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FOR IMMEDIATE RELEASE

23 May 2014

Saga

Announcement of Offer Price

Offer Price set at 185 pence

Following the announcement by Saga plc (the "Company" and, together with its subsidiaries, "Saga" or the "Group") on 8 May 2014 of the publication of the Prospectus in connection with an initial public offering of its ordinary shares (the "IPO" or the "Offer"), the Company today announces the successful completion of the Offer.

Offer highlights

- The offer price has been set at 185 pence per Share (the "Offer Price")
- Based on the Offer Price, the total market capitalisation of Saga at the commencement of conditional dealings will be £2.1 billion
- The Offer comprises 297.3 million Shares, representing 27% of Saga's issued share capital on Admission, excluding the Over-allotment Option
- Total gross proceeds raised by the Company in the Offer will be approximately £550 million
- Acromas Bid Co Limited (the "Shareholder") has granted the Over-allotment Option in respect of 44.6 million Shares. If the Over-allotment Option were exercised in full the total gross proceeds raised by the Shareholder in the Offer would be approximately £82 million
- Following Admission (and assuming no exercise of the Over-allotment Option):
 - the Shareholder will hold 72% of the Shares; and
 - the Directors and Senior Managers will be interested in 1% of the Shares. Certain of the Directors and Senior Managers are also shareholders of Acromas Bid Co and are owed subordinated shareholder debt by an Acromas Bid Co subsidiary as set out in more detail in the Prospectus
- 50% of the Offer has been allocated to retail investors, including a substantial majority allocated to Saga's customers, under the Retail Offer and 50% of the Offer has been allocated to institutions under the Institutional Offer

Allocations in the Customer Offer

- Eligible Customers are receiving preference in allocation at all levels with an allocation of between 540 Shares and 5,000 Shares and applications at the minimum application amount of £1,000 have been met in full
- Over two thirds of Eligible Customers have been allocated at least 50% of their application amount

Allocations to non-customers

- Applications of up to £10,000 in the Non-Customer Offer and applicants in the Intermediaries Offer have been allocated 400 Shares each. Further details of allocations in the Retail Offer are set out in Appendix I
- Applications under the Employee Offer have been met in full

Further information

- Conditional dealings in the Shares will commence on the London Stock Exchange at 8:00am today (23 May 2014) under the ticker SAGA. Investors should note that only investors who applied for, and are allocated, Shares in the Institutional Offer or in the Direct Retail Offer (Customer Offer and Non-Customer Offer) who applied online and requested their shares to be held in the Saga Shareholder Account or with Saga Share Direct or the Intermediaries Offer will be able to deal in Shares on a conditional basis
- Admission to the premium listing segment of the Official List and to trading on the main market for listed securities of the London Stock Exchange, and the commencement of unconditional dealings in the Shares on the London Stock Exchange, are expected to take place at 8:00am on 29 May 2014. At Admission, the Company will have 1,110.7 million Shares in issue
- The Pricing Statement relating to the Offer will be submitted to the UKLA and will be available free of charge at the Company's registered office at Enbrook Park, Sandgate, Folkestone, Kent CT20 3SE. In addition, the Pricing Statement will (subject to certain restrictions) be published on the Company's website at www.saga.co.uk/shares

Andrew Goodsell, Executive Chairman, said:

"We have been very pleased with the level of demand for Saga shares from both retail and institutional investors, with the offer subscribed several times over.

We are delighted to have so many of our customers as shareholders and to have a high quality group of core institutions who we believe will be long-term supporters of the business."

Lance Batchelor, Group Chief Executive, said:

"As a public company, owned in part by our customers, Saga will be even better positioned to continue helping the over 50s live life to the full.

Our travel, insurance, financial service and healthcare products are world class and we are now actively looking at new opportunities such as wealth management and private pay care in the home."

Further information

- The Company (180 days), the Shareholder (180 days) and the Directors and Senior Managers in respect of their direct holdings of Shares in Saga (365 days) have committed to lock-up arrangements following Admission, which are subject to certain customary exemptions
- It is expected that the Company will be eligible for inclusion in the FTSE UK Index Series at the quarterly review in September 2014

- In relation to the Offer and Admission, Citigroup Global Markets Limited is acting as Sole Sponsor, Joint Global Co-ordinator and Joint Bookrunner, BofA Merrill Lynch, Credit Suisse Securities (Europe) Limited and Goldman Sachs International are acting as Joint Global Co-ordinators and Joint Bookrunners, J.P. Morgan Cazenove and UBS Limited are acting as Joint Bookrunners, Investec Bank plc is acting as Joint Lead Manager and Mizuho International plc is acting as Co-Lead Manager. STJ Advisors LLP is acting as Financial Advisor to the Company. Solid Solutions Associates (UK) Limited is acting as Retail Offer Advisor to the Company.
- As stabilising manager on behalf of the syndicate, BofA Merrill Lynch has been granted the Over-allotment Option, exercisable no later than thirty days from today, by the Shareholder over up to 44.6 million Shares, representing 15% of the Offer

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Notes to editors:

Except where the context otherwise requires, defined terms used in this announcement have the meanings given to such terms in the Prospectus published by Saga.

