interim results for the six months ended 30 September 2001

Investec Group Limited

Investec

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Unaudited Group results for the six months ended 30 September 2001

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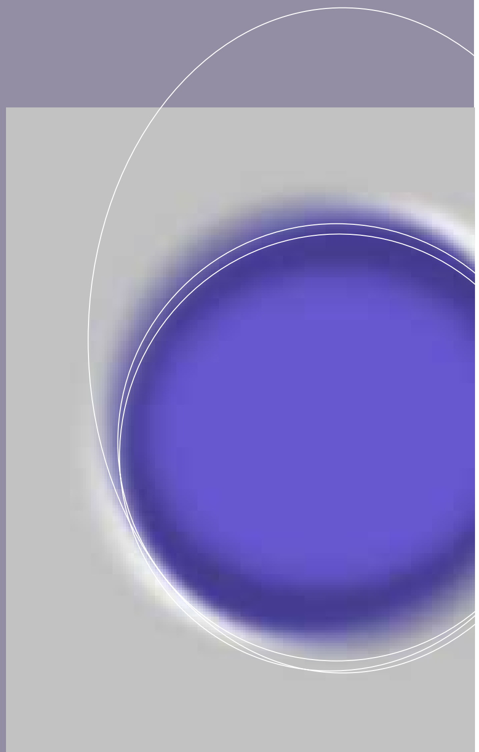


Directorate and Corporate Information

Investec Group Limited

Reg. No. 1925/002833/06

Executive Directors

Stephen Koseff *(Chief Executive Officer)*
Bernard Kantor *(Managing Director)*
David M Lawrence
Bradley Tapnack

Non-Executive Directors

Hugh S Herman *(Chairman)*
Sam E Abrahams
Dr Hilton K Davies
Graham H Davin
Donn E Jowell
Ian R Kantor
Daphne R Motsepe
Dr Morley Z Nkosi
Peter R S Thomas

Registered Office

100 Grayston Drive, Sandown,
Sandton 2196.
PO Box 785700, Sandton 2146

Transfer Secretaries

Mercantile Registrars Limited
8th Floor
11 Diagonal Street
Johannesburg 2001
PO Box 1053, Johannesburg 2000

Salient Features

Refer to definitions on page 55

	30 Sept. 2001	% increase	30 Sept. 2000*	31 March 2001*
Income Statement and Selected Returns				
Headline earnings attributable to ordinary shareholders (R millions)	**760**	31.0	580	1 314
Headline net income before tax (R millions)	**1 133**	32.4	856	1 825
Headline earnings: Southern Africa & Other (% of earnings)	**55.1**	-	33.1	30.7
Headline earnings: Non-Southern Africa & Other (% of earnings)	**44.9**	-	66.9	69.3
Operating expenses to total income (%)**	**65.2**	4.5	62.4	63.2
Return on average shareholders' funds (%)	**26.4**	8.6	24.3	26.9
Return on investment (ROI) (%)	**15.7**	(4.8)	16.5	17.6
Return on average risk-weighted assets (%)	**3.1**	14.8	2.7	3.0
Annuity income as a percentage of total income (%)	**73.7**	5.3	70.0	76.1
Balance Sheet				
Total capital resources (R millions)	**15 229**	59.8	9 532	11 240
Total assets (R millions)	**250 214**	24.1	201 634	194 732
Total assets under administration (R millions)	**593 820**	17.9	503 472	514 629
Risk-weighted assets (R millions)	**49 306**	12.8	43 704	48 034

** Restated for changes to accounting policies and disclosures*

*** In calculating this ratio, for the six months ended 30 September 2001, Fedsure's assurance activities have been excluded*

Salient Features

Refer to definitions on page 55

	30 Sept. 2001	% increase	30 Sept. 2000*	31 March 2001*
Salient Financial Features and Key Statistics				
Headline earnings per share (cents)	**827.9**	15.1	719.3	1 628.2
Dividends per share (cents)	**375.0**	21.0	310.0	750.0
Dividend cover (times)	**2.2**	(4.4)	2.3	2.2
Net tangible asset value per share (rands)	**64.7**	4.5	61.9	64.4
Net contribution per employee ('000)	**178**	13.4	157	339
Number of employees in the Group	**5 563**	19.2	4 666	4 836
Capital adequacy ratio (%)	**15.1**	10.2	13.7	15.3
Closing $/ZAR exchange rate	**8.9949**	-	7.2500	8.0039
Closing £/ZAR exchange rate	**13.2024**	-	10.6727	11.3956
Weighted number of ordinary shares in issue (million)	**91.8**	13.9	80.6	80.7
Number of shares in issue on a fully converted basis (million)	**109.1**	15.2	94.7	95.9
Closing market share price (cents)	**16 280**	(29.5)	23 100	19 700
Market capitalisation on a fully converted basis (R millions)	**17 761**	(18.8)	21 876	18 892

** Restated for changes to accounting policies and disclosures*

Commentary

Overall performance

Investec is pleased to announce that headline earnings for the half-year ended 30 September 2001 increased by 31.0% to R760 million. Headline earnings per share grew by 15.1% to 827.9 cents, representing a 10-year compound growth of 29.4% per annum. The Group's geographic spread, diverse business portfolios and conservative risk management contained the effects of weak financial markets experienced during the period under review.

Highlights of the past six months include:

- Successful integration of the businesses retained from the acquisition of the insurance and financial services businesses of Fedsure Holdings Limited ("the Fedsure acquisition") and the reinsurance of the individual life book with Capital Alliance Holdings Limited;
- Solid growth in headline net income before tax ("headline NIBT") of 32.4% to R1 133 million, underpinned by an increase of R800 million in total income;
- Enhanced balance sheet strength as represented by an increase of R955 million in tangible shareholders' funds and a solid capital adequacy ratio of 15.1%, after providing for the capital requirements arising from the Fedsure acquisition;
- Return on average tangible shareholders' funds increased from 24.3% to 26.4%; and
- Dividends per share of 375 cents up 21.0%. This represents a 10-year compound annual growth rate of 29.6% and equates to a dividend cover of 2.2.

Operating environment

The period under review was characterised by a dramatic slowdown in the global economy, a deteriorating worldwide political landscape and a volatile investment environment, all of which contributed towards waning investor confidence.

These adverse cyclical factors have inevitably affected the Group's equity related activities, where unfavourable market conditions manifested in lower trading volumes and turnover, a decrease in portfolio values and declining primary and secondary market activity. Conversely, the Group's banking and interest rate activities were well positioned to take advantage of the dramatic interest rate cuts experienced worldwide, contributing positively towards the Group's overall performance and providing a shield against difficult investment banking and stockbroking markets.

Aggressive monetary and fiscal stimulus across the globe should promote future growth and ultimately restore investor confidence in the economy and the markets. Investec's diversification across equities, fixed income, private client, asset management and investment banking activities, in addition to its regional diversity, ensures that it is strategically positioned to weather the current challenging conditions.

Commentary

Business unit review

- **Investment Banking**

The period under review proved difficult from an Investment Banking point of view, with headline NIBT decreasing by 31.6%. As a result, its contribution to Group earnings (excluding "other" activities) dropped from 43.8% last year to 28.5% in the current year.

Corporate finance in South Africa (SA) posted credible results, benefiting from the various opportunities that continue to arise in the corporate market, particularly in the areas of M&A and corporate restructuring. In this regard, Investec Corporate Finance remains well positioned and, as such, was jointly awarded the "M&A House of the Year for South Africa" accolade by Euromoney. The newly created Structured Equity Desk performed well, supplementing the deflated revenue stream which arose from depressed agency volumes in institutional stockbroking.

In the United Kingdom (UK), Investec Henderson Crosthwaite's (IHC) headline NIBT decreased 53.6%, largely as a result of the sharp decline in IPO activity, particularly in the technology, media and telecoms sectors from which it derived significant benefits in the past year. However, this division continues to generate positive results due to its strong positioning in the mining, oils and leisure sectors and the sound performance of its market making activities. Furthermore, IHC has succeeded in diversifying its revenue streams by leveraging off a strong client base, having concluded 16 M&A transactions and 10 capital raisings in the period under review.

The Group has successfully integrated its recent Investment Banking acquisitions. In Australia, Investec Wentworth was involved in a number of significant deals in the past six months, generating headline NIBT of R18 million. Investec PMG in the United States (US) posted marginal operating losses as a result of severe market conditions.

The Group continued to enhance, expand and integrate its international capabilities. Specifically, a global initiative was undertaken to upgrade and unify research products and to appoint an International Head of Research and a UK Head of Investment Banking.

- **Treasury and Finance Group**

The Treasury and Finance division made another commendable contribution of 30.9% to overall Group performance (excluding "other" activities), with a growth in headline NIBT of 29.3%. Particularly noteworthy performances were experienced in the areas of financial products, interest rates, structured finance and project finance.

