

20 May 2010

Investec records strong increases in assets under management

Capital strength and liquidity further reinforced

Investec, the international specialist bank and asset manager, announces today its results for the year ended 31 March 2010.

Highlights

- Investec recorded a good operating performance with all divisions and geographies profitable
- Operational and geographic diversity continues to support a large recurring revenue base, totaling 60.4% of operating income
- The group has further improved the quality of its balance sheet, with an increase in both capital and liquidity
 - Tier 1 ratios rose for Investec plc and Investec Limited to 11.3% and 12.1%, respectively
 - Cash and near cash balances rose 87.4% to GBP9.1bn
 - Customer deposits increased by 50.5% to GBP21.9bn
 - The ratio of loans to deposits improved from 103.6% to 76.2%
- Strong growth recorded in assets under management
 - Total third party assets under management increased by 50.7% to GBP73.6bn
 - Investec Asset Management recorded significant inflows of GBP4.7bn
- The credit loss ratio was in line with expectations at 1.16%; management believes that the credit loss cycle is peaking
- Business units have moved onto the front foot and are taking advantage of new opportunities
- Proposed acquisition of Rensburg Sheppards plc represents an important strategic step towards building a substantial global wealth management platform
- Investment in the Investec brand continues to deliver shareholder value

Financial features

| | Year to 31 March 2010 | Year to 31 March 2009 | % Change |
|---|--------------------------|--------------------------|----------|
| Operating profit before tax* (GBP'mn) | 432.3 | 396.8 | 8.9% |
| Earnings attributable to shareholders* (GBP'mn) | 309.7 | 269.2 | 15.0% |
| Adjusted EPS* (pence) | 45.1 | 42.4 | 6.4% |
| Dividends per share (pence) | 16.0 | 13.0 | 23.1% |
| Net tangible asset value per share (pence) | 324.1 | 266.3 | 21.7% |
| ROE | 13.5% | 14.8% | |
| Cost to income ratio | 57.8% | 55.9% | |

Business highlights – operating profit before tax*

- Asset Management: increase of 26.0% to GBP83.4mn (2009: GBP66.2mn)
- Private Wealth: increase of 7.4% to GBP25.9mn (2009: GBP24.1mn)
- Property Activities: increase of 35.6% to GBP33.5mn (2009: GBP24.7mn)
- Private Banking: decrease of 54.0% to GBP37.0mn (2009: GBP80.5mn)
- Investment Banking: increase of 47.6% to GBP41.6mn (2009: GBP28.2mn)
- Capital Markets: increase of 26.7% to GBP179.1mn (2009: GBP141.4mn)
- Group Services and Other Activities: GBP31.7mn (2009: GBP31.8mn)

*Before non-operating items and goodwill and after minorities

Stephen Koseff, Chief Executive Officer of Investec said:

“By managing risk, building capital and liquidity and investing in our brand we have secured increased recognition as a strong, independent financial institution. This is reflected in the improved earnings and substantial increase in assets under management we are reporting today. The business is on the front foot and looking ahead we see good opportunities and growth potential right across the business.”

Bernard Kantor, Managing Director of Investec said:

“Investec’s diversified business model enables us to navigate through varying cycles and support our long-term growth objectives. It is a model that has served us well and looking ahead it is our strategic intention to strengthen it further by establishing a global private wealth platform to complement our existing divisions. Investec is a business in good shape and we look forward to the future with confidence.”

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About Investec

Investec is an international specialist bank and asset manager that provides a diverse range of financial products and services to a niche client base in three principal markets, the United Kingdom, South Africa and Australia as well as certain other countries. The group was established in 1974 and currently has approximately 6 100 employees.

Investec focuses on delivering distinctive profitable solutions for its clients in six core areas of activity namely, Asset Management, Private Wealth, Property Activities, Private Banking, Investment Banking and Capital Markets.

In July 2002 the Investec group implemented a dual listed company structure with listings on the London and Johannesburg Stock Exchanges. The combined group’s current market capitalisation is approximately GBP3.6bn.

Investec plc and Investec Limited (combined results)

Unaudited combined consolidated financial results in Pounds Sterling for the year ended 31 March 2010

Overall performance

Over the past year the group has concentrated on improving the quality of its balance sheet whilst at the same time moving the organisation onto the front foot. This has resulted in a satisfactory year end performance, with a strengthening of both liquidity and capital and an increase of 6.4% in adjusted earnings per share (EPS) before goodwill and non-operating items from 42.4 pence to 45.1 pence.

