17 November 2005 - Investec plc (incorporating the results of Investec Limited)

Investec reports substantial growth in first half
Operating profit increased by 58.2%; Adjusted EPS increased by 40.4%;
Dividend increased by 26.7%

Investec, the international specialist banking group, announces today its interim results for the six months ended 30 September 2005

Financial highlights

- Operating profit before taxation* increased 58.2% to £152.8 million (2004: £96.6 million)
- Profit after tax, impairment of goodwill and non-operating items increased significantly to £181.5 million (2004: £62.7 million)
- Adjusted earnings per share* increased 40.4% to 85.2p (2004: 60.7p)
- Interim dividend per share increased 26.7% to 38p (2004: 30p) – equating to a cover of 2.2 times
- Annualised return on adjusted shareholders' equity of 22.1% (2004: 18.7%)
- Cost to income ratio of 61.9% (2004: 68.7%)
- Core loans and advances increased 23.3% to £7.9 billion (1 April 2005: £6.4 billion). Asset quality remains highly satisfactory with the percentage of gross non-performing loans to core loans and advances decreasing from 0.9% to 0.7%.
- Third party assets under management increased 37.0% to £46.4 billion (1 April 2005: £33.9 billion)

Business highlights

- Strong operating profit growth from all businesses:
    - Private Client Activities: increase of 28.5% to £50.1 million (2004: £39.0 million)*
    - Treasury and Specialised Finance: increase of 34.0% to £28.7 million (2004: £21.4 million)*
    - Investment Banking: increase of 123.9% to £42.1 million (2004: 18.8 million)*
    - Asset Management: increase of 56.7% to £21.8 million (2004: £13.9 million)*
    - Property Activities: increase of 8.7% to £7.2 million (2004: £6.6 million)*

**before a non-operating gain of £75.7 million (2004: a non-operating loss of £16.5 million) and goodwill impairments of £6.6 million (2004: negative goodwill of £4.3 million)*

Stephen Koseff, Chief Executive Officer of Investec, said:
"These results reflect strong performances across the board and demonstrate the strides we have taken over the last few years to refocus and build a sustainable earnings base. The scale we have built in many of our businesses and strong focus on client delivery has enabled us to take advantage of more favourable market conditions."

Bernard Kantor, Managing Director of Investec, said:

"The growth achieved in the first half illustrates the progress we have made on building a distinctive franchise across South Africa, Australia and the UK. All of our businesses continue to perform well and we remain confident on the outlook for the remainder of the financial year."

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The management of Investec will host a presentation commencing at 09:00 (UK time) / 11:00 (SA time) from their office in Johannesburg, and via video linkup to their office at 2 Gresham Street, London EC2V 7QP. Details of the conference call facilities and a delayed webcast of the presentation are available at www.investec.com.

About Investec

Investec is an international specialist banking group 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 4 100 employees.

Investec focuses on delivering distinctive profitable solutions for its clients in five core areas of activity namely, Private Client Activities, Treasury and Specialised Finance, Investment Banking, Asset Management and Property Activities.

In July 2002 the Investec group implemented a dual listed company structure with listings on the London and Johannesburg Stock Exchanges. Management and staff own approximately 16% of the equity share capital of the group. The combined group's current market capitalisation is approximately £2.8 billion

Investec plc (incorporating the results of Investec Limited)
Unaudited consolidated financial results for the six months ended 30 September 2005 prepared using International Financial Reporting Standards and expressed in Pounds Sterling

Commentary

The financial information contained in this commentary is prepared in accordance with International Financial Reporting Standards (IFRS). Rand values included in this section are translated into Pounds Sterling - in the case of the income statement at the weighted average rate for the relevant period, and in the case of the balance sheets at the relevant closing rate. The average Rand/Pounds Sterling exchange rates were 11.76 and 11.74 for the six months ended 30 September 2005 and 30 September 2004, respectively.

Unless the context indicates otherwise, all comparatives relate to the pro-forma results (as explained in the "Accounting policies and disclosures" section below) for the six months ended 30 September 2004. A number of significant corporate actions have been undertaken during the period which have a bearing on our performance and these have been highlighted in the "Presentation of financial information" section.