Commentary

The Treasury and Finance Group continued to focus on enhancing and developing its capabilities internationally. The European equity derivatives and commodities teams have made substantial progress in creating an internal infrastructure and establishing an external presence in the marketplace. In addition, the recruitment of a structured finance team in Australia has extended the Group's capabilities in that market.

In SA, the project finance team was appointed as the sole arranger and joint underwriter of R1 billion of CPI-linked bonds issued to finance the Platinum Toll Road project. These bonds will become the first such listed instruments when they are listed on the Bond Exchange.

The Irish project finance team continued to raise its profile in public private partnerships and in this regard was rated "No 1 Global Water Advisor" by the Infrastructure Journal.

- **Private Client Activities**

Private Client Activities generated a mixed performance, with Private Banking headline NIBT increasing by 19.9% and Private Client Stockbroking headline NIBT decreasing by 43.3%. As a result, Private Client Activities posted an overall decline in headline NIBT of 8.7%, with the division's contribution to Group earnings (excluding "other" activities) declining marginally to 18.4%.

Private Banking

The declining interest rate environment in both the UK and SA enabled the Group to grow its lending book from R20.2 billion in March 2001 to R23.7 billion, an increase of 17.3%.

In SA, the private banking division continued to enhance its online banking offering and for the second successive year was ranked the top private bank by its peers in the 2001 PricewaterhouseCoopers Banking Survey.

Investec Private Bank in the UK performed particularly well in the period under review, with strong performances from Theodores Trust and Law Group in Jersey and Radcliffes Trustee Company in Geneva, which were acquired towards the end of 2000.

In Australia, the Private Client Group underwent a major restructuring exercise, which resulted in a substantial increase in both lending and deposit taking activities. The division remains considerably under scale but continues to make significant progress in its market.

Commentary

Private Client Stockbroking

Low market volumes, investor apathy and an aversion to equities have placed immense pressure on the performance of the Group's Private Client Stockbroking activities. During the period Investec Securities in SA increased funds under management marginally by 7.0% to R19.8 billion.

In the UK, funds under management of Carr Sheppards Crosthwaite declined by 9.0% to £5.5 billion (excluding PEP/ISA funds under administration), even though there was a healthy growth in new funds under management with the addition of £350 million. Two teams, one international and one UK focused, joined from the Gerrard Group during the period, providing a comprehensive international offering to existing and potential clients of the Group.

In the US, Investec Ernst & Company suffered from weak market conditions with average margin balances declining from $561 million to $321 million in the period under review.

- **Asset Management**

The Asset Management division delivered a period of strong profit growth, successfully leveraging off its scalable SA platform and effectively maximizing synergies from the acquisition of the Fedsure Asset Management business. As a result headline NIBT increased by 33.6% (excluding long term assurance activities). Similarly, assets under management have grown 30.8% from R172 billion to R225 billion, impacted also by the depreciation of the Rand.

The key achievement of the past 6 months was the high degree of business retention in volatile markets.

The core SA institutional business has shown a strong recovery in both performance and new business production. The 5 year period and performance of the calendar year to date ranks Investec Asset Management 2nd and 3rd respectively in the Alexander Forbes South African Management Watch.

During the period under review the SA personal investment business successfully integrated Fedsure businesses to form the largest unit trust and linked product complex in the SA market. The performance of the division's unit trusts also excelled over the reporting period, with Investec achieving 3rd place overall in the most recent Plexus survey.

In spite of weakening industry conditions, the division's UK unit trust business produced more than R900 million of net inflows during the past 6 months, positioning it as one of

Commentary

the UK's fastest growing retail funds businesses. The Group's offshore funds listed in Guernsey and Dublin also received net inflows to the tune of R1.5 billion. This can be attributed to stronger sales in the SA market and a successful entry into the European markets.

On the institutional front, Investec Asset Management continues to win fixed income mandates in the UK. Net inflows for the period in this area exceeded R3 billion. Investec Asset Management looks forward to a meaningful entry in the UK pensions market supplying both specialist equity and income services.

In summary, the core SA businesses have, once again, proven their resilience while the division's international expansion prospects are promising.

- **Other Activities**

The Group's other activities posted a significant increase in headline NIBT of 96.5%. This result reflects the strong operational performance of the Group's property activities in SA, the inclusion of Fedsure's traded endowment activities and increased return on the Group's additional capital. The latter has assisted in driving growth in the Group's net interest income.

- **Fedsure**

Although there were difficulties and delays encountered in concluding the Fedsure acquisition, it became evident that the ultimate success of the acquisition lay in the Group's ability to deal with the component parts effectively and efficiently.

The Group launched a vigorous programme of integrating the acquired asset management, linked product and property management businesses which was successfully concluded by October 2001, with complete harmonisation of infrastructure ensuring uninterrupted business continuity. A number of businesses identified as non-core to Investec's strategy were disposed of or reinsured (i.e. individual life assurance, credit life, Fedlife Namibia, Fedsure General SA, Fedsure General Namibia and NSP Holdings in Australia).

As to the balance of the assurance business, which incorporates group benefits and a select element of individual life, Investec has devoted considerable attention to addressing issues surrounding the smoothed bonus business conducted by Fedsure Employee Benefits. Restructuring of these portfolios is near finalisation and will be complete by the end of December 2001. As at 30 September 2001, the embedded value of Fedsure Life was R2 645 million, increasing by R167 million since 1 June 2001.

Commentary

Across all businesses acquired, significant progress was achieved in reducing expenses with the closure of Fedsure's head office both in SA and internationally, a reduction in the overall headcount as well as economies of scale benefits derived from the integration of businesses.

Regional perspective

The Group continued to focus on enhancing and building its international capabilities, particularly in its UK, Australian and US operations.

The SA operations enjoyed solid profit growth, with noteworthy performances from Treasury and Finance, Private Banking and the Property division. The region's performance was enhanced as a result of the inclusion of the Fedsure acquisition for four months in the period under review.

Of its worldwide operations, the Group's US and Israeli businesses posted negative earnings growth as a result of the deflated state of the equities markets to which these businesses are highly exposed. In the UK weaker performances from the Group's equity related activities negated the stronger performances by the Group's banking and interest rate operations, with headline NIBT declining marginally.

These developments served to alter the dynamics of the Group's geographical spread of income and assets. Foreign currency earnings of the Group now account for 44.9% of the Group's headline attributable earnings (2000: 66.9%), while 60.5% (2000: 71.4%) of its assets reside offshore.

Steady growth in income

Net interest income increased by 37.7% to R1 001 million, driven largely by healthy annual growth in advances of 27.3%, and an increase in the average capital base of the Group. As a result, the Group's annualised net interest margin increased to 2.4% (2000: 2.1%), after extracting the effects of centralised funding and the reduced returns on the UK short dated wholesale banking business.

Bad and doubtful debts charged to the income statement were relatively flat as a result of the continued improvement in the quality of the Group's loan portfolios. The percentage of gross non performing loans to advances reduced from 2.0% last year to 1.6%.

Other income rose by 28.5%, comprising 70.3% of total income as opposed to 71.7% in the previous year. Growth across all categories of income was largely driven by the strong performances of the Group's global private banking and treasury and finance activities, property activities in SA and the inclusion of acquisitions, notably Fedsure,

Commentary

Wentworths, Radcliffes and Theodores which cumulatively accounted for 41.3% of the increase in total income of 32.5%. Furthermore, the Group's annuity income as a percentage of total income increased from 70.0% last year to 73.7% during this period.

Cost control

Total expenses increased by 32.6% to R2 127 million. Of this growth, 40.3% was attributable to acquisitions and new activities and 39.4% was due to exchange rate devaluation of the Group's international expenses with the result that the overall organic growth in expenses after extracting these factors was 6.6%.

Excluding Fedsure's assurance activities, the ratio of operating expenses to total income increased from 62.4% last year to 65.2%. The sharp increase in this ratio is attributable to the reduced revenues generated in the Group's investment banking activities as well as capacity building in some of the recent offshore acquisitions, resulting in higher initial costs as opposed to revenues. Notwithstanding, in SA the cost to income ratio declined to 51.8% (2000: 58.7%) mainly as a result of strong revenue growth.

Taxation

The effective tax rate for the Group declined from 25.2% to 22.8%. This is due to the continued utilisation of tax losses in the UK, coupled with lower taxable earnings in the US and Israel (which have higher corporate tax rates than SA). Contrary to this overall decrease, the SA effective tax rate increased from 20.1% to 24.5% during this period.

Income from associates

The effective date of the acquisition of the financial and insurance businesses of Fedsure was 1 June 2001, with the acquired operations being accounted for as an associate during the first two months of the period under review. Income from Associates largely represents the operational performance of Fedsure and is broken down into Investec's share of its operational profits and exceptional items.