The main features of the year under review are:

- Operating profit before goodwill, non-operating items and taxation and after minorities ("operating profit") increased 8.9% to GBP432.3 million (2009: GBP396.8 million).
- Adjusted earnings attributable to shareholders before goodwill and non-operating items increased 15.0% to GBP309.7 million (2009: GBP269.2 million).
- Net asset value per share increased by 17.9% to 364.0 pence (2009: 308.8 pence) and net tangible asset value per share (which excludes goodwill and intangible assets) increased by 21.7% to 324.1 pence (2009: 266.3 pence).
- Third party assets under management increased by 50.7% to GBP73.6 billion (2009: GBP48.8 billion).
- Customer accounts (deposits) increased 50.5% to GBP21.9 billion (2009: GBP14.6 billion).
- Core loans and advances (excluding own originated securitised assets) as a percentage of customer deposits improved from 103.6% at 31 March 2009 to 76.2%.
- Tier 1 capital adequacy ratios have strengthened in both Investec plc and Investec Limited (refer to "Operational review" section below).
- Low gearing ratios represented by core loans and advances to equity at 5.4 times (2009: 6.2 times) and total assets (excluding assurance assets) to equity at 12.5 times (2009: 12.9 times).
- The board proposes a final dividend of 8.0 pence per ordinary share equating to a full year dividend of 16.0 pence (2009: 13.0 pence) resulting in a dividend cover based on the group's adjusted EPS before goodwill and non-operating items of 2.8 times (2009: 3.3 times), consistent with the group's dividend policy.

Operational review

Liquidity and funding

Diversifying Investec's funding sources has been a key element in improving the quality of the group's balance sheet and reducing its reliance on wholesale funding. The group has been successful in growing customer deposits in all three core geographies and substantially increasing its cash and near cash balances from GBP4.9 billion to GBP9.1 billion. The maintenance of cash reserves and a stock of readily available, high quality liquid assets well in excess of minimum regulatory requirements remains a core strategy of the group, with these balances on average representing 20% to 30% of the group's liability base over the period.

Capital adequacy

The group holds capital in excess of regulatory requirements targeting a minimum tier one capital ratio of 11% and a total capital adequacy ratio range of 14% to 17% on a consolidated basis for each of Investec plc and Investec Limited. Capital ratios are within the group's target range across all core geographies.

| Basel II ratios | 31 Mar 2010 | 31 Mar 2009 |
|-------------------------|--------------------|--------------------|
| Investec plc | | |
| Capital adequacy ratio | 15.9% | 16.2% |
| Tier 1 ratio | 11.3% | 10.1% |
| Investec Limited | | |
| Capital adequacy ratio | 15.6% | 14.2% |
| Tier 1 ratio | 12.1% | 10.8% |

Asset quality

The bulk of Investec's credit and counterparty risk arises through its Private Banking and Capital Markets activities. The Private Bank lends mainly to high net worth and high income individuals, whilst the Capital Markets division primarily transacts with mid to large sized corporates, public sector bodies and institutions. Investec continues to focus on asset quality and credit risk in all geographies. Impairments and defaults on core loans and advances have increased in line with guidance previously provided, as detailed in the "Financial statement analysis" below.

Business unit review

Investec is a focused, specialist bank and asset manager striving to be distinctive in all that it does. The group seeks to maintain an appropriate balance between revenue earned from operational risk businesses and revenue earned from financial risk businesses. This ensures that the group is not over reliant on any one part of its business to sustain its activities and that it has a large recurring revenue base that enables it to navigate through varying cycles and to support its long-term growth objectives.

Investec's current strategic objectives include increasing the proportion of its non-lending revenue base which the group largely intends to achieve through the continued strengthening and development of its wealth and asset management businesses.

Against this background, the group has modified its segmental reporting disclosure for the period, effectively separating out its asset and wealth management activities from its specialist banking activities. This has not resulted in a restatement of any segmental reporting numbers but has merely altered the format of the disclosure.

Asset Management

Asset Management reported an increase in operating profit of 26.0% to GBP83.4 million (2009: GBP66.2 million), benefitting from substantial net inflows of GBP4.7 billion. Since 31 March 2009, assets under management increased by 60.9% from GBP28.8 billion to GBP46.4 billion.

Private Wealth (previously Private Client Portfolio Management and Stockbroking)

Private Wealth reported an increase in operating profit of 7.4% to GBP25.9 million (2009: GBP24.1 million). The business in South Africa was impacted by lower activity levels. The results of the UK operations include Investec's 47.1% share of the directors' estimate of the post-tax profit of Rensburg Sheppards plc for the year ended 31 March 2010.

On 30 March 2010, it was announced that Investec and Rensburg Sheppards plc had reached agreement on the terms of a recommended all share offer under which Investec will acquire the entire issued and to be issued ordinary share capital of Rensburg Sheppards plc not already owned by it. Full details of the offer, which is still subject to shareholder and regulatory approvals, can be found on Investec's website: <http://www.investec.com>

Property Activities

Property Activities generated an increase in operating profit of 35.6% to GBP33.5 million (2009: GBP24.7 million). The results of the division were largely supported by a satisfactory performance from the investment property portfolio in South Africa.

