

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

Investec (comprising Investec plc and Investec Limited) – Basel III disclosures at 31 December 2017**31 January 2018****Capital disclosures**

The disclosures below are made with respect to Basel III quarterly disclosure requirements. The group 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% on a consolidated basis for each of Investec plc and Investec Limited.

As at 31 December 2017	Investec plc* [^] GBP 'mn	IBP* [^] GBP 'mn	Investec Limited* R'mn	IBL* ^o R'mn
Common equity tier 1 capital	1,578	1,645	32,347	34,168
Additional tier 1 capital	274	200	2,917	767
Tier 1 capital	1,852	1,845	35,264	34,935
Tier 2 capital	393	473	12,680	13,997
Total regulatory capital	2,245	2,318	47,944	48,932
Risk-weighted assets per risk type:				
Credit risk	10,816	10,583	264,728	259,699
Counterparty credit risk	579	588	6,244	6,262
Credit valuation adjustment risk	112	112	2,894	2,912
Equity risk	74	74	27,758	25,974
Market Risk	1,173	1,149	5,173	3,875
Operational risk	2,087	1,656	31,687	22,207
Total risk-weighted assets	14,841	14,162	338,484	320,929
Total minimum capital requirement	1,187	1,133	36,387	34,500
Capital ratios				
Common equity tier 1 ratio	10.6%	11.6%	9.6%	10.6%
Tier 1 ratio	12.5%	13.0%	10.4%	10.9%
Total capital ratio	15.1%	16.4%	14.2%	15.2%
Leverage ratio disclosures				
As at 31 December 2017	Investec plc* [^] GBP 'mn	IBP* [^] GBP 'mn	Investec Limited* R'mn	IBL* R'mn
Tier 1 capital	1,852	1,845	35,264	34,935
Total exposure	19,974	19,613	488,886	461,387
Leverage ratio	9.3%	9.4%	7.2%	7.6%

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

^ The capital adequacy disclosures above follow Investec's normal basis of presentation so as to show a consistent basis of calculation across the jurisdictions in which the group operates. For Investec plc and IBP this does not include the deduction of foreseeable dividends when calculating CET1 capital as required under the Capital Requirements Regulation and EBA technical standards and in line with Investec's normal basis of presentation includes unaudited profits for the current quarter. If unaudited profits are excluded from the capital information, Investec plc's and IBP's common equity tier 1 and total capital ratios would be 37bps and 34bps lower respectively.

° IBL's capital information includes unappropriated profits. If unappropriated profits are excluded from capital information, all IBL's capital ratios would be 13bps lower.

Liquidity coverage ratio disclosure

The objective of the liquidity coverage ratio (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.

Investec Bank Limited (solo basis) and Investec Bank Limited Consolidated Group

The minimum LCR requirement in South Africa was 80% throughout 2017, increasing by 10% each year to 100% on 1 January 2019.

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, as set out in Directive 6/2014 and Directive 11/2014. This disclosure is in accordance with Pillar 3 of the Basel III liquidity accord.

The following table sets out the LCR for Investec Bank Limited (solo basis) and Investec Bank Consolidated Group as at 31 December 2017:

R'mn	Investec Bank Limited Solo – Total weighted value	Investec Bank Limited Consolidated Group – Total weighted value
High quality liquid assets (HQLA)	75,603	76,144
Net cash outflows	57,244	53,265
Actual LCR (%)	132.4%	130.4%
Required LCR (%)	80%	80%

The values in the table are calculated as the simple average of 92 calendar daily values over the period 1 October 2017 to 31 December 2017 for Investec Bank Limited (IBL) bank solo. Investec Bank Limited consolidated group values use daily values for IBL bank solo, while those for other group entities use the average of October, November, December 2017 month-end values.

Investec plc, Investec Bank plc (solo basis)

On 1 October 2015 under European Commission Delegated Regulation 2015/61, the LCR became the PRA's primary regulatory reporting standard for liquidity. The LCR is a Pillar 1 metric to which the PRA apply Pillar 2 add-ons. The LCR is being introduced on a phased basis, and the PRA has opted to impose higher liquidity coverage requirements during the phased-in period than the minimum required by CRD IV. From 1 January 2017, UK banks were required to maintain a minimum of 90%, rising to 100% on 1 January 2018. The published LCR excludes Pillar 2 add-ons.

For Investec plc and Investec Bank plc (solo basis), the LCR is calculated using our own interpretations of the EU Delegated Act. The reported LCR may change over time with regulatory developments.

The LCR reported to the PRA at 31 December 2017 was 380% for Investec plc and 443% for Investec Bank plc (solo basis).

Johannesburg and London
31 January 2018
Sponsor: Investec Bank Limited