Exceptional items

Exceptional items comprise Investec's share of associates' exceptional items and goodwill amortised over the period. The latter amount increased significantly due to the inclusion of goodwill amortisation relating to acquisitions made towards the end of the previous year and the Fedsure acquisition.

Commentary

Capital resources

Total capital resources increased by 35.5% to R15.2 billion since March 2001. This was partly due to an increase in foreign currency revaluation reserves and net share capital raised of R3.1 billion after effecting a share buy-back of 3.5 million shares to the value of R644 million. As a consequence, the Group's capital adequacy ratio remains high at 15.1%.

Total assets and assets under administration

On balance sheet assets recorded strong growth of 28.5% from March 2001, primarily attributable to the inclusion of Fedsure assets and the increase in cash and short-term funds in the UK. Third party assets under management increased by 7.4% from R319 billion in March 2001 to R344 billion, with growth being negatively affected by the overall decline in equity markets in the period under review.

Changes to accounting policy and disclosure

In line with a stepped approach to full compliance with the new SA standard on Financial Instruments (AC 133), all trading derivatives are carried at gross positive and negative fair values (after permissible netting) on the balance sheet. This has resulted in an increase in the investment and trading assets in the prior year of R1.6 billion, with a corresponding increase in liabilities. There is no effect on the income statement.

Assets and liabilities of the assurance business which were previously treated as off balance sheet items are reflected on balance sheet. This has resulted in an increase in total assets, in the prior year, of R12.7 billion. There is no effect on the income statement.

In line with the requirements of the revised accounting statement, Events After The Balance Sheet Date (AC107), dividends to holders of equity instruments that are proposed or declared after the balance sheet date are not recognised as a liability at the balance sheet date. This has resulted in an increase in reserves at 30 September 2000 of R250 million and R 356 million at 31 March 2001, with a corresponding reduction in liabilities. There is no effect on the income statement.

Prospects

Given the Group's exposure to investment banking and other equity-related activities, the current state of uncertainty and volatility pervading the markets undoubtedly presents a number of challenges to the performance of these businesses in the second half of the financial year.

Commentary

With the integration of the Fedsure acquisition behind us, the Group is able to focus its efforts on building its businesses across all fronts. However, despite a strong sense of satisfaction as to the operational health of Investec's activities, the volatility of external market and economic conditions render performance for the remainder of the 2002 financial year difficult to predict.

On behalf of the board

H S Herman
Chairman

S Koseff
Chief Executive

B Kantor
Managing Director

Dividend Announcement

It is the company's policy to pay an interim dividend of 50% of the previous year's total dividend.

An interim dividend (No. 93) of 375.0 cents (2000: 310.0 cents) per ordinary share has been declared in respect of the six months ended 30 September 2001.

The dividend is payable to shareholders registered in the books of the company at the close of business on 14 December 2001 (the record date). The last date to trade cum dividend will be 7 December 2001 and trading will commence ex dividend on 10 December 2001. The dividend will be paid on 18 December 2001.

Share certificates may not be dematerialised or rematerialised between 3 December 2001 and 14 December 2001, both dates inclusive.

By order of the board

S Noik
Secretary

22 November 2001

Investec Group Limited

Interim Financial Report

Consolidated Balance Sheet

(R millions)	**30 Sept. 2001**	30 Sept. 2000*	31 March 2001*
Assets			
Cash and short term funds	**80 541**	79 446	69 196
Short term negotiable securities	**56 970**	54 394	53 874
Investment and trading securities	**14 261**	11 133	9 968
Other assets	**6 196**	6 565	6 237
Advances	**42 671**	33 525	38 062
Associated companies	**43**	299	544
Fixed assets	**1 451**	1 198	1 320
Goodwill	**5 883**	2 364	2 849
Long term assurance assets	**42 198**	12 710	12 682
	250 214	201 634	194 732
Equity and liabilities			
Capital and reserves			
Ordinary share capital	**58**	48	49
Compulsorily convertible debentures	**2 317**	1 710	2 321
Compulsorily convertible preference shares	**385**	385	385
Reserves	**10 180**	6 087	6 273
	12 940	8 230	9 028
Interest of minority shareholders in subsidiaries	**344**	302	267
Total shareholders' funds	**13 284**	8 532	9 295
Subordinated debt	**1 945**	1 000	1 945
Total capital resources	**15 229**	9 532	11 240
Liabilities			
Deposits and other accounts	**194 394**	178 929	170 312
Taxation	**554**	463	498
Long term assurance liabilities	**40 037**	12 710	12 682
	250 214	201 634	194 732
Acceptances, guarantees and letters of credit	**11 378**	9 070	11 368

**Restated for changes to accounting policies and disclosures*

Consolidated Income Statement

(R millions)	**6 months to 30 Sept. 2001**	% increase	6 months to 30 Sept. 2000*	Year to 31 March 2001*
Interest received	**5 870**	6.9	5 492	12 114
Interest paid	**4 869**	2.2	4 765	10 236
Net interest income	**1 001**	37.7	727	1 878
Provision for bad and doubtful debts	**110**	(0.9)	111	198
	891	44.6	616	1 680
Other income	**2 369**	28.5	1 844	3 621
Commission and fees - recurring	**1 398**	27.9	1 093	2 339
Principal transactions and trading income	**540**	17.1	461	638
Commission and fees - non-recurring	**321**	10.7	290	644
Income from long term assurance business	**110**		-	-
Total income	**3 260**	32.5	2 460	5 301
Operating expenses	**2 127**	32.6	1 604	3 476
Exceptional items	**284**	113.5	133	312
Income before taxation	**849**	17.4	723	1 513
Taxation	**223**	20.5	185	321
Income after taxation	**626**	16.4	538	1 192
Share of income/(loss) of associated companies	**95**	269.6	(56)	(86)
Operating income	**13**	(70.5)	44	70
Exceptional items	**82**	182.0	(100)	(156)
Net income	**721**	49.6	482	1 106
Attributable to minority shareholders	**10**	(16.7)	12	13
	711	51.3	470	1 093
Compulsorily convertible debenture interest	**153**	24.4	123	247
Earnings attributable to ordinary shareholders	**558**	60.8	347	846
Headline earnings per share (cents)	**827.9**	15.1	719.3	1 628.2
Earnings per share (cents)	**607.8**	41.2	430.5	1 048.4
Diluted earnings per share (cents)	**588.4**	36.7	430.5	1 039.7

**Restated for changes to accounting policies and disclosures*

Statement of Changes in Shareholders' Equity

(R millions)	**6 months to 30 Sept. 2001**	6 months to 30 Sept. 2000*	Year to 31 March 2001*
Ordinary share capital			
Balance at beginning of period	**49**	48	48
Issue of shares	**9**	-	1
Balance at end of period	**58**	48	49
Compulsorily convertible debentures			
Balance at beginning of period	**2 321**	1 710	1 710
Issue of debentures	**-**	-	629
Conversion to ordinary shares	**(4)**	-	(18)
Balance at end of period	**2 317**	1 710	2 321
Compulsorily convertible preference shares			
Balance at beginning of period	**385**	-	-
Issue of compulsorily convertible preference shares	**-**	460	460
Less: liability portion transferred to deposits and other accounts	**-**	(75)	(75)
Balance at end of period	**385**	385	385
Share premium			
Balance at beginning of period	**4 009**	3 951	3 951
Issue of shares - net of issue expenses	**3 762**	12	40
Repurchase of own shares	**(644)**	-	-
Conversion from debentures	**4**	-	18
Balance at end of period	**7 131**	3 963	4 009
General reserves			
Balance at beginning of period	**1 852**	1 476	1 476
-as previously reported		1 168	1 168
-prior year adjustment: dividends declared subsequent to reporting period		308	308
Earnings attributable to ordinary shareholders	**558**	347	846
Dividends	**(356)**	(308)	(558)
Transfer from equity accounted reserves of associated companies	**19**	77	104
Transfer to secondary reserves	**-**	(10)	(16)
Balance at end of period	**2 073**	1 582	1 852
Secondary reserves			
Balance at beginning of period	**393**	604	604
Transfer from general reserves	**-**	10	16
Movement in foreign currency translation reserve	**704**	49	152
Movement in investment revaluation reserve	**(121)**	(167)	(379)
Balance at end of period	**976**	496	393
Equity accounted reserves of associated companies			
Balance at beginning of period	**19**	123	123
Transfer from general reserves	**(19)**	(77)	(104)
Balance at end of period	**-**	46	19
Total balance at end of period	**12 940**	8 230	9 028

*Restated for changes to accounting policies and disclosures

Abridged Cash Flow Statement

(R millions)	**6 months to 30 Sept. 2001**	6 months to 30 Sept. 2000*	Year to 31 March 2001*
Cash retained/(utilised) from operating activities	**3 479**	3 835	(6 837)
Cash utilised in investing activities	**(723)**	(269)	(1 423)
Cash (outflows)/inflows from financing activities	**(644)**	1 398	2 974
Net increase/(decrease) in cash and short term funds	**2 112**	4 964	(5 286)
Cash and short term funds at beginning of period**	**78 429**	74 482	74 482
Cash and short term funds at end of period	**80 541**	79 446	69 196

** Restated for changes to accounting policies and disclosures*

*** Restated for effects of exchange rate changes*

Accounting Policies

Basis of presentation

The interim financial report has been prepared on the historical cost basis, except for investments which are stated at market value, or directors' valuation where no formal market exists, and in conformity with South African Statements of Generally Accepted Accounting Practice.

