

NEDBANK GROUP LIMITED

(Incorporated in the Republic of South Africa)

Registration number: 1966/010630/06

JSE share code: NED

NSX share code: NBK

ISIN: ZAE000004875

('Nedbank Group')

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OLD MUTUAL PLC STRATEGIC REVIEW AND WITHDRAWAL OF NEDBANK GROUP CAUTIONARY

Nedbank Group shareholders are referred to the Nedbank Group announcement released on SENS on Monday, 7 March 2016 and to the announcement released on SENS today by Old Mutual plc ('Old Mutual') regarding Old Mutual's new strategy to separate its underlying businesses and to unlock value for Old Mutual shareholders (the 'Old Mutual Managed Separation').

Old Mutual has been engaging with the board of directors of Nedbank Group regarding its intention to carry out the Old Mutual Managed Separation. Old Mutual has decided that the long-term interests of Old Mutual shareholders and other stakeholders will be best served by Old Mutual separating its four businesses – Old Mutual Emerging Markets ('OMEM'), Nedbank Group, Old Mutual Wealth ('OMW') and Old Mutual Asset Management ('OMAM') – from each other. Old Mutual expects that the Old Mutual Managed Separation will be materially completed by the end of 2018.

Nedbank Group remains an independent entity listed on the Johannesburg Stock Exchange. At 31 December 2015, Nedbank Group was 54.1% owned by Old Mutual Life Assurance Company (South Africa) Limited and associated South African companies in the Old Mutual group, which are in turn ultimately owned by Old Mutual.

Nedbank Group is governed, managed and operated as a South African regulated banking entity within the Old Mutual group for the benefit of all Nedbank Group stakeholders. It is a well-capitalised South African bank with a strong balance sheet and a clear strategy to deliver ongoing returns to shareholders. The announcement of the Old Mutual Managed Separation will have no impact on the strategy or day to day management or operations of Nedbank Group or its staff or clients. On 2 March 2016, Nedbank Group announced its audited results for the year ended 31 December 2015 (details available on Nedbank Group's website at nedbankgroup.co.za) and highlights included growth of 9,6% in headline earnings to R10,8 billion, a 9,0% increase in net asset value per share, a 11,3% common equity tier 1 ratio and a 7,7% increase in the full year dividend per share.

Old Mutual and Nedbank Group recognise that their commercial relationship continues to be a source of value underpinning successful collaboration activities in both South Africa and the Rest of Africa. It is therefore intended that the strategic relationship

between Nedbank Group and OMEM will continue following the Old Mutual Managed Separation. Old Mutual and Nedbank Group remain committed to achieving the previously announced 2017 pre-tax synergies target of R1 billion. However, it is agreed that Old Mutual's majority shareholding in Nedbank Group is not necessary to achieve either party's strategic objectives.

In time, Old Mutual envisages reducing its interest in Nedbank Group to an appropriate strategic minority position to underpin the future commercial relationship. The exact mechanism to achieve any reduction in Old Mutual's shareholding has yet to be finally determined. Old Mutual currently envisages reducing its shareholding in Nedbank Group primarily by way of a distribution of Nedbank Group shares to the shareholders of Old Mutual in an orderly manner and at an appropriate time in the context of the Old Mutual Managed Separation and does not intend to sell any part of its shareholding in Nedbank Group to a new strategic investor. It is currently intended that apart from the strategic minority shareholding in Nedbank Group to be held by Old Mutual, the remainder of the Nedbank Group shareholder base will be widely held by the time the Old Mutual Managed Separation has been completed.

The boards of directors and management teams of Old Mutual and Nedbank Group are working closely together to determine the most effective method and appropriate timing to effect the Old Mutual Managed Separation, in a way that safeguards the stability and integrity of both Nedbank Group and the South African financial services sector, including determining the level of the strategic minority shareholding that Old Mutual will hold in Nedbank Group on an ongoing basis post the Old Mutual Managed Separation.

The Nedbank Group cautionary announcement dated 7 March 2016 is hereby withdrawn. Nedbank Group shareholders will be kept appropriately informed of further developments.

Sandton

11 March 2016

Financial Advisers to Nedbank Group:

Deutsche Bank

Nedbank CIB

Legal Advisers to Nedbank Group:

ENSafrica

Sponsors to Nedbank Group in South Africa:

Merrill Lynch South Africa (Pty) Limited

Nedbank CIB

Sponsor to Nedbank Group in Namibia:

Old Mutual Investment Services (Namibia) (Pty) Ltd