Overall performance

We are pleased to announce that for the six months ended 30 September 2005, adjusted earnings per share (EPS) before goodwill impairment and non-operating items increased by 40.4% to 85.2 pence from 60.7 pence. We have benefited from a strong performance from all our businesses, supported by favourable economic conditions, and have achieved our stated growth and financial return objectives.

The salient features of the period under review are:

- Operating profit before goodwill impairment, non-operating items and taxation increased 58.2% from £96.6 million to £152.8 million.
- Earnings attributable to ordinary shareholders before goodwill impairment and non-operating items increased 37.4% from £68.0 million to £93.4 million.
- Annualised return on adjusted shareholders' equity (inclusive of compulsorily convertible instruments) increased from 18.7% to 22.1% against a target of greater than 20%.
- The ratio of total operating expenses to total operating income improved from 68.7% to 61.9% against a target of below 65%.
- Core loans and advances have increased by 23.3% to £7.9 billion since 1 April 2005. Asset quality remains highly satisfactory with the percentage of gross non-performing loans to core loans and advances decreasing from 0.9% to 0.7%.
- Third party assets under management increased by 37.0% to £46.4 billion since 1 April 2005, supported by favourable markets and the corporate transactions undertaken.
- The board declared a dividend of 38 pence (2004: 30 pence) per ordinary share, equating to a dividend cover based on the group's adjusted EPS before impairment of goodwill and non-operating items of 2.2 times (2004: 2.0 times). This is consistent with our policy of maintaining a dividend cover range of 1.7 to 2.3 times.

Business unit review

Private Client Activities

Our Private Client Activities, comprising the Private Banking and Private Client Portfolio Management and Stockbroking divisions, reported strong growth in operating profit before goodwill impairment and non-operating items of 28.5% to £50.1 million (2004: £39.0 million).

- **Private Banking**

Operating profit of the Private Banking division before goodwill impairment and non-operating items increased by 28.5% to £42.4 million (2004: £33.0 million) driven by solid growth in total advances and strong performances recorded across the majority of the division's areas of activities. Since 1 April 2005, the private client lending book has grown by 18.2% to £5.1 billion and the division increased its retail deposit book by 18.8% to £3.9 billion.

- **Private Client Portfolio Management and Stockbroking**

Private Client Portfolio Management and Stockbroking recorded strong growth, generating operating profit before goodwill impairment and non-operating items of £7.7 million (2004: £6.0 million), an increase of 28.3%. The Private Client business in South Africa has benefited from positive equity market conditions and the acquisition of HSBC's Private Client business in South Africa. Since 1 April 2005, total funds under management have increased by 72.3% to £6.2 billion. The results of the UK operations include our 47.7% associate shareholding in Rensburg Sheppards plc's post tax earnings.

Treasury and Specialised Finance

The Treasury and Specialised Finance division posted operating profit before goodwill impairment and non-operating items of £28.7 million (2004: £21.4 million), an increase of 34.0%. Growth was underpinned by a solid performance from the division's advisory, structuring, asset creation and distribution activities with advances increasing by 29.6% to £2.6 billion since 1 April 2005.

Investment Banking

The group's Investment Banking division recorded a significant increase in operating profit before goodwill impairment and non-operating items from £18.8 million to £42.1 million. The Institutional Stockbroking operations continued to perform well against a backdrop of favourable equity markets and the Corporate Finance operations benefited from a sound deal pipeline across all geographies. The Direct Investments and Private Equity divisions continued to perform strongly across the board reflecting our increasing presence in this activity.

Asset Management

The Asset Management division delivered substantial growth in operating profit before goodwill impairment and non-operating items of 56.7% to £21.8 million (2004: £13.9 million). The division was boosted by favourable market conditions and net inflows of £494 million with assets under management increasing by 18.2% to £27.1 billion since 1 April 2005. The division has established a durable platform for growth on the back of competitive long term investment performance, management continuity and growing brand recognition in its markets.

Property Activities

Operating profit before goodwill impairment and non-operating items of the Property Activities division increased by 8.7% to £7.2 million (2004: £6.6 million). The division in South Africa posted solid results driven by an increase in funds under management and principal transactions given the favourable property market conditions. These results were partially offset by a weaker performance in the UK.