Accounting policies

The accounting policies applied in the preparation of the interim financial report are consistent with those applied in the annual financial statements for the year ended 31 March 2001.

Comparative figures

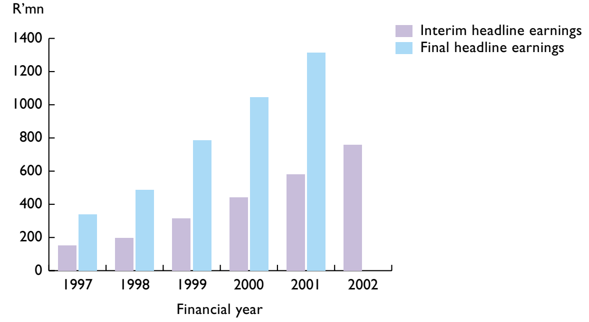
Comparative figures are restated where necessary to allow for more meaningful comparison.

Calculation of Headline Earnings

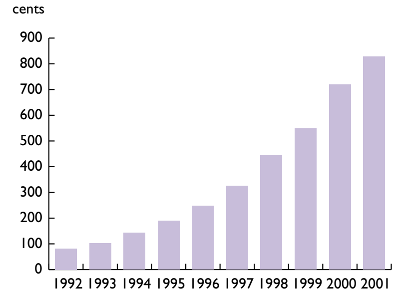
(R millions)	**6 months to 30 Sept. 2001**	6 months to 30 Sept. 2000*	Year to 31 March 2001*
Headline earnings	**760**	580	1 314
Headline adjustments	**(202)**	(233)	(468)
Goodwill amortised	**(285)**	(133)	(315)
Discount on fair value of acquisitions	**1**	-	3
Share of associates' exceptional items	**82**	(100)	(156)
Earnings attributable to ordinary shareholders	**558**	347	846

** Restated for changes to accounting policies and disclosures*

Headline earnings

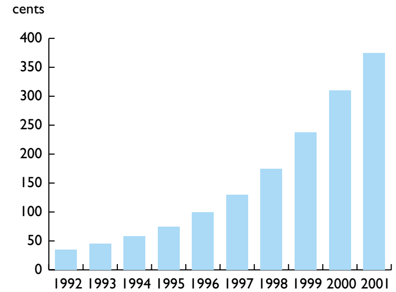


Headline earnings per share for the six months ended 30 September



10 year compound annual growth rate in headline earnings per share: 29.4%

Dividends per share for the six months ended 30 September



10 year compound annual growth rate in dividends per share: 29.6%

Investec Group Limited

Segmental Information - Divisional and Geographic Review

Group Operating Structure

The Group's core philosophy has been to build well-defined, value-added businesses focused on serving the needs of select market niches where the Group can compete effectively. The Group is organised into four principal businesses.

Investment Banking	**Treasury and Finance Group**	**Private Client Activities**	**Asset Management and Assurance Activities**
• Australia • Botswana • Ireland • Israel • South Africa • United Kingdom • United States	• Australia • Ireland • Israel • Mauritius • South Africa • United Kingdom • United States	• Australia • Botswana • Channel Islands • Ireland • Israel • Mauritius • South Africa • Switzerland • United Kingdom • United States	• Botswana • Channel Islands • Hong Kong • Ireland • Israel • Namibia • South Africa • United Kingdom • United States
Corporate Finance Private Equity Direct Investments Institutional Broking and Research • Research • Sales • Trading	Financial Markets • Interest Rates • Foreign Exchange • Equities Derivatives • Commodities Banking Activities • Treasury • Financial Products • Structured Finance • Project Finance	Private Banking • Structured Finance and Specialised Lending • Investment Management • Trust and Fiduciary Services • Private Client Investment Banking • Banking Services, including foreign exchange and transactional services Private Client Stockbroking and Portfolio Management	Portfolio Management • Active Specialist • Active Balanced • Quantitative • Segregated and Pooled Investment Products • Unit Trusts/Mutual Funds • Wrap Funds • Structured Products • Linked Products Assurance Activities

Group and Other Services

Economic Research Facilities Group Accounting Human Resources Information Centre	Information Technology Legal, Secretarial and Tax Marketing Organisation Development Risk Management	Social Investment Strategic Finance and Investor Relations Investec USA Clearing and Execution Activities Investec Property Group Reichmans Capital Group Traded Endowments

Primary Segment - Geographical Analysis

For the six months ended 30 September 2001

(R millions)	Southern Africa & Other[1]	United Kingdom & Europe	Israel	USA	**Investec Group Limited**
Net interest income	472	362	71	96	**1 001**
Provision for bad & doubtful debts	92	15	3	-	**110**
	380	347	68	96	**891**
Other income	1 035	1 014	47	273	**2 369**
Total income	1 415	1 361	115	369	**3 260**
Operating expenses	723	980	82	342	**2 127**
Headline income before taxation[3]	692	381	33	27	**1 133**
Taxation	132	72	8	11	**223**
Headline income after taxation[3]	560	309	25	16	**910**
Share of associates operational earnings[3]	13	-	-	-	**13**
Net income	573	309	25	16	**923**
Earnings attributable to minority shareholders	1	-	9	-	**10**
Compulsorily convertible debenture interest	153	-	-	-	**153**
Headline earnings[3]	419	309	16	16	**760**
Cost to income ratio (%)	51.8%[2]	71.2%	69.5%	92.7%	**65.2%[2]**
Effective tax rate (%)	24.5%	18.9%	24.2%	40.7%	**22.8%**
Number of employees	3 060	1 510	246	747	**5 563**

Notes refer page 28

Primary Segment - Geographical Analysis

For the six months ended 30 September 2000

(R millions)	Southern Africa & Other[1]	United Kingdom & Europe	Israel	USA	**Investec Group Limited**
Net interest income	241	308	53	125	**727**
Provision for bad & doubtful debts	101	10	-	-	**111**
	140	298	53	125	**616**
Other income	758	837	76	173	**1 844**
Total income	898	1 135	129	298	**2 460**
Operating expenses	586	720	78	220	**1 604**
Headline income before taxation[3]	312	415	51	78	**856**
Taxation	38	102	10	35	**185**
Headline income after taxation[3]	274	313	41	43	**671**
Share of associates operational earnings[3]	41	-	2	1	**44**
Net income	315	313	43	44	**715**
Earnings attributable to minority shareholders	-	-	12	-	**12**
Compulsorily convertible debenture interest	123	-	-	-	**123**
Headline earnings[3]	192	313	31	44	**580**
Cost to income ratio (%)	58.7%	62.9%	60.5%	73.8%	62.4%
Effective tax rate (%)	20.1%	24.6%	19.6%	44.9%	25.2%
Number of employees	2 265	1 424	228	749	4 666

Notes refer page 28

Primary Segment - Geographical Analysis

For the six months ended 30 September 2001

(R millions)	Southern Africa & Other[1]	United Kingdom & Europe	Israel	USA	**Investec Group Limited**
Cash & short term funds	5 672	63 961	6 438	4 470	**80 541**
Short-term negotiable securities	11 740	45 230	-	-	**56 970**
Investment and trading securities	9 430	1 601	1 811	1 419	**14 261**
Other assets	1 248	3 560	121	1 267	**6 196**
Advances	24 568	12 878	3 408	1 817	**42 671**
Associated companies	29	-	8	6	**43**
Fixed assets	766	353	208	124	**1 451**
Goodwill	3 404	2 153	-	326	**5 883**
Long term assurance assets	42 198	-	-	-	**42 198**
Total assets	99 055	129 736	11 994	9 429	**250 214**
Ordinary shareholders' funds	5 913	5 350	589	1 088	**12 940**
Tangible net asset value	2 509	3 197	589	762	**7 057**
Liabilities (including subordinated debt and minority shareholders' interest)	93 142	124 386	11 405	8 341	**237 274**
Annualised return on average tangible NAV (%)	41.7%	21.5%	6.0%	4.9%	**26.4%**

