

Old Mutual Limited

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Old Mutual offloads majority stake in Nedbank as part of break-up plan

Old Mutual PLC (LON:OML) said it will reduce its 54% stake in South African lender Nedbank to 19.9% as part of its plans to break up its business.

The insurance and investment firm had said in March 2016 that it would cut its holding in Nedbank to a minority stake after its planned split but had not stated the amount.

READ: Old Mutual posts strong growth in first-half profit, says "managed separation" on track

Old Mutual has been streamlining the business as it pursues a plan to split into four parts by the end of the year. Old Mutual wants to break up the business because it says regulatory changes make the company too complex to run in its current form.

As part of its strategy, it has cut stakes in US subsidiary Old Mutual Asset Management, and UK subsidiary, Old Mutual Wealth.

The disposal of the holding in Nedbank will allow Old Mutual to strip itself down to its core South African-based business, Old Mutual Limited (OML).

OML will be listed on the Johannesburg Stock Exchange and the London Stock Exchange next year after parent company Old Mutual posts its 2017 results.

READ: Old Mutual sells minority stake in US asset management arm to HNA Capital

The company's majority stake in Nedbank will be sold to its shareholders after it completes the listing of OML.

"OML does not intend to sell any part of its shareholding in Nedbank Group to a new strategic investor," the companies said in a statement.

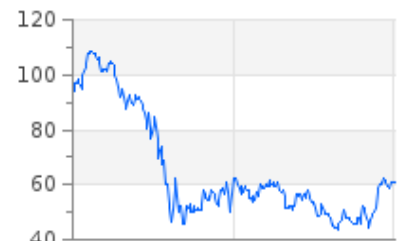
The 19.9% shareholding in Nedbank will have a primary listing on the JSE and a secondary listing on the LSE.

Old Mutual also announced that director Nonkululeko Nyembezi, the former head of Old Mutual Life Assurance Company SA, will step down from the board to join competitor Alexander Forbes as chair on January 1.

Price: 57.32

Market Cap: £2.7 billion

1 Year Share Price Graph



December 2019 June 2020 November 20

Share Information

Code: OML

Listing: LSE

52 week High Low
110.2 42.76

Sector: Insurance

Website: www.oldmutual.com

Company Synopsis:

Old Mutual Limited (OML) is a premium African financial services group that offers a broad spectrum of financial solutions to retail and corporate customers across key markets in 17 countries.

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