

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 30 June 2017**28 July 2017****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 30 June 2017	Investec plc* [^] GBP 'mn	IBP* [^] GBP 'mn	Investec Limited* ^o R'mn	IBL* ^o R'mn
Common equity tier 1 capital	1,557	1,575	33,583	34,465
Additional tier 1 capital	24	-	2,911	767
Tier 1 capital	1,581	1,575	36,494	35,232
Tier 2 capital	468	531	12,402	15,407
Total regulatory capital	2,049	2,106	48,896	50,639
Risk-weighted assets per risk type:				
Credit risk	9,959	9,725	249,934	246,032
Counterparty credit risk	541	549	5,484	5,548
Credit valuation adjustment risk	74	75	1,632	1,632
Equity risk	79	80	47,851	46,045
Market Risk	1,063	1,033	4,681	4,291
Operational risk	2,087	1,656	30,486	20,499
Total risk-weighted assets	13,803	13,118	340,068	324,047
Total minimum capital requirement	1,104	1,049	36,557	34,835
Capital ratios				
Common equity tier 1 ratio	11.3%	12.0%	9.9%	10.6%
Tier 1 ratio	11.5%	12.0%	10.7%	10.9%
Total capital ratio	14.8%	16.1%	14.4%	15.6%

Leverage ratio disclosures

As at 30 June 2017	Investec plc* [^] GBP 'mn	IBP* [^] GBP 'mn	Investec Limited* [*] R'mn	IBL* [*] R'mn
Tier 1 capital	1,581	1,575	36,494	35,232
Total exposure	20,242	20,053	471,559	445,879
Leverage ratio	7.8%	7.9%	7.7%	7.9%

* 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 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.

^o Investec Limited's and IBL's capital information includes unappropriated profits. If unappropriated profits are excluded from capital information, all Investec Limited's capital ratios would be 46bps lower and IBL's capital ratios would be 20 bps 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 is 80% for 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 30 June 2017:

R'mn	Investec Bank Limited Solo – Total weighted value	Investec Bank Limited Consolidated Group – Total weighted value
High quality liquid assets (HQLA)	69,025	69,101
Net cash outflows	52,969	47,833
Actual LCR (%)	130.4%	127.4%
Required LCR (%)	80%	80%

The values in the table are calculated as the simple average of daily observations over the period 1 April 2017 to 30 June 2017 for Investec Bank Limited (IBL) bank solo. 61 business day observations were used. Investec Bank Limited consolidated group values use daily values for IBL bank solo, while those for other group entities use the average of April, May, June 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 are 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 30 June 2017 was 613% for Investec plc and 525% for Investec Bank plc (solo basis).