Notes refer page 28

Primary Segment - Geographical Analysis

For the six months ended 30 September 2000

(R millions)	Southern Africa & Other[1]	United Kingdom & Europe	Israel	USA	**Investec Group Limited**
Cash & short term funds	7 319	62 329	5 647	4 151	**79 446**
Short-term negotiable securities	9 012	45 382	-	-	**54 394**
Investment and trading securities	8 127	1 207	1 652	147	**11 133**
Other assets	1 642	3 748	131	1 044	**6 565**
Advances	17 634	8 366	3 103	4 422	**33 525**
Associated companies	288	-	9	2	**299**
Fixed assets	687	271	175	65	**1 198**
Goodwill	213	1 997	-	154	**2 364**
Long term assurance assets	12 710	-	-	-	**12 710**
Total assets	57 632	123 300	10 717	9 985	**201 634**
Ordinary shareholders' funds	2 045	5 039	391	755	**8 230**
Tangible net asset value	1 832	3 042	391	601	**5 866**
Liabilities (including subordinated debt and minority shareholders' interest)	55 587	118 261	10 326	9 230	**193 404**
Annualised return on average tangible NAV (%)	28.1%	23.7%	16.2%	18.6%	**24.3%**

Notes refer page 28

Secondary Segment - Business Analysis[4]

For the six months ended 30 September 2001

(R millions)	Investment Banking	Treasury & Finance Group	Asset Management & Assurance Activities	Private Client Activities	Other Activities	**Investec Group Limited**
Net operating income	617	601	643	883	516	**3 260**
Net operating expenses	292	248	390	673	524	**2 127**
Headline net income before tax[3]	325	353	253	210	(8)	**1 133**
Cost to income ratio (%)	47.3	41.2	73.2[2]	72.0		**65.2[2]**

For the six months ended 30 September 2000

(R millions)	Investment Banking	Treasury & Finance Group	Asset Management & Assurance Activities	Private Client Activities	Other Activities	**Investec Group Limited**
Net operating income	660	464	426	756	154	**2 460**
Net operating expenses	185	191	319	526	383	**1 604**
Headline net income before tax[3]	475	273	107	230	(229)	**856**
Cost to income ratio (%)	28.1	37.9	74.9	66.5		**62.4**

Notes refer page 28

Geographic and Business Analysis of Headline NIBT

For the six months ended 30 September 2001

(R millions)	Southern Africa & Other	Australia	United Kingdom & Europe	Israel	USA	**Investec Group Limited**
Investment Banking	141	18	151	19	(4)	**325**
Treasury & Finance Group	298	-	54	1	-	**353**
Asset Management & Assurance Activities	244	-	8	1	-	**253**
Asset Management	134	-	8	1	-	**143**
Assurance Activities	110	-			-	**110**
Private Client Activities	77	(20)	138	12	3	**210**
Other Activities[5]	(66)	-	30	-	28	**(8)**
Headline net income before taxation[3]	**694**	**(2)**	**381**	**33**	**27**	**1 133**

For the six months ended 30 September 2000

(R millions)	Southern Africa & Other	Australia	United Kingdom & Europe	Israel	USA	**Investec Group Limited**
Investment Banking	205	-	243	27	-	**475**
Treasury & Finance Group	230	-	41	2	-	**273**
Asset Management & Assurance Activities	89	-	16	2	-	**107**
Asset Management	89	-	16	2	-	**107**
Assurance Activities	-	-	-	-	-	**-**
Private Client Activities	76	(8)	122	22	18	**230**
Other Activities[5]	(272)	(8)	(7)	(2)	60	**(229)**
Headline net income before taxation[3]	**328**	**(16)**	**415**	**51**	**78**	**856**

Notes refer page 28

"Other" Business Segment - Headline NIBT

(R millions)	**30 Sept. 2001**	30 Sept. 2000	% increase
Net income - international trade finance	**14**	18	(22.2)
Net income - property worldwide	**118**	59	100.0
Net income - USA other activities	**28**	60	(53.0)
Traded endowments	**26**	-	
Net return on surplus capital	**189**	(27)	800.0
Central costs	**(280)**	(240)	16.7
Centralised funding	**(103)**	(99)	4.0
Headline net income before tax[3]	**(8)**	**(229)**	**96.5**

Notes

[1] Includes South Africa, Botswana, Mauritius, Australia and Hong Kong.

[2] In calculating this ratio, Fedsure's assurance activities have been excluded.

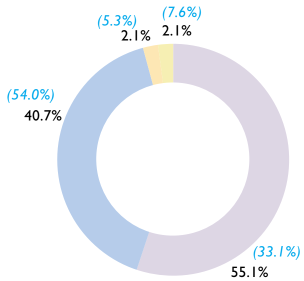
[3] Numbers are disclosed pre headline adjustments/exceptional items as reflected on page 18 and in the consolidated income statement on page 15.

[4] Operating structure is provided on page 21.

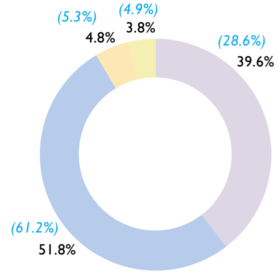
[5] Includes property group, clearing and execution business in the US, Reichmans international trade finance, share capital and centralised funding, central services. Refer to table above for further information.

Geographic and Business Analysis

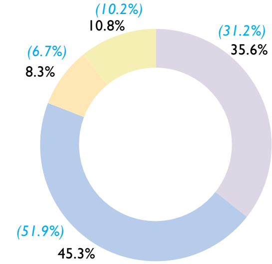
Headline earnings by geography



Assets by geography

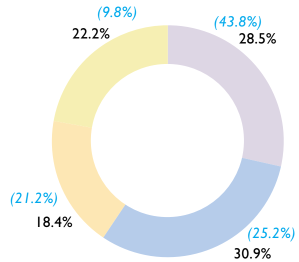


Net tangible asset value by geography



Southern Africa & Other | UK & Europe | Israel | USA | Sept 2001 | *(Sept 2000)*

Headline net income before tax by business (excluding "other" activities)



Investment Banking

Treasury & Finance Group

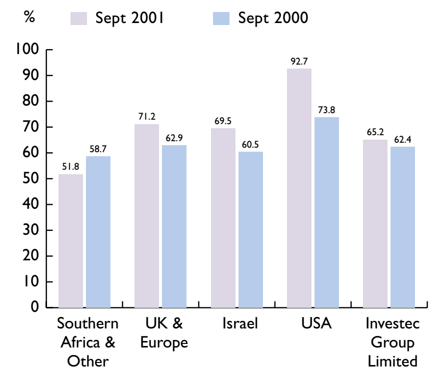
Private Client Activities

Asset Management & Assurance Activities

Sept 2001

(Sept 2000)

Cost to income ratio by geography



Investec Group Limited

Additional Information

Capital Adequacy Statement

(R millions)	Total assets 30 Sept. 2001	**Risk-weighted assets 30 Sept. 2001**	Risk-weighted assets 30 Sept. 2000*
Total assets - banking activities[a]	85 182	**49 306**	43 704
Trading assets subject to CAD	166 689		
Total assets	251 871	**49 306**	43 704
Risk-weighted capital requirements-banking activities at 8%		**3 944**	3 496
Tier 1		**11 492**	6 897
Tier 2 - permanent		**2 776**	2 036
Tier 2 - redeemable		**1 720**	946
Impairments		**(5 944)**	(2 446)
Net qualifying capital		**10 044**	7 432
Less : Capital required for trading assets		**(2 623)**	(1 457)
Net qualifying capital-banking activities[b]		**7 421**	5 975
Qualifying capital as a percentage of banking risk-weighted assets		**15.1%**	13.7%
Tier 1		**9.5%**	9.1%
Tier 2 - permanent		**2.1%**	2.4%
Tier 2 - redeemable		**3.5%**	2.2%

Notes

a) This balance includes off balance sheet items against which capital is required to be held.
b) Net qualifying capital includes only 50% of revaluations, and is after deducting capital required for trading activities.

