

Investec Limited

Incorporated in the Republic of South Africa
 Registration number 1925/002833/06
 JSE share code: INL
 NSX share code: IVD
 BSE share code: INVESTEC
 ISIN: ZAE000081949

Investec plc

Incorporated in England and Wales
 Registration number 3633621
 LSE share code: INVP
 JSE share code: INP
 ISIN: GB00B17BBQ50

As part of the dual listed company structure, Investec plc and Investec Limited notify both the London Stock Exchange and the JSE Limited of matters which are required to be disclosed under the Disclosure Guidance, Transparency Rules (DTR) and Listing Rules of the United Kingdom Listing Authority (the "UKLA") and/or the JSE Listing Requirements.

Accordingly, we advise of the following:

Investec Limited – Basel III disclosures at 30 June 2019**Capital disclosures**

The disclosures below are made with respect to Basel III quarterly disclosure requirements. Investec Limited holds capital in excess of regulatory requirements targeting a minimum common equity tier one capital ratio above 10% and a total capital adequacy ratio range of 14% to 17%. Effective 1 April 2019, Investec Limited and Investec Bank Limited adopted the Foundation Internal Ratings Based (FIRB) approach for calculating regulatory capital. As such the below capital disclosures have been prepared on this basis.

As at 30 June 2019	Including unappropriated profits	
	Investec Limited*	IBL*
	R'mn	R'mn
Common equity tier 1 capital	38,366	38,177
Additional tier 1 capital	2,374	920
Tier 1 capital	40,740	39,097
Tier 2 capital	11,842	14,688
Total regulatory capital	52,582	53,785
Risk-weighted assets per risk type:		
Credit risk	245,145	242,547
Counterparty credit risk	5,716	5,805
Credit valuation adjustment risk	3,817	3,832
Equity risk	23,232	16,111
Market Risk	4,848	3,209
Operational risk	31,617	21,939
Total risk-weighted assets	314,375	293,443
Total minimum capital requirement	36,239	33,832
Capital ratios		
Common equity tier 1 ratio	12.2%	13.0%
Tier 1 ratio	13.0%	13.3%
Total capital adequacy ratio	16.7%	18.3%

Leverage ratio disclosures

As at 30 June 2019	Including unappropriated profits	
	Investec Limited* R'mn	IBL* R'mn
Tier 1 capital	40,740	39,097
Total exposure	533,877	506,343
Leverage ratio	7.6%	7.7%

As at 30 June 2019	Excluding unappropriated profits	
	Investec Limited* R'mn	IBL* R'mn
Common equity tier 1 capital	36,703	37,040
Additional tier 1 capital	2,389	920
Tier 1 capital	39,092	37,960
Tier 2 capital	12,042	14,688
Total regulatory capital	51,134	52,648
Risk-weighted assets per risk type:		
Credit risk	244,469	242,288
Counterparty credit risk	5,716	5,805
Credit valuation adjustment risk	3,817	3,832
Equity risk	23,232	16,111
Market Risk	4,848	3,209
Operational risk	31,617	21,939
Total risk-weighted assets	313,699	293,184
Total minimum capital requirement	36,161	33,802
Capital ratios		
Common equity tier 1 ratio	11.7%	12.6%
Tier 1 ratio	12.5%	12.9%
Total capital adequacy ratio	16.3%	18.0%

Leverage ratio disclosures

As at 30 June 2019	Excluding unappropriated profits	
	Investec Limited* R'mn	IBL* R'mn
Tier 1 capital	39,092	37,960
Total exposure	533,607	506,240
Leverage ratio	7.3%	7.5%

* Where: IBL is Investec Bank Limited consolidated. The information for Investec Limited includes the information for IBL.

Liquidity disclosures

Liquidity coverage ratio (LCR)

The objective of the LCR is to promote the short-term resilience of the liquidity risk profile of banks by ensuring that they have sufficient high quality liquid assets to survive a significant stress scenario lasting 30 calendar days.

The minimum LCR requirement in South Africa is 100% as of 1 January 2019, for both Investec Bank Limited (IBL) (solo basis) and Investec Bank Limited (IBL) consolidated group.

In accordance with the provisions of section 6(6) of the South African Banks Act 1990 (Act No. 94 of 1990), banks are directed to comply with the relevant LCR disclosure requirements. This disclosure is in accordance with Pillar 3 of the Basel III liquidity accord, as specified by BCBS d400 (2017) and Directive D1/2018.

The following table sets out the LCR for IBL (solo basis) and IBL consolidated group for the quarter ending 30 June 2019:

	IBL (solo basis) – Total weighted value	IBL consolidated group – Total weighted value
High quality liquid assets (HQLA) (R'mn)	95,588	96,749
Net cash outflows (R'mn)	67,773	65,788
Actual LCR	141.4%	147.4%
Required LCR	100%	100%

The values in the table are calculated as the simple average of 91 calendar daily values over the period 1 April 2019 to 30 June 2019 for IBL (solo basis). IBL consolidated group values use daily values for IBL (solo basis), while those for other group entities use the average of April, May and June 2019 month-end values.

Net stable funding ratio (NSFR)

The objective of the NSFR is to promote the resilience in the banking sector by requiring banks to maintain a stable funding profile in relation to the composition of their assets and off-balance sheet activities on an ongoing structural basis. By ensuring that banks do not embark on excessive maturity transformation that is not sustainable, the NSFR is intended to reduce the likelihood that disruptions to a bank's funding sources would erode its liquidity position, increasing its risk of failure and potentially lead to broader systemic risk.

The minimum NSFR requirement in South Africa is 100%. This applies to both IBL (solo basis) and IBL consolidated group.

In accordance with the provisions of section 6(6) of the South African Banks Act 1990 (Act No. 94 of 1990), banks are directed to comply with the relevant NSFR disclosure requirements. This disclosure is in accordance with Pillar 3 of the Basel III liquidity accord, as specified by Directive 11/2015 and Directive 01/2018.

The following table sets out the NSFR for IBL (solo basis) and IBL consolidated group as at 30 June 2019:

	IBL (solo basis)	IBL consolidated group
Actual NSFR	112.7%	114.0%
Required NSFR	100%	100%

Further disclosures with respect to Investec Limited's and Investec Bank Limited's capital and liquidity is provided on the Investec website as required by the relevant regulations.

31 July 2019

Sponsor: Investec Bank Limited