Private Banking

Operating profit from the Private Banking division decreased by 54.0% to GBP37.0 million. (2009: GBP80.5 million). The division focused resources during the period on building its deposit book which increased by 52.3% to GBP11.8 billion (2009: GBP7.7 billion). Funds under advice also increased 25.0% to GBP4.1 billion (2009: GBP3.3 billion). The private client core lending book grew by 16.8% to GBP12.9 billion (2009: GBP11.1 billion), mainly due to movements in exchange rates. Activity levels remained muted and impairment losses on loans and advances increased.

Investment Banking

The Investment Banking division reported an increase of 47.6% in operating profit to GBP41.6 million (2009: GBP28.2 million). The Principal Investments division recorded a solid result, primarily driven by an improved performance from some of the investments held in the UK and Australian portfolio. The Agency divisions closed fewer transactions in comparison to the prior year and commissions were impacted by lower volumes.

Capital Markets

Capital Markets reported an increase in operating profit of 26.7% to GBP179.1 million (2009: GBP141.4 million). The division has experienced reasonable levels of activity across the advisory businesses and took advantage of select debt and credit opportunities. Trading and balance sheet management activities have, however, been impacted by the lower rate environment and declining volatility. Core loans and advances declined 6.1% to GBP4.5 billion (2009: GBP4.8 billion). Kensington Group plc ("Kensington") produced a stable performance and reported an operating profit of GBP37.3 million (2009: GBP37.1 million).

Group Services and Other Activities

Group Services and Other Activities contributed GBP31.7 million to operating profit (2009: GBP31.8 million). The Central Funding division performed well benefiting from the repurchase of group debt, partially offset by a lower return on surplus cash.

Further information on key developments within each of the business units is provided in a detailed report published on the group's website: <http://www.investec.com>

Financial statement analysis

Total operating income

Total operating income net of insurance claims has increased by 11.3% to GBP1,657 million (2009: GBP1,490 million). Material movements in total operating income are analysed below.

Net interest income decreased by 11.7% to GBP613.1 million (2009: GBP694.0 million) largely as a result of a lower return generated on excess capital held given the declining rate environment.

Net fee and commission income increased by 2.6% to GBP545.1 million (2009: GBP531.5 million). Average funds under management have been supported by improved market indices and significant net inflows. Transactional activity, however, remains mixed and below historic trends.

Income from principal transactions increased 65.5% from GBP276.5 million to GBP457.8 million. The group has benefited from the repurchase of its debt, opportunities taken in the dislocated credit markets and good trading conditions across all geographies.

Operating income from associates decreased by 6.8% to GBP11.6 million (2009: GBP12.4 million). The figure includes Investec's 47.1% share of the directors' estimate of the post-tax profit of Rensburg Sheppards plc for the year ended 31 March 2010.

The consolidation of the operating results of certain investments held within the group's Private Equity portfolio is partly reflected in other operating income/loss, which improved from a loss of GBP30.2 million to a gain of GBP22.7 million.

As a result of the foregoing factors, recurring income as a percentage of total operating income decreased to 60.4% (2009: 70.0%).

Impairment losses on loans and advances

The weaker credit cycle has caused a decline in the performance of the group's loan portfolio. In line with previous guidance provided, impairment losses on loans and advances have increased from GBP163.0 million to GBP205.4 million (excluding Kensington). The credit loss charge as a percentage of average gross loans and advances is 1.16%, marginally higher than the 1.08% reported at 31 March 2009. The percentage of default loans (net of impairments but before taking collateral into account) to core loans and advances has increased from 3.3% to 4.0% since 31 March 2009. The ratio of collateral to default loans (net of impairments) remains satisfactory at 1.33 times (2009: 1.22 times).

Impairment losses on loans and advances relating to the Kensington business amount to GBP81.2 million (2009: GBP93.2 million). The total Kensington book has reduced to GBP4.7 billion from GBP5.2 billion at 31 March 2009. The percentage of accounts in arrears has increased as the book continues to run off.

Administrative expenses and depreciation

The ratio of total operating expenses to total operating income amounts to 57.8% (2009:55.9%).

Total expenses grew by 14.9% to GBP957.2 million (2009: GBP833.3 million) largely as a result of the appreciation of the Rand and an increase in variable remuneration in certain divisions given improved profitability. Total staff compensation costs increased by 15.0% to GBP598.1 million (2009:GBP520.2 million), resulting in a compensation ratio of 36.1% (2009:34.9%). Other operating expenses increased by 14.7% to GBP359.1 million.