* *Restated for changes to accounting policies and disclosures*

Investec Group Limited

Asset Quality, Specific and General Provisions

(R millions)	**6 months to 30 Sept. 2001**	6 months to 30 Sept. 2000	Year to 31 March 2001
Total loans and advances (pre provisions)	**43 635**	34 388	38 925
Managed book	**1 231**	893	1 171
Net loans and advances	**42 404**	33 495	37 754
Average total loans and advances	**39 012**	29 272	36 390
Income statement provision charge	**110**	111	198
Specific provisions	**505**	538	507
General provisions	**459**	325	356
Total provisions	**964**	863	863
Gross non-performing loans	**713**	691	644
Security	**298**	322	309
Net non-performing loans	**415**	369	335

Adequacy of Provisions

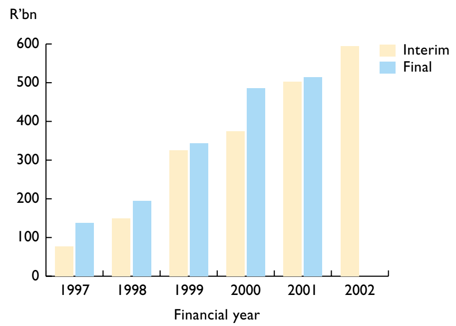
%	**6 months to 30 Sept. 2001**	6 months to 30 Sept. 2000	Year to 31 March 2001
Annualised income statement provision as a % of average advances	**0.56**	0.76	0.54
Specific provisions as a % of total loans and advances	**1.16**	1.56	1.30
General provisions as a % of net loans and advances	**1.08**	0.97	0.94
Total provisions as a % of total loans and advances	**2.21**	2.51	2.22
Total provisions as a % of gross non-performing loans	**135.20**	124.89	134.01
Total provisions as a % of net non-performing loans	**232.29**	233.88	257.61

Assets Under Administration

(R millions)	**30 Sept. 2001**	30 Sept. 2000*	31 March 2001*
Retail (includes unit trusts, mutual funds and linked products)	**56 001**	45 773	42 605
Institutional and investment trusts	**125 220**	114 704	119 150
Private clients	**148 826**	113 905	137 480
Private clients - discretionary	**72 025**	44 858	63 719
Private clients - non-discretionary	**76 801**	69 047	73 761
Properties managed for third parties	**3 019**	2 384	1 975
Acceptances on behalf of clients	**39**	29	42
Off balance sheet funding activities	**10 501**	25 043	18 645
	343 606	301 838	319 897
On balance sheet assets	**250 214**	201 634	194 732
Assets under administration	**593 820**	503 472	514 629

** Restated for changes to accounting policies and disclosures*

Assets under administration



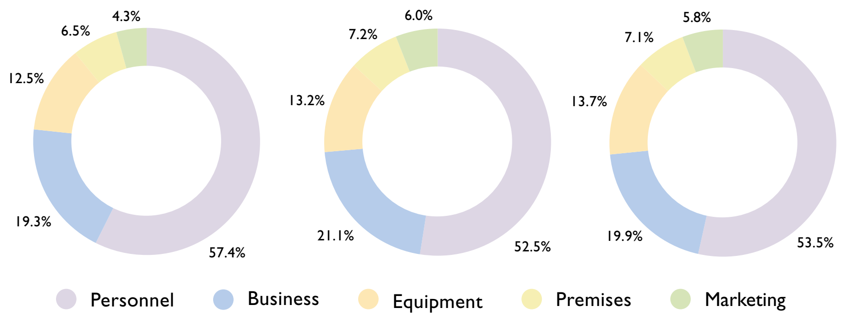
Operating Expenses by Type

(R millions)	**6 months to 30 Sept. 2001**	6 months to 30 Sept. 2000	Year to 31 March 2001
Personnel	**1 221**	842	1 860
Business expenses	**411**	338	691
Equipment	**265**	211	477
Premises	**139**	116	246
Marketing expenses	**91**	97	202
Total operating expenses	**2 127**	1 604	3 476

Note:
Personnel expenses includes personnel remuneration, pension and provident contributions and directors remuneration.

Business expenses include auditors remuneration. Equipment expenses includes depreciation.

30 September 2001 30 September 2000 31 March 2001



Net Interest Margin - extracting impact of short dated money market instruments

(R millions)	**6 months to 30 Sept. 2001**	6 months to 30 Sept. 2000	Year to 31 March 2001
Interest bearing assets	**191 848**	172 054	165 812
Less: short dated money market instruments**	**97 520**	98 829	87 986
Total adjusted interest bearing assets	**94 328**	73 225	77 826
Average adjusted interest bearing assets	**86 077**	70 988	73 288
Interest margin	**1 001**	727	1 878
Centralised funding	**103**	99	199
Less: margin on short dated money market instruments**	**(91)**	(72)	(152)
Interest margin net of short dated instruments	**1 013**	754	1 925
% Annualised return	**2.4%**	2.1%	2.6%

*** Activities of Wholesale Markets Group in the UK*

Operating Income by Type

(R millions)	**6 months to 30 Sept. 2001**	6 months to 30 Sept. 2000	Year to 31 March 2001
Commission & Fees - Recurring	**1 398**	1 093	2 339
Margin income	**891**	616	1 680
Principal transactions & trading income	**540**	461	638
Commission & fees - non recurring	**321**	290	644
Income from long term assurance activities	**110**	-	-
Total income	**3 260**	2 460	5 301

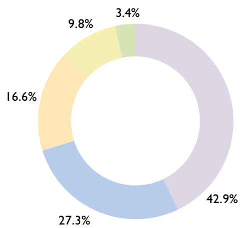
Note:
Other income includes commissions, fees and principal trading income, net of profit sharing arrangements, which are income based.

Commissions and fees include fees earned from providing advisory services, portfolio management and the arranging of financing for clients. All such commissions and fees are recognised as revenue when the related services are performed.

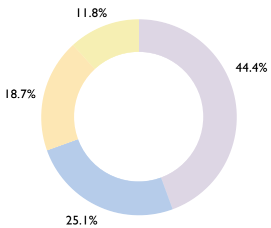
Principal and trading income consists of investment income and trading income, including dividends received. Investment income includes realised profit and losses on disposal of investments.

Trading income is shown net of the funding cost of the underlying positions and includes the unrealised profits on trading portfolios that are marked to market daily.

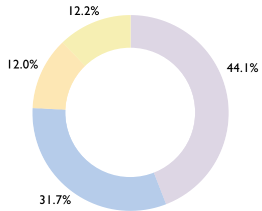
30 September 2001



30 September 2000



31 March 2001



Commission & Fees - Recurring | Margin Income | Principal Transactions & Trading Income | Commission & Fees - Non Recurring | Income from long term assurance activities

Investec Group Limited

Return on Equity

(R millions)	**30 Sept. 2001**	30 Sept. 2000	31 March 2001
Average shareholders' funds	**8 280**	6 169	6 262
Average CCDs and preference shares	**2 704**	1 710	1 977
Less: Average goodwill	**4 366**	2 404	2 646
Adjusted capital base	**6 618**	5 475	5 593
Headline earnings	**760**	580	1 314
After tax debenture interest	**115**	86	190
Adjusted earnings	**875**	666	1 504
Return on equity (%)	**26.4%**	24.3%	26.9%

Return on Investment

(R millions)	**30 Sept. 2001**	30 Sept. 2000	31 March 2001
Average shareholders' funds	**10 984**	7 879	8 239
Goodwill previously amortised	**1 250**	787	966
Less: Average forex reserves	**1 074**	579	638
Total	**11 160**	8 087	8 567
Adjusted earnings (per above)	**875**	666	1 504
Return on investment (%)	**15.7%**	16.5%	17.6%

Share Statistics

Refer to definitions on page 55

Investec Group Limited ordinary shares

for the six months ended 30 Sept	**2001**	2000	1999	1998	1997
Closing market price per share (cents)					
- 30 September	**16 280**	23 100	19 500	17 800	17 700
- highest	**27 800**	30 000	25 800	27 100	19 400
- lowest	**15 000**	19 480	15 460	12 100	10 750
Number of shares in issue on a fully converted basis (million)	**109.1**	94.7	92.6	88.5	76.9
Number of ordinary shares in issue (million)	**94.2**	80.6	80.4	79.0	71.1
Market capitalisation on a fully converted basis (R millions)	**17 761**	21 876	18 057	15 753	13 611
Monthly average volume of shares traded ('000)	**4 788**	1 545	1 785	1 901	968
Monthly average value of shares traded (R millions)	**921**	375	387	404	135
Headline earnings per share (cents)	**827.9**	719.3	548.5	443.8	324.8
Dividends per share (cents)	**375.0**	310.0	237.5	175.0	130.0
Dividend cover (times)	**2.2**	2.3	2.3	2.5	2.5
Dividend yield (%)	**2.3**	1.3	1.2	1.0	0.7
Earnings yield (%)	**5.1**	3.1	2.8	2.5	1.8

Investec Group Limited

Acquisition of the insurance and financial services businesses of Fedsure Holdings Limited

Investec Group Limited

At Acquisition Information

Financial information

Net asset value at 1 June 2001	**(R millions)**
Life Assurance	**1 169**
Free Assets	**2 271**
Inadmissible Assets	**37**
Minorities' Interest	**(39)**
Capital injected by Investec	**(1 100)**
International Operations	**351**
Balance of Financial Services	**(129)**
Total	**1 391**
Purchase consideration	**4 511**
Goodwill	**3 120**