Group Services and Other Activities

Group Services and Other Activities earned an operating profit before goodwill impairment and non-operating items of £3.0 million compared to the prior period loss of £3.1 million. The Central Funding division benefited from a solid performance of its portfolio of assets and increased cash holdings arising out of the number of corporate actions undertaken as highlighted below. These results were partially offset by a decrease in earnings from Assurance Activities and associates following the disposal of these activities in the prior period.

Financial statements analysis

Operating income

Operating income increased by 23.6% to £414.7 million (2004: £335.4 million). The movements in total operating income are analysed further below.

Net interest income increased by 44.3% to £114.9 million (2004:£79.6 million) as a result of a strong growth in core loans and advances of 23.3% to £7.9 billion since 1 April 2005 and increased cash holdings within the Central Funding division.

The growth in net fees and commissions of 5.2% to £190.0 million (2004: £180.5 million) is impacted by the sale of Carr Sheppards Crosthwaite to Rensburg plc. Excluding the consolidated income earned from Carr Sheppards Crosthwaite in both periods results in an increase of 17.2% to £186.5 million. This result was supported by favourable market and economic conditions and increased transactional activity in the majority of our businesses.

Income from principal transactions increased significantly to £93.6 million (2004: £52.0 million) mainly as a result of the strong performance of the underlying assets within the Direct Investments, Private Equity, Property and Central Funding portfolios and an improved performance from our market making activities.

Operating income from associates decreased by 58.7% to £2.9 million (2004: £7.1 million). The current period figures include Investec's 47.7% share of the reported operating earnings of Rensburg Sheppards plc for the period 6 May 2005 to 30 September 2005. In the prior period our most significant associate investment was Capital Alliance Holdings Limited.

The decline in net income from assurance activities is as a result of the reinsurance of the group risk business during the prior period. A net profit of £1.5 million (2004: £5.2 million) was generated from assurance activities, which represents the residual earnings from the businesses that were retained.

Other operating income of £3.9 million (2004: £3.6 million) principally represents net rental income earned by the Central Funding division.

Impairment losses on loans and advances

Impairment losses on loans and advances decreased by 38.3% to £5.2 million (2004: £8.5 million) largely as a result of a large provision made in the prior period.

The percentage of gross non-performing loans (NPLs) to core loans and advances decreased from 0.9% to 0.7%. Total impairment coverage remains highly satisfactory both as a percentage of gross NPLs and net NPLs (gross NPLs net of security), at 69.6% and 150.0% respectively.

Administrative expenses

Total administrative expenses increased by 12.0% to £252.8 million (2004: £225.7 million), and by 21.6% if the costs of Carr Sheppards Crosthwaite are excluded in both periods. Variable remuneration increased by 37.4% to £60.1 million due to increased profitability. Other operating expenses increased by 5.9% to £192.7 million largely as a result of an increase in headcount in certain of the businesses in line with our growth initiatives and the introduction of a long-term incentive plan for a group of senior employees in June 2005.

We achieved our target of operating expenses to total operating income of less than 65% as the ratio decreased from 68.7% to 61.9%, principally as a result of the strong growth in operating income of 23.6%.

Goodwill impairment

The charge for goodwill impairment increased from negative £4.3 million to £6.6 million. The current charge largely relates to impairment of goodwill attributable to property management contracts with respect to a portfolio of properties sold. The prior period included an amount of £5 million relating to negative goodwill arising from a structured finance transaction.

Non-operating items

- Non-operating items principally includes a profit of £79.5 million arising out of the effective 52.3% sale of Carr Sheppards Crosthwaite to Rensburg plc offset by Investec's £3 million share of integration costs relating to the transaction.
- The prior period included provisions for losses arising on the sale of the banking subsidiary in Israel and losses arising on the closure of the Traded Endowments operation in the UK.

Taxation

- The operational effective tax rate of the group increased from 24.2% to 26.9% due to a reduction in the level of non-taxable income.