Impairment of goodwill

The current period goodwill impairment relates to Asset Management businesses acquired in prior years.

Taxation

The operational effective tax rate of the group decreased from 21.1% to 20.6% as a result of an increase in income earned that is subject to lower tax rates or is non-taxable.

Losses attributable to minority interests

Losses attributable to minority interests of GBP18.8 million largely comprise:

- GBP12.3 million relating to investments consolidated in the Private Equity division;
- GBP6.9 million relating to Euro denominated preferred securities issued by a subsidiary of Investec plc which are reflected on the balance sheet as part of minority interests. (The transaction is hedged and a forex transaction profit arising on the hedge is reflected in operating profit before goodwill with the equal and opposite impact reflected in earnings attributable to minorities).

Balance sheet analysis

Since 31 March 2009:

- Total shareholders' equity (including minority interests) increased by 25.6% to GBP3.3 billion largely as a result of retained earnings and the issue of shares.
- Total assets increased from GBP37.4 billion to GBP46.6 billion largely as a result of increased cash holdings and movement in exchange rates.
- The return on adjusted average shareholders' equity declined from 14.8% to 13.5%.

Outlook

Investec has built its capital, liquidity and third party assets under management over the period under review. The foundation is now in place for further growth both in the group's non capital intensive asset management businesses as well as in its core specialist banking businesses. Although the economic situation remains uncertain the business is oriented towards capturing available opportunities in all its core geographies.

On behalf of the boards of Investec plc and Investec Limited

| | | |
|-------------|-------------------------|-------------------|
| Hugh Herman | Stephen Koseff | Bernard Kantor |
| Chairman | Chief Executive Officer | Managing Director |

Notes to the commentary section above

- **Presentation of financial information**

Investec operates under a Dual Listed Companies (DLC) structure with premium/primary listings of Investec plc on the London Stock Exchange and Investec Limited on the JSE Limited.

In terms of the contracts constituting the DLC structure, Investec plc and Investec Limited effectively form a single economic enterprise in which the economic and voting rights of ordinary shareholders of the companies are maintained in equilibrium relative to each other. The directors of the two companies consider

that for financial reporting purposes, the fairest presentation is achieved by combining the results and financial position of both companies.

Accordingly, the year end results for Investec plc and Investec Limited present the results and financial position of the combined DLC group under IFRS, denominated in Pounds Sterling. In the commentary above, all references to Investec or the group relate to the combined DLC group comprising Investec plc and Investec Limited.

Unless the context indicates otherwise, all comparatives included in the commentary above relate to the year ended 31 March 2009.

- **Foreign currency impact**

The group's reporting currency is Pounds Sterling. Certain of the group's operations are conducted by entities outside the UK. The results of operations and the financial condition of the individual companies are reported in the local currencies in which they are domiciled, including Rands, Australian Dollars, Euros and US Dollars. These results are then translated into Pounds Sterling at the applicable foreign currency exchange rates for inclusion in the group's combined consolidated financial statements. In the case of the income statement, the weighted average rate for the relevant period is applied and, in the case of the balance sheet, the relevant closing rate is used.

The following table sets out the movements in certain relevant exchange rates against Pounds Sterling over the period:

| Year to date | 31 Mar 2010 | | 31 Mar 2009 | |
|----------------------|-------------|-------|-------------|-------|
| | Close | Ave | Close | Ave |
| Currency per GBP1.00 | | | | |
| South African Rand | 11.11 | 12.38 | 13.58 | 14.83 |
| Australian Dollar | 1.66 | 1.88 | 2.07 | 2.19 |
| Euro | 1.12 | 1.13 | 1.08 | 1.21 |
| Dollar | 1.52 | 1.59 | 1.43 | 1.73 |

Exchange rates between local currencies and Pounds Sterling have fluctuated over the period. The most significant impact arises from the appreciation of the Rand. The average exchange rate over the period has appreciated by 16.5% and the closing rate has appreciated by 18.2% since 31 March 2009.

- **Accounting policies and disclosures**

The accounting policies applied in the preparation of the results for the year ended 31 March 2010 are consistent with those adopted in the financial statements for the year ended 31 March 2009, except for the adoption of the following standards and interpretations:

- IAS 1 Presentation of Financial Statements (revised)
- IFRIC 13 Customer Loyalty Programmes

The adoption of these standards and interpretations had no material effect on the results and no resulting prior year restatements.

These unaudited condensed combined consolidated financial statements have been prepared in terms of the recognition and measurement criteria of International Financial Reporting Standards, and the presentation and disclosure requirements of IAS 34, Interim Financial Reporting.

Investec operates in a legal and regulatory environment that exposes it to litigation risks. As a result, Investec is involved in disputes and legal proceedings which arise in the ordinary course of business. Investec does not expect the ultimate resolution of any of the proceedings to which Investec is party to have a significant adverse effect on the financial position of the group. These claims, if any cannot be reasonably estimated at this time.