Expected timetable

Event	Time and Date ⁽¹⁾⁽²⁾
Commencement of conditional dealings in Shares on the London Stock Exchange ⁽³⁾	8:00 am on 23 May 2014
Notification by e-mail of share allocation for Shareholders who submitted an Online Application and elected to hold their Shares through the Saga Shareholder Account or Saga Share Direct ⁽⁴⁾⁽⁵⁾	23 May 2014
Admission and commencement of unconditional dealings in Shares on the London Stock Exchange	8:00 am on 29 May 2014
CREST accounts credited in respect of Shares in uncertificated form	29 May 2014
Despatch by post of: (i) Share Account Statements to Shareholders holding Shares in the Saga Shareholder Account; (ii) definitive share certificates to Shareholders for Shares in certificated form; and (iii) allocation statements to Shareholders who elected to hold their Shares with Saga Share Direct (excluding, in each case, those Shareholders who are sent a notification by e-mail) together with, in each case (if applicable), payment of any refund by cheque ⁽⁶⁾	From 29 May 2014

Notes:

- (1) Times and dates set out in the timetable above and mentioned throughout this announcement that fall after the date of publication of this announcement are indicative only and may be subject to change without further notice.
- (2) All references to time in this timetable are to UK time.
- (3) It should be noted that, if Admission does not occur, all conditional dealings will be of no effect and any such dealings will be at the sole risk of the parties concerned.
- (4) Shareholders who submitted an Online Application and elected to hold their Shares through the Saga Shareholder Account or Saga Share Direct will be able to deal in Shares on a conditional basis prior to Admission.

- (5) Shareholders who applied for Shares in the Intermediaries Offer should consult their Intermediary as to when they will be sent documents in respect of any Shares they have been allocated and when they may commence dealing in any such Shares.
- (6) Or as soon as practicable thereafter. No temporary documents of title will be issued. Underlying applicants who apply to Intermediaries for Shares under the Intermediaries Offer will not receive share certificates.

Offer statistics

Price (per Share)	185 pence
Number of Shares in the Offer ⁽¹⁾	297,297,297
Number of Shares in issue on Admission ⁽²⁾	1,110,705,405
Number of Shares in the Offer as a percentage of total number of Shares in existence on Admission ⁽¹⁾⁽²⁾	27%
Number of Existing Shares subject to the Over-allotment Option ⁽³⁾	44,594,594
Market capitalisation of the Company at the Offer Price ⁽⁴⁾	£2.1 billion
Estimated net proceeds of the Offer receivable by the Company ⁽⁵⁾	£511.0 million

Notes:

- (1) Assuming no exercise of the Over-allotment Option.
- (2) The number of Shares in issue on Admission includes nil cost options which will be granted to certain Directors and Senior Managers on the day of Admission, representing a total of 13,408,108 Shares.
- (3) The number of Existing Shares comprised in the Over-allotment Option is, in aggregate, equal to 15% of the number of Shares comprised in the Offer.
- (4) The market capitalisation of the Company at any given time will depend on the market price of the Shares at that time. There can be no assurance that the market price of a Share will be equal to or exceed the Offer Price.
- (5) The net proceeds receivable by the Company are stated after deduction of the estimated underwriting commissions and other fees and expenses of the Offer (including VAT) payable by the Company, expected to be approximately £39.0 million. The Company will not receive any of the net proceeds from the sale of any Shares pursuant to the Over-allotment Option.