Capital resources

Since 1 April 2005 total capital resources (including total equity and subordinated liabilities) increased by 21.2% to £1.9 billion largely as a result of the issue of €200 million (£132 million) preferred securities by a subsidiary of Investec plc in June 2005, the gain on the sale of Carr Sheppards Crosthwaite and increased operating earnings.

The annualised return on adjusted shareholders' equity (inclusive of compulsorily convertible instruments) increased from 18.7% to 22.1%, exceeding our target of 20%.

Investec plc and Investec Limited are well capitalised with capital adequacy ratios comfortably exceeding the minimum regulatory requirements. The capital adequacy of Investec plc (applying UK Financial Services Authority rules to its capital base) is 18.7% (March 2005: 15.5%). The capital adequacy of Investec Limited (applying South African Reserve Bank rules to its capital base) is 17.9% (March 2005: 20.1%).

Assets under administration

Since 1 April 2005 third party assets under management have increased by 37.0% from £33.9 billion to £46.4 billion, with sound growth across all ranges of funds. On balance sheet assets grew by 1.2% from £19.9 billion to £20.2 billion with strong growth in core advances offset by a decline in reverse repurchase agreements and cash collateral on securities borrowed.

Outlook

Within the context of a competitive operating environment, we have continued to enhance the quality and sustainability of our earnings. We firmly believe that our niche focus, our ability to be distinctive and the capability of our people will enable us to take advantage of favourable market conditions and the board remains confident on the outlook for the remainder of the financial year.

On behalf of the boards of Investec plc and Investec Limited

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

Presentation of financial information

Investec operates under a Dual Listed Companies (DLC) structure with 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 consolidating the results and financial position of both companies.

Accordingly, the interim results for Investec plc 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.

The following significant corporate actions have been undertaken during the period under review and the previous financial year:

- The sale of our 80.28% stake in Investec Bank (Israel) Limited to The First International Bank of Israel Ltd on 22 December 2004.
- The reinsurance of the group risk business conducted by Investec Employee Benefits to Capital Alliance Holdings Limited (CAL) executed on 31 December 2004.
- Investec Limited issued R2.3 billion (£207.3 million) of non-redeemable, non-cumulative, non-participating preference shares in February 2005.
- The sale of our associate investment in CAL, to Liberty Group Limited effective on 31 March 2005.
- The acquisition of HSBC's private client business in South Africa effective 1 April 2005.
- The sale of our UK Private Client Stockbroking business, Carr Sheppards Crosthwaite Ltd, to Rensburg plc on 6 May 2005. We retain 47.7% interest in the combined entity, Rensburg Sheppards plc.
- A subsidiary of Investec plc issued €200 million preferred securities in June 2005.

Accounting policies and disclosures

Transition to International Financial Reporting Standards

From 1 April 2005 we are required to prepare our consolidated results (comprising the results of Investec plc and Investec Limited) in accordance with IFRS. Previously these were prepared in accordance with UK Generally Accepted Accounting Practice (UK GAAP). The first full year IFRS compliant financial statements that will be prepared by us will be for the year ending 31 March 2006.

Our transition to IFRS has been performed in accordance with IFRS 1 "First-Time Adoption of International Reporting Standards" and other relevant standards expected to be applicable at 31 March 2006.

The following dates are applicable for the transition to IFRS:

- 1 April 2004 – date of transition to IFRS, being the start of the earliest period of comparative information.
- 30 September 2004 – six month comparative period to 30 September 2005.
- 31 March 2005 – twelve month comparative period to 31 March 2006.

In accordance with the provisions of IFRS 1, we have elected not to apply the requirements of IAS 32, “Financial Instruments: Disclosure and Recognition”, IAS 39, “Financial Instruments: Recognition and Measurement” and IFRS 4, “Insurance Contracts” to the comparative period. The impact of adoption of these standards is reflected as an adjustment to the opening balance sheet at 1 April 2005. To facilitate comparability, a pro-forma income statement is presented which incorporates the impact of the adoption of IAS 32 and IAS39 in the following respects:

- recognising certain fees on an effective yield basis,
- the release of general provisions on loans and advances and
- fair value adjustments for embedded derivatives.