Other relevant information

	(R millions)
Embedded value of in-force (R millions)	207
Excess value of international businesses over NAV (R millions)	364
Acquired funds under management (R billions)	48.2
Institutional	34.8
Linked Products	6.5
Unit Trusts	4.2
Property	2.7

Income Statement Information

Earnings attributable to Fedsure acquisition for four months ended 30 September 2001

(R millions)	Life Business	Financial Services	International	**Total**
Revenue costs	284	76	58	**418**
Costs	(174)	(15)	(31)	**(220)**
Net income	110	61	27	**198**
Tax	(28)	(15)	(7)	**(50)**
NIAT	82	46	20	**148**

Net income to Life Business for four months ended 30 September 2001

	(R millions)
Premium income	**1 264**
Investment income	**655**
Total income	**1 919**
Total outgo	**2 190**
Benefits paid	**1 966**
Commission	**50**
Marketing and admin expenses	**155**
Taxation	**19**
Income less outgo	**(271)**
Transfer from the Life Fund	**381**
Operational income	**110**

Investec's share of associates exceptional items for two months ended 31 May 2001

	(R millions)
Attributable to Fedsure Life	**650**
Reinsurance of Individual Life Business to Capital Alliance	**620**
Sale of Credit Life and Fedsure Namibia Life	**35**
Investment gain	**156**
Restructure costs	**(161)**
Other restructure costs (remaining businesses)	**(84)**
Write-off of FBC funds	**(138)**
Total	**428**
Investec's share thereof (19.08%)	**82**

Balance Sheet/Embedded Value Information

Embedded Value

(R millions)	31 Dec 2000	31 Mar 2001	31 May 2001	**30 Sept 2001**
Net Asset Value	880	1 563	2 271	**2 381**
Value of In-force	1 285	967	207	**264**
Embedded Value	2 165	2 530	2 478	**2 645**

Statement of Actuarial values of assets and liabilities

(R millions)	31 Dec 2000	31 Mar 2001	31 May 2001	**30 Sept 2001**
Total value of assets	43 306	42 956	29 662	**28 875**
Inadmissible assets for FSV*	-	(52)	(37)	**-**
Market value of assets	43 306	42 904	29 625	**28 875**
Less: liabilities	42 426	41 341	27 354	**26 494**
Actuarial value of policy liability	40 966	39 843	25 519	**22 520**
Long-term & current liability	1 460	1 498	1 835	**3 974**
Excess of assets over liabilities	880	1 563	2 271	**2 381**

* *Financial soundness valuations*

Economic Assumptions used in Embedded Value

%	**30 Sept 2001**	31 May 2001
Cash	**8**	9
Fixed income	**11**	12
Equities	**13**	14
Properties	**12**	13
Risk discount rate	**14**	16
Expense inflation	**7**	7.5

Investec Holdings Limited

Unaudited Group results for the six months ended
30 September 2001

Investec Holdings Limited

Salient Features

Refer to definitions on page 55

	30 Sept. 2001	% increase	30 Sept. 2000*	31 March 2001*
Headline earnings attributable to ordinary shareholders (R millions)	**281**	10.2	255	558
Headline earnings per share (cents)	**693.0**	10.8	625.5	1 368.7
Dividend per share (cents)	**340.0**	21.4	280.0	680.0
Dividend cover (times)	**2.0**	(9.1)	2.2	2.0
Weighted number of ordinary shares in issue (million)	**40.5**	(0.7)	40.8	40.8
Number of shares in issue on a fully converted basis (million)	**48.6**	(7.1)	52.3	52.3
Share price (cents)	**13 980**	(29.0)	19 680	17 100
Market capitalisation on a fully converted basis (R millions)	**6 794**	(34.0)	10 293	8 943

** Restated for changes to accounting policies and disclosures*

Directorate and Corporate Information

Investec Holdings Limited

Reg. No. 1985/005574/06

Directors

Ian R Kantor (Chairman)
Bas Kardol (Deputy Chairman) (Dutch)
Glynn R Burger
Graham H Davin
Hugh S Herman
Bernard Kantor
Stephen Koseff
Peter R S Thomas

Registered Office

100 Grayston Drive,
Sandown, Sandton 2196
PO Box 785700, Sandton 2146

Transfer Secretaries

Mercantile Registrars Limited
8th Floor
11 Diagonal Street
Johannesburg 2001
PO Box 1053, Johannesburg 2000

Commentary

The results of Investec Holdings Limited (Inhold) reflect the strong performance of the company's subsidiary Investec Group Limited (Investec). Inhold shareholders are referred to Investec's results on page 2 - 37 for further details regarding the Group's results.

Headline earnings attributable to ordinary shareholders increased by 10.2% to R281 million, resulting in headline earnings per share of 693.0 cents. Inhold has achieved a ten-year compound growth rate per annum in headline earnings per share and dividends per share of 32.5% and 39.6% respectively.

In the current period, the rate of growth in Inhold's headline earnings per share is less than that of Investec because of the effect of gearing to fund convertible preference shares in Investec during the latter half of the 2001 financial year. The effect of this gearing will be positive on earnings growth after March 2002, provided Investec's headline earnings growth exceeds the growth in the financing costs of the preference shares.

During the period under review Inhold repurchased and cancelled 3 754 500 of its own shares for a consideration of R607 million.

The directors expect Investec, and therefore Inhold, to continue achieving growth in earnings and dividends.

On behalf of the board

I R Kantor
Chairman

Dividend Announcement

It is the company's policy to pay an interim dividend of 50% of the previous year's total dividend. An interim dividend (No. 31) of 340.0 cents (2000 - 280.0 cents) per ordinary share has been declared in respect of the six months ended 30 September 2001.

The dividend is payable to shareholders registered in the books of the company at the close of business on 14 December 2001 (the record date). The last day to trade cum dividend will be 7 December 2001 and trading will commence ex dividend on 10 December 2001. The dividend will be paid on 18 December 2001.

Share certificates may not be dematerialised or rematerialised between 3 December 2001 and 14 December 2001, both dates inclusive.

By order of the board

S Noik
Secretary
22 November 2001

Consolidated Balance Sheet

(R millions)	**30 Sept. 2001**	30 Sept. 2000*	31 March 2001*
Assets			
Cash and short term funds	**80 541**	79 446	69 196
Short term negotiable securities	**56 970**	54 394	53 874
Investment and trading securities	**14 261**	11 133	9 968
Other assets	**6 218**	6 727	6 255
Advances	**42 679**	33 525	38 062
Associated companies	**43**	299	544
Fixed assets	**1 451**	1 198	1 320
Goodwill	**5 883**	2 364	2 849
Long term assurance assets	**42 198**	12 710	12 682
	250 244	201 796	194 750
Equity and liabilities			
Capital and reserves			
Ordinary share capital	**2**	4	4
Compulsorily convertible debentures	**2 317**	1 710	2 321
Reserves	**3 467**	2 695	2 738
	5 786	4 409	5 063
Interest of minority shareholders in subsidiaries	**7 035**	3 700	3 784
Total shareholders' funds	**12 821**	8 109	8 847
Subordinated debt	**1 945**	1 000	1 945
Redeemable preference shares	**382**	382	382
Total capital resources	**15 148**	9 491	11 174
Liabilities			
Deposits and other accounts	**194 499**	179 132	170 390
Taxation	**560**	463	504
Long term assurance liabilities	**40 037**	12 710	12 682
	250 244	201 796	194 750

**Restated for changes to accounting policies and disclosures*

Consolidated Income Statement

(R millions)	6 months to 30 Sept. 2001	% increase	6 months to 30 Sept. 2000*	Year to 31 March 2001*
Interest received	**5 870**	6.9	5 492	12 120
Interest paid	**4 868**	2.1	4 767	10 244
Net interest income	**1 002**	38.2	725	1 876
Provision for bad and doubtful debts	**110**	(0.9)	111	198
	892	45.3	614	1 678
Other income	**2 370**	28.5	1 844	3 627
Total income	**3 262**	32.7	2 458	5 305
Operating expenses	**2 127**	32.6	1 604	3 476
Exceptional items	**284**	113.5	133	312
Income before taxation	**851**	18.0	721	1 517
Taxation	**223**	19.9	186	326
Income after taxation	**628**	17.4	535	1 191
Share of income/(loss) of associated companies	**95**	269.6	(56)	(86)
Operating income	**13**	(70.5)	44	70
Exceptional items	**82**	182.0	(100)	(156)
Net income	**723**	50.9	479	1 105
Attributable to minority shareholders	**348**	70.6	204	483
	375	36.4	275	622
Preference dividend	**13**		-	24
Compulsorily convertible debenture interest	**153**	24.4	123	247
Earnings attributable to ordinary shareholders	**209**	37.5	152	351
Earnings per share (cents)	**515.7**	38.5	372.3	860.9
Diluted earnings per share (cents)	**515.7**	38.5	372.3	860.9