Appendix I

Allocations in the Retail Offer

Application Amount (£)	Customer Offer		Non-Customer Offer and Intermediaries Offer	
	Number of Shares allocated at the Offer Price	Allocation amount (£)	Number of Shares allocated at the Offer Price	Allocation amount (£)
£1,000	540	£999.00	400	£740.00
£1,500	630	£1,165.50	400	£740.00
£2,000	720	£1,332.00	400	£740.00
£2,500	800	£1,480.00	400	£740.00
£3,000	865	£1,600.25	400	£740.00
£4,000	930	£1,720.50	400	£740.00
£5,000	1,000	£1,850.00	400	£740.00
£6,000	1,020	£1,887.00	400	£740.00
£7,000	1,040	£1,924.00	400	£740.00
£8,000	1,060	£1,961.00	400	£740.00
£9,000	1,080	£1,998.00	400	£740.00
£10,000	1,100	£2,035.00	400	£740.00
£15,000	1,150	£2,127.50		
£20,000	1,200	£2,220.00		
£25,000	1,225	£2,266.25		
£30,000	1,250	£2,312.50		
£40,000	1,300	£2,405.00		

With respect to the Customer Offer, applications of £50,000 and above allocated at 5% subject to a maximum allocation of 5,000 Shares.

Applications in the Employee Offer have been met in full.

Forward-looking statements

This announcement contains "forward-looking" statements. These forward-looking statements involve known and unknown risks and uncertainties, many of which are beyond the control of the Company and all of which are based on the Directors' current beliefs and expectations about future events. Forward-looking statements are sometimes identified by the use of forward-looking terminology such as "believes", "expects", "may", "will", "could", "should", "shall", "risk", "intends", "estimates", "aims", "plans", "predicts", "projects", "anticipates", "continues", "assumes", "positioned" or "anticipates" or the negative thereof, other variations thereon or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward-looking statements include all matters that are not historical facts. Forward-looking statements may and often do differ materially from actual results. They appear in a number of places throughout this announcement and include statements regarding the intentions, beliefs or current expectations of the Directors or Saga 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 concerning, amongst other things, the results of operations, financial condition, liquidity, prospects, growth and strategies of Saga and the industry in which it operates. These forward-looking statements and other statements contained in this announcement regarding matters that are not historical facts involve predictions. No assurance can be given that such future results will be achieved; actual events or results may differ materially as a result of risks and uncertainties facing Saga. Such risks and uncertainties could cause actual results to vary materially from the future results indicated, expressed or implied in such forward-looking statements. The forward-looking statements contained in this announcement speak only as of the date of this announcement. The Group disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained in this announcement to reflect any change in its expectations or any change in events, conditions or circumstances on which such statements are based unless required to do so by applicable law, the Prospectus Rules, the Listing Rules or the Disclosure and Transparency Rules of the Financial Conduct Authority.

Important notice

The contents of this announcement, which has been prepared by and is the sole responsibility of Saga plc, have been approved by Citigroup Global Markets Limited and Merrill Lynch International solely for the purposes of section 21(2) (b) of the Financial Services and Markets Act 2000 (as amended).

Neither this announcement nor any copy of it may be made or transmitted into the United States, or distributed, directly or indirectly, in the United States. Neither this announcement nor any copy of it may be taken or transmitted directly or indirectly into Australia, Canada, Japan or South Africa or to any persons in any of those jurisdictions, except in compliance with applicable securities laws. Any failure to comply with this restriction may constitute a violation of Australian, Canadian, Japanese, South African or United States securities laws. The distribution of this announcement in other jurisdictions may be restricted by law and persons into whose possession this announcement comes should inform themselves about, and observe, any such restrictions. This announcement does not constitute, or form part of, an offer to sell, or a solicitation of an offer to purchase, any securities in Australia, Canada, Japan, South Africa or the United States or in any jurisdiction to whom or in which such offer or solicitation is unlawful.

The securities of Saga have not been and will not be registered under the US Securities Act of 1933, as amended (the "Securities Act") or any securities laws of any state or other jurisdiction of the United States and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable state law. There will be no public offer of the securities in the United States.

The securities referred to herein have not been registered under the applicable securities laws of Australia, Canada, Japan or South Africa and, subject to certain exceptions, may not be offered or sold within Australia, Canada, Japan or South Africa or to any national, resident or citizen of Australia, Canada, Japan or South Africa.

This announcement is not an offer of securities for sale in the United States or any other jurisdiction. This announcement is an advertisement and not a prospectus. Investors should not subscribe for or purchase any transferable securities referred to in this announcement except on the basis of information in the Prospectus published by Saga in connection with the proposed admission of its ordinary shares to the premium listing segment of the Official List of the Financial Conduct Authority and to trading on the main market for listed securities of the London Stock Exchange. Copies of the Prospectus are available for inspection from the Company's registered office Enbrook Park, Sandgate, Folkestone, Kent, CT20 3SE and from the Company's website www.saga.co.uk/shares.