IFRS 4 only effects the presentation of the balance sheet.

On 21 September 2005 we released a stock exchange announcement and a transition to IFRS report detailing the impact of IFRS on our previously reported UK GAAP consolidated results. This information can be found on our website at *www.investec.com*

Future developments under IFRS

The financial information contained in this announcement has been prepared on the group’s expectation of standards that will be applicable at 31 March 2006 (being the first time that the group will prepare annual financial statements under IFRS). Changes to information presented in this report may be required due to one or more of the following reasons:

- Further standards and interpretations may be issued that could be applicable to the financial year ending 31 March 2006.
- Interpretations may differ as practice develops.
- Tax legislation and tax related interpretations may develop further.

Investec plc - dividend announcement

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 an interim dividend (No. 7) has been declared by the board in respect of the six months ended 30 September 2005. Shareholders in Investec plc will receive a total distribution of 38 pence (2004: 30 pence) per ordinary share, which will be paid as follows:-

- for non-South African resident Investec plc shareholders, through a dividend paid by Investec plc of 38 pence per ordinary share in Investec plc.
- for South African resident shareholders of Investec plc, through a dividend paid on the SA DAS share equivalent to 38 pence per ordinary share in Investec plc.

The relevant dates for the payment of the dividends are:

Last day to trade cum-dividend:

- On the London Stock Exchange	Tuesday, 13 December 2005
- On the JSE Limited	Thursday, 8 December 2005

Shares commence trading ex-dividend:

- On the London Stock Exchange	Wednesday, 14 December 2005
- On the JSE Limited	Friday, 9 December 2005

Record date:

- On the London Stock Exchange	Friday, 16 December 2005
- On the JSE Limited	Thursday, 15 December 2005

Payment date:

- United Kingdom register	Friday, 23 December 2005
- South African register	Friday, 23 December 2005

Share certificates on the South African branch register may not be dematerialised or rematerialised between Friday, 9 December 2005 and Thursday, 15 December 2005, both dates inclusive, nor may transfers between the UK and SA registers take place between Friday, 9 December 2005 and Thursday, 15 December 2005,both dates inclusive.

Shareholders registered on the South African register are advised that the total distribution of 38 pence, equivalent to 446 cents per share, has been arrived at using the Rand/Pounds Sterling average buy/sell forward rate, as determined at 11h00 (SA time) on 16 November 2005.

By order of the board
R Vardy
Company Secretary 17 November 2005

Investec plc (incorporating the results of Investec Limited)
Unaudited consolidated financial results for the six months to 30 September 2005 prepared using International Financial Reporting Standards expressed in Pounds Sterling

Salient Features

	30 Sept 2005	% Change	Pro forma 30 Sept 2004	Pro forma 31 March 2005
Adjusted earnings before goodwill impairment and non-operating items (£'000)	93 357	37.4	67 952	149 510
Operating profit before goodwill impairment and non-operating items and taxation (£'000)	152 771	58.2	96 581	224 124
Earnings attributable to shareholders (£'000)	177 469	188.8	61 443	110 888
Adjusted earnings per share (before goodwill impairment and non-operating items) (pence)	85.2	40.4	60.7	134.6
Earnings per share (pence)	155.6	214.3	49.5	89.2
Dividends per share (pence)	38.0	26.7	30.0	67.0