**Restated for changes to accounting policies and disclosures*

Investec Holdings Limited

Statement of Changes in Shareholders' Equity

(R millions)	6 months to 30 Sept. 2001	6 months to 30 Sept. 2000*	Year to 31 March 2001*
Ordinary share capital			
Balance at beginning of period	**4**	4	4
Repurchase of own shares	**(2)**	-	-
Balance at end of period	**2**	4	4
Compulsorily convertible debentures			
Balance at beginning of period	**2 321**	1 710	1 710
Issues of debentures	**-**	-	629
Conversion to ordinary shares of subsidiary	**(4)**	-	(18)
Balance at end of period	**2 317**	1 710	2 321
Share premium			
Balance at beginning of period	**1 484**	1 484	1 484
Repurchase of own shares	**(605)**	-	-
Balance at end of period	**879**	1 484	1 484
General reserves			
Balance at beginning of period	**1 087**	941	941
-as previously reported	**924**	800	800
-prior period adjustments: dividend	**163**	141	141
Transfer from/(to) equity accounted reserves of associated companies	**8**	(38)	47
Earnings attributable to ordinary shareholders	**209**	152	351
Dividends	**(163)**	(141)	(255)
Movement arising from a change in shareholding	**1 108**	-	-
Transfer from interest of minority shareholders	**-**	-	10
Transfer to secondary reserves	**-**	-	(7)
Balance at end of period	**2 249**	914	1 087
Secondary reserves			
Balance at beginning of period	**159**	255	255
Movement arising from a change in shareholding	**(26)**	-	-
Transfer from general reserves	**-**	-	7
Movement in revaluation reserves	**206**	(51)	(103)
Balance at end of period	**339**	204	159
Equity accounted reserves of associated companies			
Balance at beginning of period	**8**	55	55
Transfer (to)/from general reserves	**(8)**	38	(47)
Balance at end of period	**-**	93	8
Total balance at end of period	**5 786**	4 409	5 063

* *Restated for changes to accounting policies and disclosures*

Abridged Cash Flow Statement

(R millions)	**30 Sept. 2001**	30 Sept. 2000*	31 March 2001*
Cash retained/(utilised) from operating activities	**3 441**	3 851	(6 801)
Cash utilised in investing activities	**(723)**	(269)	(1 423)
Cash flows from financing activities	**(606)**	1 382	2 938
Net increase/(decrease) in cash and short term funds	**2 112**	4 964	(5 286)
Cash and short term funds at beginning of period**	**78 429**	74 482	74 482
Cash and short term funds at end of period	**80 541**	79 446	69 196

**Restated for changes to accounting policies and disclosures*

***Restated for effect of exchange rate changes*

Investec Holdings Limited

Accounting Policies

Basis of presentation

The interim financial report has been prepared on the historical cost basis, except for investments which are stated at market value, or directors' valuation where no formal market exists, and in conformity with South African Statements of Generally Accepted Accounting Practice.

Accounting policies

The accounting policies applied in the preparation of the interim financial statements are consistent with those applied in the annual financial statements for the year ended 31 March 2001.

Comparative figures

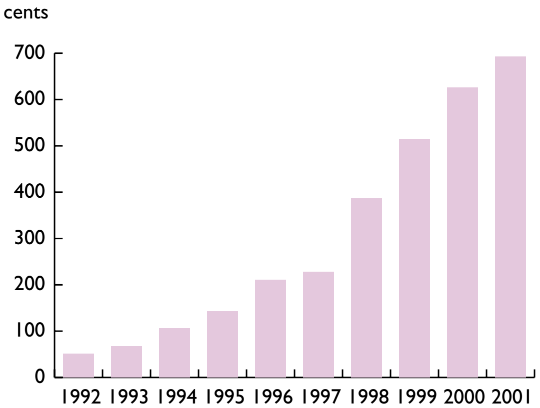
Comparative figures are restated where necessary to allow for more meaningful comparison.

Calculation of Headline Earnings

(R millions)	**6 months to 30 Sept. 2001**	6 months to 30 Sept. 2000*	Year to 31 March 2001*
Headline earnings	**281**	255	559
Exceptional items	**(202)**	(233)	(468)
Minority share of exceptional items	**130**	130	260
Earnings attributable to ordinary shareholders	**209**	152	351

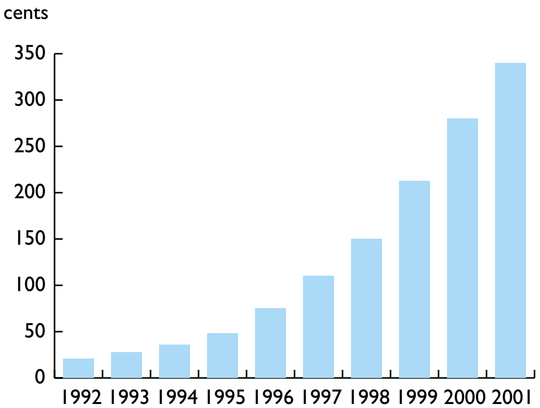
**Restated for changes to accounting policies and disclosures*

Headline earnings per share for six months ended 30 September



10 year compound annual growth rate in headline earnings per share: 32.5%

Dividends per share for six months ended 30 September



10 year compound annual growth rate in dividends per share: 39.6%

Share Statistics

Refer to definitions on page 55

Investec Holdings Limited ordinary shares

for the six months ended 30 Sept	**2001**	2000	1999	1998	1997
Closing market price per share (cents)					
- 30 September	**13 980**	19 680	16 900	17 000	17 400
- highest	**24 000**	26 000	23 500	27 000	19 700
- lowest	**13 200**	16 900	15 300	12 200	9 200
Number of shares in issue on a fully converted basis (million)	**48.6**	52.3	52.3	44.8	42.3
Number of ordinary shares in issue (million)	**37.0**	40.8	40.8	40.8	38.4
Market capitalisation on a fully converted basis (R millions)	**6 794**	10 293	8 839	7 616	7 360
Monthly average volume of shares traded ('000)	**121**	578	500	381	197
Monthly average value of shares traded (R millions)	**158**	121	100	77	29
Headline earnings per share (cents)	**693.0**	625.5	515.1	386.6	228.3
Dividends per share (cents)	**340.0**	280.0	212.5	150.0	110.0
Earnings yield (%)	**5.0**	3.2	3.0	2.3	1.3
Dividend cover (times)	**2.0**	2.2	2.4	2.6	2.1
Dividend yield (%)	**2.4**	1.4	1.3	0.9	0.6

Financial Definitions

Financial Definitions

Assets under administration
Includes third party assets under administration and on-balance sheet assets.

Dividend cover
Headline earnings per ordinary share divided by dividends per ordinary share.

Dividend yield (%)
Dividends per ordinary share divided by the closing share price on the JSE Securities Exchange of South Africa.

Earnings yield (%)
Headline earnings per ordinary share divided by the closing share price on the JSE Securities Exchange of South Africa.

Headline net income before tax
Income before taxation, prior to headline adjustments e.g. goodwill amortisation.

Headline earnings: Southern Africa & other
Headline earnings earned in Southern Africa, Mauritius, Hong Kong and Australia.

Headline earnings: Non-Southern Africa & other
Headline earnings earned in UK and Europe, USA and Israel.

Market capitalisation on a fully converted basis
Number of shares in issue on a fully converted basis, multiplied by the closing share price on the JSE Securities Exchange of South Africa.

Net contribution per employee
Headline earnings before debenture interest and earnings attributable to minority shareholders, divided by the average number of employees.

Number of shares in issue on a fully converted basis
Based on the number of shares in issue assuming conversion of all debentures and convertible preference shares.

Financial Definitions

Return on average risk weighted assets
Headline earnings expressed as a percentage of average risk weighted assets, as defined in the Banks Act.

Return on average shareholders' funds
Headline earnings before deducting the after-tax cost of the debenture interest, expressed as a percentage of the average tangible net asset value of Investec Group.

Return on investment
Headline earnings before deducting the after-tax cost of the debenture interest, expressed as a percentage of average shareholders' funds including goodwill previously amortised.

Tangible net asset value
Shareholders' funds including all convertible instruments, excluding subordinated debt, minority shareholders' interest in subsidiaries and goodwill.

Tangible net asset value (NAV) per share
Tangible NAV divided by the total number of shares in issue on a fully converted basis.

Total capital resources
Includes total shareholders' funds and subordinated debt.

Weighted number of ordinary shares in issue
The number of ordinary shares in issue at the beginning of the year, increased by shares issued during the year, weighted on a time basis for the period during which they have participated in the income of the Group.

For additional information please refer to our website

www.investec.com