Restatements

The group applies a policy of offsetting financial assets and financial liabilities when there is both an intention to settle on a net basis (or simultaneously) and a legal right to offset exists. With regard to derivative instruments, the group identified that in certain isolated instances offsetting was applied in prior financial periods to derivative assets and liabilities where it is not market practice to settle net, whilst the legal right to settle net exists. The impact of this restatement on the balance sheet of the two prior years is noted below:

| GBP'000 | 31 Mar 2009 | 31 Mar 2008 |
|---|--------------------|--------------------|
| Restated | | |
| Derivative financial instrument assets | 1,843,143 | 1,425,587 |
| Derivative financial instrument liabilities | 1,456,561 | 1,001,900 |
| As previously reported | | |
| Derivative financial instrument assets | 1,582,908 | 1,305,264 |
| Derivative financial instrument liabilities | 1,196,326 | 881,577 |
| Change to previously reported | | |
| Derivative financial instrument assets | 260,235 | 120,323 |
| Derivative financial instrument liabilities | 260,235 | 120,323 |

The above restatements have no impact on equity and the net cash position.

- **Proviso**
- Please note that matters discussed in this announcement may contain forward looking statements which are subject to various risks and uncertainties and other factors, including, but not limited to:
 - the further development of standards and interpretations under International Financial Reporting Standards (IFRS) applicable to past, current and future periods, evolving practices with regard to the interpretation and application of standards under IFRS.
 - domestic and global economic and business conditions.
 - market related risks.
- A number of these factors are beyond the group's control.
- These factors may cause the group's actual future results, performance or achievements in the markets in which it operates to differ from those expressed or implied.
- Any forward looking statements made are based on the knowledge of the group at 20 May 2010.
- The information in the announcement for the year ended 31 March 2010, which was approved by the board of directors on 19 May 2010, does not constitute statutory accounts as defined in Section 435 of the UK Companies Act 2006.

Investec plc and Investec Limited (combined results)
Unaudited combined consolidated financial results in Pounds Sterling for the year ended 31 March 2010

Salient Features

| | 31 March 2010 | 31 March 2009 | % |
|---|--------------------------|------------------|--------|
| | | | Change |
| Operating profit before, goodwill, non-operating items, taxation and after minorities (GBP'000) | 432,258 | 396,766 | 8.9 |
| Earnings attributable to shareholders (GBP'000) | 346,133 | 292,022 | 18.5 |
| Adjusted earnings before goodwill and non-operating items (GBP'000) | 309,710 | 269,215 | 15.0 |
| Adjusted earnings per share (before goodwill and non-operating items) (pence) | 45.1 | 42.4 | 6.4 |
| Dividends per share (pence) | 16.0 | 13.0 | 23.1 |
| Tangible net asset value per share (pence) | 324.1 | 266.3 | 21.7 |
| Customer accounts (deposits) (GBP million) | 21,934 | 14,573 | 50.5 |
| Third party assets under management (GBP million) | 73,600 | 48,828 | 50.7 |

Combined consolidated income statement

| Year to 31 March | Unaudited | Audited |
|--|------------------|-------------|
| GBP'000 | 2010 | 2009 |
| Interest income | 2,726,011 | 2,596,913 |
| Interest expense | (2,112,925) | (1,902,882) |
| Net interest income | 613,086 | 694,031 |
| Fee and commission income | 612,574 | 592,814 |
| Fee and commission expense | (67,497) | (61,292) |
| Principal transactions | 457,759 | 276,521 |
| Operating income from associates | 11,595 | 12,438 |
| Investment income on assurance activities | 94,914 | 74,584 |
| Premiums and reinsurance recoveries on insurance contracts | 31,938 | 18,773 |
| Other operating income/(loss) | 22,737 | (30,240) |
| Other income | 1,164,020 | 883,598 |
| Claims and reinsurance premiums on insurance business | (119,918) | (88,108) |
| Total operating income net of insurance claims | 1,657,188 | 1,489,521 |
| Impairment losses on loans and advances | (286,581) | (256,173) |
| Operating income | 1,370,607 | 1,233,348 |
| Administrative expenses | (920,694) | (803,158) |
| Depreciation, amortisation and impairment of property, equipment and intangibles | (36,457) | (30,102) |
| Operating profit before goodwill | 413,456 | 400,088 |
| Impairment of goodwill | (3,526) | (32,467) |
| Operating profit | 409,930 | 367,621 |
| Profit on disposal of group operations | – | 721 |
| Profit before taxation | 409,930 | 368,342 |
| Taxation | (82,599) | (81,675) |
| Profit after taxation | 327,331 | 286,667 |
| Losses attributable to minority interests | 18,802 | 5,355 |
| Earnings attributable to shareholders | 346,133 | 292,022 |
| Earnings attributable to shareholders | 346,133 | 292,022 |
| Impairment of goodwill | 3,526 | 32,467 |
| Impairment of goodwill attributable to minorities | – | (8,677) |
| Profit on disposal of group operations, net of taxation | – | (721) |
| Preference dividends | (43,860) | (47,503) |
| Additional earnings attributable to other equity holders | 3,911 | 1,627 |
| Adjusted earnings before goodwill and non-operating items | 309,710 | 269,215 |
| Earnings per share (pence) | | |
| – basic | 44.0 | 38.5 |
| – diluted | 41.5 | 36.1 |
| Adjusted earnings per share (pence) | | |
| – basic | 45.1 | 42.4 |
| – diluted | 42.5 | 39.7 |
| Number of weighted average shares | | |
| – basic (millions) | 686.3 | 634.6 |