Consolidated income statements

£'000	6 months to 30 Sept 2005	Pro forma IFRS restated 6 months to 30 Sept 2004	Pro forma IFRS restated Year to 31 March 2005	IFRS restated 6 months to 30 Sept 2004	IFRS restated Year to 31 March 2005
Interest receivable	410 559	368 040	758 513	357 317	734 765
Interest payable	(295 613)	(288 396)	(587 945)	(288 396)	(587 945)
Net interest income	**114 946**	**79 644**	**170 568**	**68 921**	**146 820**
Fees and commissions receivable	208 857	191 052	403 543	207 357	439 958
Fees and commissions payable	(18 902)	(10 515)	(25 818)	(10 515)	(25 818)
Principal transactions	93 592	52 019	140 158	49 619	135 358
Operating income from associates	2 949	7 138	14 474	7 138	14 474
Investment income on assurance activities	76 387	134 390	258 855	134 390	258 855
Premiums and reinsurance recoveries on insurance contracts	72 486	118 147	246 537	118 147	246 537
Other operating income	3 851	3 649	6 120	3 649	6 120
Other income	**439 220**	**495 880**	**1 043 869**	**509 785**	**1 075 484**
Claims and reinsurance premiums on insurance business	(139 464)	(240 117)	(478 894)	(240 117)	(478 894)
Total operating income net of insurance claims	**414 702**	**335 407**	**735 543**	**338 589**	**743 410**
Impairment losses on loans and advances	(5 230)	(8 474)	(15 845)	(13 415)	(27 796)
Net operating income	**409 472**	**326 933**	**719 698**	**325 174**	**715 614**
Administrative expenses	(252 783)	(225 679)	(485 444)	(225 679)	(485 444)
Depreciation and impairment of property, plant and equipment	(3 918)	(4 673)	(10 130)	(4 673)	(10 130)
Operating profit before goodwill impairment	**152 771**	**96 581**	**224 124**	**94 822**	**220 040**
Impairment of goodwill	(6 595)	4 308	(37 010)	4 308	(37 010)
Operating profit	**146 176**	**100 889**	**187 114**	**99 130**	**183 030**
Profit/(loss) on disposal or termination of group operations	75 660	(16 492)	(14 629)	(16 492)	(14 629)
Profit before taxation	**221 836**	**84 397**	**172 485**	**82 638**	**168 401**
Taxation	(40 323)	(21 662)	(59 226)	(22 058)	(60 463)
Profit after taxation	**181 513**	**62 735**	**113 259**	**60 580**	**107 938**
Earnings attributable to minority interests	4 044	1 292	2 371	1 292	2 371
Earnings attributable to shareholders	177 469	61 443	110 888	59 288	105 567
Earnings attributable to shareholders' equity	**181 513**	**62 735**	**113 259**	**60 580**	**107 938**

Earnings and dividends per share

£'000	For the 6 months to 30 Sept 2005	Pro forma IFRS restated 6 months to 30 Sept 2004	Pro forma IFRS restated Year to 31 March 2005	IFRS restated 6 months to 30 Sept 2004	IFRS restated Year to 31 March 2005
Earnings attributable to shareholders	177 469	61 443	110 888	59 288	105 567
Impairment of goodwill	6 595	(4 308)	37 010	(4 308)	37 010
(Profit)/loss on disposal or termination of group operations	(75 660)	16 492	14 629	16 492	14 629
Preference dividends	(6 917)	(5 986)	(11 742)	(5 986)	(11 742)
Additional earnings attributable to preference shareholders	(8 130)	311	(1 275)	311	(1 275)
Adjusted earnings (before goodwill impairment and non-operating items)	**93 357**	**67 952**	**149 510**	**65 797**	**144 189**
Earnings per share (pence)					
- basic	155.6	49.5	89.2	47.6	84.5
- diluted	146.4	48.2	85.4	46.4	81.0
Adjusted earnings per share (pence)					
- basic	85.2	60.7	134.6**	58.8	129.8
- diluted	80.7	58.5	127.5**	56.7	123.1
Dividends per share (pence)					
- interim	38.0	30.0	30.0	30.0	30.0
- final	-	-	37.0	-	37.0
Number of weighted average shares					
– basic ('000)	109.62	111.92	111.09	111.92	111.09

**Per the Transition to IFRS Report (issued on 21 September 2005) the adjustment on adoption of IAS 32 and IAS 39 increased reserves of £17.6m This increase has been adjusted downward by £4.5m (after taxation effects) to £13.1 million as a result of interpretation and model enhancements relating to the recognition of certain fee income as a component of the effective yield of a lending transactions. These adjustments relate only to private banking activities. Similarly, adjusted EPS for the year ended 31 March 2005 has been revised downwards to 134.6 pence.

