in Ecobank Transnational Inc (ETI).

Old Mutual Wealth: a leading, integrated wealth management business, focused on the UK upper and middle market, with strong prospects in a rapidly growing £3 trillion market.

OM Asset Management: an institutionally focussed, multi-boutique asset management business, delivering strong, diversified growth in attractive asset classes through organic initiatives and acquisitions.

For the year ended 31 December 2016, Old Mutual reported an adjusted operating profit before tax of £1.7 billion and had £395 billion of funds under management. For further information on Old Mutual plc and the underlying businesses, please visit the corporate website at www.oldmutualplc.com