Combined summarised consolidated statement of comprehensive income

| Year to 31 March | Unaudited | Audited |
|---|----------------|----------------|
| GBP'000 | 2010 | 2009 |
| Profit after taxation | 327,331 | 286,667 |
| Fair value movements on cash flow hedges† | 14,202 | (16,293) |
| Fair value movements on available for sale assets† | 20,370 | (4,638) |
| (Gains)/losses on realisation of available for sale assets recycled through the income statement† | (8,887) | 415 |
| Foreign currency movements | 239,789 | 215,653 |
| Pension fund actuarial losses | (8,180) | (9,722) |
| Total comprehensive income | 584,625 | 472,082 |
| Total comprehensive income attributable to minority shareholders | 9,918 | 21,285 |
| Total comprehensive income attributable to ordinary shareholders | 493,073 | 376,020 |
| Total comprehensive income attributable to perpetual preferred securities | 81,634 | 74,777 |
| Total comprehensive income | 584,625 | 472,082 |

†Net of taxation of GBP9,989 million (2009: (GBP7,978 million)).

Combined summarised consolidated cash flow statement

| Year to 31 March | Unaudited | Audited |
|---|------------------|------------------|
| GBP'000 | 2010 | 2009* |
| Cash inflows from operations | 731,000 | 631,378 |
| Increase in operating assets | (3,336,695) | (93,188) |
| Increase/(decrease) in operating liabilities | 4,115,640 | (183,343) |
| Net cash inflow from operating activities | 1,509,945 | 354,847 |
| Net cash outflow from investing activities | (28,468) | (63,670) |
| Net cash outflow from financing activities | (118,694) | (184,981) |
| Effects of exchange rate changes on cash and cash equivalents | 274,915 | 226,277 |
| Net increase in cash and cash equivalents | 1,637,698 | 332,473 |
| Cash and cash equivalents at the beginning of the year | 2,284,349 | 1,951,876 |
| Cash and cash equivalents at the end of the year | 3,922,047 | 2,284,349 |

Cash and cash equivalents are defined as including: cash and balances at central banks, on demand loans and advances to banks and cash equivalent advances to customers (all of which have a maturity profile of less than three months).

*As restated for reclassifications detailed in the commentary section of this report.