Consolidated balance sheets at

£'000	30 Sept 2005	1 April 2005	31 March 2005	30 Sept 2004
Assets				
Cash and balances at central banks	125 343	105 130	105 130	217 460
Treasury bills and other eligible bills			323 622	277 583
Loans and advances to banks	1 368 108	1 563 066	3 017 326	2 751 353
Reverse repurchase agreements and cash collateral on securities borrowed	682 354	2 318 745		
Trading securities	1 308 753	1 279 111		
Derivative financial instruments	868 549	936 097		
Cash equivalent advances to customers	683 731	710 721		
Investment securities	1 220 405	1 188 405		
Loans and advances to customers	7 903 166	6 408 368	7 402 460	6 544 234
Other assets	1 091 037	883 555	1 346 017	1 402 377
Debt securities			2 001 682	1 813 798
Equity shares			531 262	355 512
Interests in associated undertakings	58 545	13 219	13 219	81 918
Deferred taxation assets	48 097	51 498	49 023	46 899
Property, plant and equipment	231 812	233 867	233 867	219 720
Goodwill	190 257	199 313	199 313	248 202
Intangible assets	6 474	4 587	4 587	-
	15 786 631	15 895 682	15 227 508	13 959 056
Other financial instruments at fair value through profit and loss				
-in respect of liabilities to customers under insurance and investment contracts	3 071 676	2 815 137		
-assets related to reinsurance contracts	1 302 165	1 209 165		
Long-term assurance assets attributable to policyholders			2 815 137	2 689 767
	20 160 472	**19 919 984**	**18 042 645**	**16 648 823**
Liabilities				
Deposits by banks	1 282 297	780 829	912 526	886 583
Derivative financial instruments	617 201	838 578		
Other trading liabilities	408 279	1 892 732		
Repurchase agreements and cash collateral on securities lent	83 117	508 301		
Customer accounts	7 583 753	6 458 714	6 805 429	7 233 545
Debt securities in issue	2 296 949	1 926 889	1 925 124	1 165 994

Other liabilities	1 482 760	1 809 403	3 700 989	3 012 160
Current taxation liabilities	85 155	72 834	72 834	58 940
Deferred taxation liabilities	22 352	20 784	7 445	9 973
Accruals and deferred income			226 763	191 299
Pension fund liability	9 141	10 991	10 991	17 295
	13 871 004	14 320 055	13 662 101	12 575 789
Liabilities to customers under investment contracts	2 939 994	2 664 434		
Insurance liabilities, including unit-linked liabilities	131 682	145 136		
Reinsured liabilities	1 302 165	1 209 165		
Long-term assurance liabilities attributable to policyholders			2 815 137	2 689 767
	18 244 845	18 338 790	16 477 238	15 265 556
Subordinated liabilities (including convertible debt)	526 578	502 675	499 995	500 326
	18 771 423	**18 841 465**	**16 977 233**	**15 765 882**
Equity				
Called up share capital	165	165	165	165
Share premium account	1 029 120	1 029 242	1 029 242	1 027 539
Treasury shares	(99 753)	(109 362)	(99 873)	(83 907)
Equity portion of convertible instruments	2 191	2 191	2 191	2 384
Perpetual preference shares	205 587	196 742	323 800	127 622
Other reserves	117 101	78 054	39 617	50 291
Profit and loss account	(155 184)	(263 622)	(248 975)	(284 123)
Shareholders' equity excluding minority interests	1 099 227	933 410	1 046 167	839 971
Minority interests	289 822	145 109	19 245	42 970
Total shareholders' equity	**1 389 049**	**1 078 519**	**1 065 412**	**882 941**
Total liabilities and shareholders' equity	**20 160 472**	**19 919 984**	**18 042 645**	**16 648 823**