Any purchase of Shares in the proposed Offer should be made solely on the basis of the information contained in the Prospectus. Before purchasing any Shares, persons viewing this announcement should ensure that they fully understand and accept the risks which will be set out in the Prospectus. The information in this announcement is for background purposes only and does not purport to be full or complete. No reliance may be placed for any purpose on the information contained in this announcement or its accuracy or completeness. This announcement does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for any Shares or any other securities nor shall it (or any part of it) or the fact of its distribution, form the basis of, or be relied on in connection with, any contract therefor.

This announcement does not constitute a recommendation concerning the Offer. The price and value of securities and any income from them can go down as well as up. Past performance is not a guide to future performance. Before purchasing any Shares, persons viewing this announcement should ensure that they fully understand and accept the risks that will be set out in the Prospectus, when published.

Information in this announcement or any of the documents relating to the Offer cannot be relied upon as a guide to future performance. There is no guarantee that Admission will occur and you should not base your financial decisions on Saga's intentions in relation to Admission at this stage. Potential investors should consult a professional advisor as to the suitability of the Offer for the entity concerned.

Citigroup Global Markets Limited, Credit Suisse Securities (Europe) Limited, Goldman Sachs International, Merrill Lynch International, J.P. Morgan Cazenove, UBS Limited and Investec Bank plc each of which is authorised by the Prudential Regulation Authority ("PRA") and regulated by the PRA and the Financial Conduct Authority ("FCA"), and Mizuho International plc and STJ Advisors LLP, each of which is authorised and regulated by the FCA, are acting exclusively for Saga and no-one else in connection with the Offer. They will not regard any other person as their respective clients in relation to the Offer and will not be responsible to anyone other than Saga for providing the protections afforded to their respective clients, nor for providing advice in relation to the Offer, the contents of this announcement or any transaction, arrangement or other matter referred to herein.

In connection with the Offer, each of Citigroup Global Markets Limited, Credit Suisse Securities (Europe) Limited, Goldman Sachs International, Merrill Lynch International, J.P. Morgan Cazenove, UBS Limited, Investec Bank plc and Mizuho International plc and any of their respective affiliates, acting as investors for their own accounts, may subscribe for or purchase Shares and in that capacity may retain, purchase, sell, offer to sell or otherwise deal for their own accounts in such Shares and other securities of Saga or related investments in connection with the Offer or otherwise. Accordingly, references in the Prospectus, once published, to the 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 Citigroup Global Markets Limited, Credit Suisse Securities (Europe) Limited, Goldman Sachs International, Merrill Lynch International, J.P. Morgan Cazenove, UBS Limited, Investec Bank plc and Mizuho International plc or any of their respective affiliates acting as investors for their own accounts. Citigroup Global Markets Limited, Credit Suisse Securities (Europe) Limited, Goldman Sachs International, Merrill Lynch International, J.P. Morgan Cazenove, UBS Limited, Investec Bank plc and Mizuho International plc and their respective affiliates do 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 Citigroup Global Markets Limited, Credit Suisse Securities (Europe) Limited, Goldman Sachs International, Merrill Lynch International, J.P. Morgan Cazenove, UBS Limited, Investec Bank plc and Mizuho International plc or any of their respective affiliates or any of their respective directors, officers, employees, advisors 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 Saga, its 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.

In connection with the Offer, Merrill Lynch International as stabilising manager, or any of its agents, may (but will be under no obligation to), to the extent permitted by applicable law, over-allot Shares or effect other transactions with a view to supporting the market price of the Shares at a higher level than that which might otherwise prevail in the open market. The stabilising manager will not be required to enter into such transactions and such transactions may be effected on any stock market, over-the-counter market, stock exchange or otherwise and may be undertaken at any time during the period commencing on the date of the commencement of conditional dealings of the Shares on the London Stock Exchange and ending no later than 30 calendar days thereafter. However, there will be no obligation on the stabilising manager or any of its agents to effect stabilising transactions and there is no assurance that stabilising transactions will be undertaken. Such stabilising measures, if commenced, may be discontinued at any time without prior notice. In no event will measures be taken to stabilise the market price of the Shares above the offer price. Save as required by law or regulation, neither the stabilising manager nor any of its agents intends to disclose the extent of any over-allotments made and/or stabilisation transactions conducted in relation to the Offer.

Certain figures contained in this document, including financial information, have been subject to rounding adjustments. Accordingly, in certain instances, the sum or percentage change of the numbers contained in this document may not conform exactly with the total figure given.