Combined consolidated balance sheet

| At 31 March GBP'000 | Unaudited 2010 | Audited 2009* |
|--|-------------------|-------------------|
| Assets | | |
| Cash and balances at central banks | 2,338,234 | 1,105,089 |
| Loans and advances to banks | 2,781,630 | 2,018,089 |
| Cash equivalent advances to customers | 581,117 | 396,173 |
| Reverse repurchase agreements and cash collateral on securities borrowed | 911,432 | 569,770 |
| Trading securities | 4,221,645 | 2,313,845 |
| Derivative financial instruments | 1,591,841 | 1,843,143 |
| Investment securities | 1,996,073 | 1,063,569 |
| Loans and advances to customers | 17,414,691 | 15,390,519 |
| Loans and advances to customers – Kensington warehouse assets | 1,776,525 | 1,897,878 |
| Securitised assets | 5,334,453 | 5,628,347 |
| Interest in associated undertakings | 104,059 | 93,494 |
| Deferred taxation assets | 134,355 | 136,757 |
| Other assets | 1,240,624 | 894,062 |
| Property and equipment | 161,255 | 174,532 |
| Investment properties | 273,038 | 189,156 |
| Goodwill | 274,417 | 255,972 |
| Intangible assets | 36,620 | 34,402 |
| | 41,172,009 | 34,004,797 |
| Other financial instruments at fair value through income in respect of | | |
| – liabilities to customers | 5,397,014 | 3,358,338 |
| – assets related to reinsurance contracts | 2,842 | 1,768 |
| | 46,571,865 | 37,364,903 |
| Liabilities | | |
| Deposits by banks | 2,439,670 | 3,781,153 |
| Deposits by banks – Kensington warehouse funding | 1,213,042 | 1,412,961 |
| Derivative financial instruments | 1,193,421 | 1,456,561 |
| Other trading liabilities | 504,618 | 344,561 |
| Repurchase agreements and cash collateral on securities lent | 1,110,508 | 915,850 |
| Customer accounts (deposits) | 21,934,044 | 14,572,568 |
| Debt securities in issue | 1,791,869 | 1,014,871 |
| Liabilities arising on securitisation | 4,714,556 | 5,203,473 |
| Current taxation liabilities | 196,965 | 155,395 |
| Deferred taxation liabilities | 136,974 | 120,135 |
| Other liabilities | 1,572,760 | 1,264,144 |
| Pension fund liabilities | 1,285 | 1,212 |
| | 36,809,712 | 30,242,884 |
| Liabilities to customers under investment contracts | 5,392,662 | 3,352,863 |
| Insurance liabilities, including unit-linked liabilities | 4,352 | 5,475 |
| Reinsured liabilities | 2,842 | 1,768 |
| | 42,209,568 | 33,602,990 |
| Subordinated liabilities | 1,070,436 | 1,141,376 |
| | 43,280,004 | 34,744,366 |
| Equity | | |
| Called up share capital | 195 | 190 |
| Perpetual preference share capital | 152 | 151 |
| Share premium | 1,928,296 | 1,769,040 |
| Treasury shares | (66,439) | (173,068) |
| Other reserves | 246,718 | 42,509 |
| Retained income | 846,060 | 658,129 |
| Shareholders' equity excluding minority interests | 2,954,982 | 2,296,951 |
| Minority interests | 336,879 | 323,586 |
| – Perpetual preferred securities issued by subsidiaries | 314,944 | 295,084 |
| – Minority interests in partially held subsidiaries | 21,935 | 28,502 |
| Total equity | 3,291,861 | 2,620,537 |
| Total liabilities and equity | 46,571,865 | 37,364,903 |

*As restated for reclassifications detailed in the commentary section of this report.

**Segmental geographic and business analysis of operating profit before goodwill,
non-operating items and taxation for the year ended 31 March 2010**

| Unaudited | United Kingdom and Europe | Southern Africa | Australia | Total group |
|--|------------------------------------|--------------------|---------------|----------------|
| GBP'000 | | | | |
| Asset Management | 25,335 | 58,077 | – | 83,412 |
| Private Wealth | 11,637 | 14,250 | – | 25,887 |
| Property Activities | 825 | 31,582 | 1,072 | 33,479 |
| Private Banking | 6,545 | 29,330 | 1,177 | 37,052 |
| Investment Banking | (4,399) | 45,694 | 273 | 41,568 |
| Capital Markets | 93,163 | 70,572 | 15,404 | 179,139 |
| Group Services and Other Activities | (9,407) | 40,862 | 266 | 31,721 |
| Operating profit after minorities | 123,699 | 290,367 | 18,192 | 432,258 |
| Minority interest-equity | | | | (18,802) |
| Operating profit before goodwill | | | | 413,456 |

**Segmental geographic and business analysis of operating profit before goodwill,
non-operating items and taxation for the year ended 31 March 2009**

| Audited | United Kingdom and Europe | Southern Africa | Australia | Total group |
|--|------------------------------------|--------------------|--------------|----------------|
| GBP'000 | | | | |
| Asset Management | 17,149 | 49,037 | – | 66,186 |
| Private Wealth | 12,044 | 12,058 | – | 24,102 |
| Property Activities | 774 | 21,769 | 2,138 | 24,681 |
| Private Banking | 42,034 | 35,954 | 2,475 | 80,463 |
| Investment Banking | (30,810) | 66,065 | (7,089) | 28,166 |
| Capital Markets | 78,015 | 61,150 | 2,209 | 141,374 |
| Group Services and Other Activities | (18,316) | 47,395 | 2,715 | 31,794 |
| Operating profit after minorities | 100,890 | 293,428 | 2,448 | 396,766 |
| Minority interest-equity | | | | 3,322 |
| Operating profit before goodwill | | | | 400,088 |