Summarised consolidated statements of changes in equity

£'000	6 months to 30 Sept 2005	6 months to 30 Sept 2004	12 months to 31 March 2005
Balance at the beginning of the period	**1 078 519**	**869 123**	**869 123**
As previously reported	967 256	766 373	766 373
Changes in accounting policies arising from adoption of IFRS			
-Minority interests included within reconciliation of reserves	13 195	39 029	39 029
-IFRS 2 - share based payments	554	(272)	(272)
-IFRS 3 - business combinations	10 943	-	-
-IAS 10 - events after balance sheet date	49 593	38 474	38 474
-IAS 12 – income taxes	7 298	81	81
-IAS 17 - leases	(6 933)	(594)	(594)
-IAS 19 - employee benefits	(140)	(140)	(140)
-IAS 27/28/31 – consolidations, associates and joint ventures	23 646	26 172	26 172
Restated prior to adoption of IAS 32 & 39	1 065 412	869 123	869 123
-IAS 32/39 - financial instruments (adopted from 1 April 2005)	13 107	-	-
Foreign currency adjustments	31 450	(7 446)	(15 263)
Earnings for the period attributable to ordinary shareholders	177 469	59 288	105 567
Earnings for the period attributable to minority interests	4 044	1 292	2 371
Share based payments adjustments	9 403	4 565	8 849
Fair value movements on available for sale assets	(5 245)	-	-
Dividends paid to ordinary shareholders	(41 681)	(30 213)	(55 394)
Dividends paid to minority shareholders	(6 917)	(5 986)	(11 742)
Issue of perpetual preference shares	-	-	207 313
Share issue expenses	(556)	-	(838)
Re-issue of treasury shares	10 043	443	2 146
Purchase of treasury shares	-	-	(16 159)
Release of pension fund deficit	-	-	2 370
Issue of equity instruments of subsidiaries	132 520	-	-
Movement on minorities on disposals and acquisitions	-	(8 125)	(32 931)
Balance at the end of the period	**1 389 049**	**882 941**	**1 065 412**

Consolidated cash flow statements

£'000	6 months to 30 Sept 2005	6 months to 30 Sept 2004	Year to 31 March 2005
Cash inflows from operations	149 274	128 703	234 204
Increase in operating assets	(1 015 495)	(1 417 645)	(3 228 141)
Increase in operating liabilities	398 799	1 165 468	2 909 285
Net cash outflow from operating activities	(467 422)	(123 474)	(84 652)
Net cash outflow from investing activities	(7 867)	(14 439)	(183 269)
Net cash inflow/(outflow) from financing activities	92 144	(42 123)	129 478
Effects of exchange rate changes on cash and cash equivalents	39 770	2 994	5 899
Net decrease in cash and cash equivalents	**(343 375)**	**(177 042)**	**(132 544)**
Cash and cash equivalents at the beginning of the period	1 382 556	1 515 100	1 515 100
Cash and cash equivalents at the end of the period	**1 039 181**	**1 338 058**	**1 382 556**

Cash and cash equivalents is 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).

Segmental analysis – geographical and business analysis of operating profit before goodwill impairment and non-operating items and taxation

For the six months to 30 September 2005

£'000	Southern Africa	United Kingdom and Europe	Australia	Other geographies	Total group
Private Client Activities	16 244	28 629	5 183	-	50 056
Treasury and Specialised Finance	21 399	7 501	(239)	-	28 661
Investment Banking	23 525	15 787	2 777	-	42 089
Asset Management	18 325	3 484	-	-	21 809
Property Activities	6 530	675	-	-	7 205
Group Services and Other Activities	11 393	(9 709)	814	453	2 951
	97 416	**46 367**	**8 535**	**453**	**152 771**

For the six months to 30 September 2004

£'000	Southern Africa	United Kingdom and Europe	Australia	Other geographies	Total group
Private Client Activities	13 308	22 427	1 466	1 753	38 954
Treasury and Specialised Finance	15 133	6 159	442	(343)	21 391
Investment Banking	11 712	3 709	1 544	1 840	18 805
Asset Management	12 074	1 693	-	152	13 919
Property Activities	2 467	4 162	-	-	6 629
Group Services and Other Activities	6 943	(11 708)	1 628	20	(3 117)
	61 637	**26 442**	**5 080**	**3 422**	**96 581**

Further information

Information provided on the Company's website at www.investec.com includes:

- Copies of this statement.
- The results presentation.
- Additional report produced for the investment community including more detail on the results.
- Excel worksheets containing the salient financial information under IFRS in Pounds Sterling.

Alternatively for further information please contact the Investor Relations division on e-mail investorrelations@investec.com or telephone +44 20 7597 5546 / +27 11 286 7070.