

HNA Capital US Agrees to Acquire a 24.95% Stake in OM Asset Management plc (NYSE: OMAM) from Old Mutual plc (LSE: OML)

Deal Value: Approximately \$446 million

Sandler O'Neill acted as financial advisor to HNA Capital US in this transaction. Overall, this represents Sandler O'Neill's 148th financial services transaction since January 1, 2015, more than any other investment bank during that time period globally.⁽¹⁾ Sandler O'Neill has advised on 15 asset management transactions since January 1, 2014, representing over \$460 billion of transacted assets under management.⁽²⁾

Old Mutual plc ("Old Mutual") has agreed to sell a 24.95% shareholding in OM Asset Management ("OMAM") to HNA Capital US in a two-step transaction for gross cash consideration of approximately \$446 million.

Following the transaction, Old Mutual's shareholding will reduce from 50.8% to 25.9%. The transaction comprises a sale of a 9.95% tranche of OMAM shares held by Old Mutual at a price of \$15.30 per share and a sale of a further 15% held by Old Mutual at a price of \$15.75 per share.

The completion of the first tranche is subject to antitrust clearance under the Hart-Scott-Rodino ("HSR") Act in the US and is expected to take place in approximately 30 days. Completion of the second tranche is subject to receipt of certain additional regulatory approvals in various other jurisdictions and is expected to take place in the second half of 2017.

Old Mutual is not subject to any lock-up arrangements in respect of its remaining shareholding, other than its commitment to retain sufficient shares to perform its obligations with respect to this transaction. Consistent with its previous statements, Old Mutual intends to continue the reduction of its holding in OMAM in an orderly manner.

James Ritchie, Chairman of OMAM's Board of Directors, said: "We are pleased to welcome HNA Capital US as a new, supportive investor in OMAM. We remain focused on executing our growth strategy, which includes working collaboratively with our high quality Affiliates to diversify their businesses and expand their global distribution opportunities, as well as acquiring new Affiliates, to generate strong, long-term value for all of our shareholders. We look forward to working with HNA Capital US to accelerate our growth strategy for the benefit of our clients, Affiliates and shareholders."

Bruce Hemphill, Group Chief Executive of Old Mutual, said: "We are very pleased to announce this transaction which brings forward further realisation of value for Old Mutual. It represents another step in delivering our managed separation strategy and secures a strategic long-term investor for OMAM".

Guang Yang, Chief Executive of HNA Capital US, said: "OMAM is a diversified, at-scale multi-boutique asset management franchise with an attractive portfolio of high quality investment managers. We are pleased with our investment in OMAM and look forward to supporting OMAM's continued growth."

It is expected that one HNA Capital US-nominated director will join the OMAM board on the completion of the first tranche and a second on the completion of the second tranche. In both cases, these directors will replace existing nominees of Old Mutual.

OMAM is a global, multi-boutique asset management company with approximately \$240 billion of assets under management as at 31 December 2016. Its diverse Affiliates offer leading, alpha generating investment products to investors around the world. OMAM recorded US GAAP earnings for 2016 of \$126.4 million and Economic Net Income of \$145.1 million.

(1) Source: SNL Financial; Includes all geographies; Includes minority transactions; Excludes terminated transactions or self-advisory roles.

(2) Source: Sandler O'Neill.

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