Combined summarised consolidated statement of changes in equity

| Year to 31 March GBP'000 | Unaudited 2010 | Audited 2009 |
|---|-------------------|-----------------|
| Balance at the beginning of the year | 2,620,537 | 2,210,019 |
| Total comprehensive income | 584,625 | 472,082 |
| Share based payments adjustments | 56,942 | 92,848 |
| Dividends paid to ordinary shareholders | (91,946) | (143,995) |
| Dividends paid to perpetual preference shareholders | (43,860) | (47,503) |
| Issue of ordinary shares | 84,178 | 91,764 |
| Issue of perpetual preference shares | 40,869 | – |
| Share issue expenses | (3,559) | – |
| Movement of treasury shares | 40,974 | (58,164) |
| Issue of equity instruments by subsidiaries | 3,547 | 3,486 |
| Dividends paid to minorities | (578) | – |
| Movement of minorities on disposals and acquisitions | 132 | – |
| Balance at the end of the year | 3,291,861 | 2,620,537 |

Investec plc

Ordinary dividend announcement

Registration number: 3633621

Share code: INP

ISIN: GB00BI7BBQ50

In terms of the DLC structure, Investec plc shareholders who are not South African resident shareholders may receive all or part of their dividend entitlements through dividends declared and paid by Investec plc on their ordinary shares and/or through dividends declared and paid on the SA DAN share issued by Investec Limited.

Investec plc shareholders who are South African residents, may receive all or part of their dividend entitlements through dividends declared and paid by Investec plc on their ordinary shares and/or through dividends declared and paid on the SA DAS share issued by Investec Limited.

Notice is hereby given that final dividend number 16 of 8 pence (2009: 5 pence) per ordinary share has been recommended by the board in respect of the financial year ended 31 March 2010 payable to shareholders recorded in the members' register of the company at the close of business on Friday, 30 July 2010, which will be paid as follows:

- For non-South African resident Investec plc shareholders, through a dividend payment by Investec plc of 8pence per ordinary share
- For South African resident shareholders of Investec plc, through a dividend payment by Investec plc of 1.5 pence per ordinary share and through a dividend payment on the SA DAS share of 6.5 pence per ordinary share.

The relevant dates for the payment of the dividends are as follows:

Last day to trade cum-dividend:

On the London Stock Exchange (LSE) Tuesday, 27 July 2010

On the Johannesburg Stock Exchange (JSE) Friday, 23 July 2010

Shares commence trading ex-dividend:

On the London Stock Exchange (LSE) Wednesday, 28 July 2010

On the Johannesburg Stock Exchange (JSE) Monday, 26 July 2010

Record date (on the LSE and the JSE) Friday, 30 July 2010

Payment date (on the LSE and the JSE) Tuesday, 17 August 2010

Share certificates on the South African branch register may not be dematerialised or rematerialised between Monday, 26 July 2010 and Friday, 30 July 2010, both dates inclusive, nor may transfers between the UK and SA registers take place between Monday, 26 July 2010 and Friday, 30 July 2010, both dates inclusive.

Shareholders registered on the South African register are advised that the distribution of 8 pence, equivalent to 89 cents per share, has been arrived at using the Rand/Pound Sterling average buy/sell forward rate, as determined at 11h00 (SA time) on Wednesday, 19 May 2010.

By order of the board

D Miller

Company Secretary

Investec plc

Dividend announcement

Registration number: 3633621
Share code: INPP
ISIN: GB00B19RX541

**Non-redeemable non-cumulative non-participating preference shares
Declaration of dividend number 8**

Notice is hereby given that preference dividend number 8 has been declared for the period 01 October 2009 to 31 March 2010 amounting to 7.48 pence per share payable to holders of the non-redeemable non-cumulative non-participating preference shares as recorded in the books of the company at the close of business on Friday, 18 June 2010.

For shares trading on the Johannesburg Stock Exchange (JSE), the dividend of 7.48 pence per share is equivalent to 83 cents per share, which has been determined using the Rand/Pound Sterling average buy/sell forward rate as at 11h00 (SA Time) on Wednesday, 19 May 2010.

The relevant dates relating to the payment of dividend number 8 are as follows:

Last day to trade cum-dividend

| | |
|--|------------------------|
| On the Johannesburg Stock Exchange (JSE) | Thursday, 10 June 2010 |
| On the Channel Islands Stock Exchange (CISX) | Tuesday, 15 June 2010 |

Shares commence trading ex-dividend

| | |
|--|-------------------------|
| On the Johannesburg Stock Exchange (JSE) | Friday, 11 June 2010 |
| On the Channel Islands Stock Exchange (CISX) | Wednesday, 16 June 2010 |

| | |
|--|----------------------|
| Record date (on the JSE and CISX) | Friday, 18 June 2010 |
|--|----------------------|

| | |
|---|------------------------|
| Payment date (on the JSE and CISX) | Thursday, 01 July 2010 |
|---|------------------------|

Share certificates may not be dematerialised or rematerialised between Friday, 11 June 2010 and Friday, 18 June 2010, both dates inclusive, nor may transfers between the UK and SA registers take place between Friday, 11 June 2010 and Friday, 18 June 2010, both dates inclusive.

By order of the board

D Miller
Company Secretary