

Out of the Ordinary®



Specialist Bank and
Asset Manager

Investec plc silo financial information (excluding the results of Investec Limited)

Unaudited consolidated financial information for the six months ended 30 September 2011

IFRS - Pounds Sterling





Investec plc (excluding Investec Limited)

Unaudited

Risk management

An age analysis of past due and default core loans and advances to customers

| £'000 | 30 Sept 2011 | 31 March 2011 |
|---|----------------|----------------|
| Default loans that are current | 59 345 | 356 |
| 1 - 60 days | 242 133 | 292 717 |
| 61 - 90 days | 38 277 | 26 894 |
| 91 - 180 days | 361 246 | 352 580 |
| 181 - 365 days | 47 061 | 62 287 |
| >365 days | 187 101 | 166 518 |
| Past due and default core loans and advances to customers (actual capital exposure) | 935 163 | 901 352 |
| 1 - 60 days | 7 834 | 5 405 |
| 61 - 90 days | 4 070 | 11 714 |
| 91 - 180 days | 27 261 | 36 592 |
| 181 - 365 days | 45 541 | 44 159 |
| >365 days | 183 498 | 149 343 |
| Past due and default core loans and advances to customers (actual amount in arrears) | 268 204 | 247 213 |

A further age analysis of past due and default core loans and advances to customers

| £'000 | Current watchlist loans | 1 - 60 days | 61-90 days | 91-180 days | 181-365 days | >365days | Total |
|--|-------------------------|-------------|------------|-------------|--------------|----------|---------|
| As at 30 September 2011 | | | | | | | |
| Gross core loans and advances to customers that are past due but not impaired | | | | | | | |
| Total capital exposure | - | 241 171 | 37 952 | 73 166 | 9 531 | 15 799 | 377 619 |
| Amount in arrears | - | 6 930 | 3 745 | 10 709 | 8 011 | 13 724 | 43 119 |
| Gross core loans and advances to customers that are impaired | | | | | | | |
| Total capital exposure | 59 345 | 962 | 325 | 288 080 | 37 530 | 171 302 | 557 544 |
| Amount in arrears | - | 904 | 325 | 16 552 | 37 530 | 169 774 | 225 085 |
| As at 31 March 2011 | | | | | | | |
| Gross core loans and advances to customers that are past due but not impaired | | | | | | | |
| Total capital exposure | - | 258 682 | 25 388 | 48 498 | 44 281 | 64 363 | 441 212 |
| Amount in arrears | - | 4 500 | 10 503 | 8 530 | 33 712 | 48 718 | 105 963 |
| Gross core loans and advances to customers that are impaired | | | | | | | |
| Total capital exposure | 356 | 34 035 | 1 506 | 304 082 | 18 006 | 102 155 | 460 140 |
| Amount in arrears | - | 905 | 1 211 | 28 062 | 10 447 | 100 625 | 141 250 |

Investec plc (excluding Investec Limited)

Unaudited

Risk management

An age analysis of pst due and default core loans and advances to customers as at 30 September 2011 (based on total capital exposure)

| £'000 | Current watchlist loans | 1 - 60 days | 61-90 days | 91-180 days | 181-365 days | >365days | Total |
|--|-------------------------|----------------|---------------|----------------|---------------|----------------|----------------|
| Past due (1-60 days) | - | 235 043 | - | - | - | - | 235 043 |
| Special mention | - | 6 128 | 37 952 | - | - | - | 44 080 |
| Special mention (1 - 90 days) | - | 6 128 | 19 532 | - | - | - | 25 660 |
| Special mention (61 - 90 days and item well secured) | - | - | 18 420 | - | - | - | 18 420 |
| Default | 59 345 | 962 | 325 | 361 246 | 47 061 | 187 101 | 656 040 |
| Sub-standard | 487 | - | - | 173 186 | 9 531 | 17 278 | 200 482 |
| Doubtful | 58 858 | 962 | 325 | 25 206 | 37 530 | 164 370 | 287 251 |
| Loss | - | - | - | 162 854 | - | 5 453 | 168 307 |
| Total | 59 345 | 242 133 | 38 277 | 361 246 | 47 061 | 187 101 | 935 163 |

An age analysis of pst due and default core loans and advances to customers as at 30 September 2011 (based on actual amount in arrears)

| £'000 | Current watchlist loans | 1 - 60 days | 61-90 days | 91-180 days | 181-365 days | >365days | Total |
|--|-------------------------|--------------|--------------|---------------|---------------|----------------|----------------|
| Past due (1-60 days) | - | 6 696 | - | - | - | - | 6 696 |
| Special mention | - | 234 | 3 745 | - | - | - | 3 979 |
| Special mention (1 - 90 days) | - | 234 | 3 301 | - | - | - | 3 535 |
| Special mention (61 - 90 days and item well secured) | - | - | 444 | - | - | - | 444 |
| Default | - | 904 | 325 | 27 261 | 45 541 | 183 498 | 257 529 |
| Sub-standard | - | - | - | 10 710 | 8 011 | 13 867 | 32 588 |
| Doubtful | - | 904 | 325 | 16 551 | 37 530 | 164 178 | 219 488 |
| Loss | - | - | - | - | - | 5 453 | 5 453 |
| Total | - | 7 834 | 4 070 | 27 261 | 45 541 | 183 498 | 268 204 |

An age analysis of pst due and default core loans and advances to customers as at 31 March 2011 (based on total capital exposure)

| £'000 | Current watchlist loans | 1 - 60 days | 61-90 days | 91-180 days | 181-365 days | >365days | Total |
|--|-------------------------|----------------|---------------|----------------|---------------|----------------|----------------|
| Past due (1-60 days) | - | 257 018 | - | - | - | - | 257 018 |
| Special mention | - | 1 663 | 25 388 | - | - | - | 27 051 |
| Special mention (1 - 90 days) | - | 1 663 | 14 210 | - | - | - | 15 873 |
| Special mention (61 - 90 days and item well secured) | - | - | 11 178 | - | - | - | 11 178 |
| Default | 356 | 34 036 | 1 506 | 352 580 | 62 287 | 166 518 | 617 283 |
| Sub-standard | - | 33 138 | - | 142 004 | 50 196 | 65 793 | 291 131 |
| Doubtful | 356 | 898 | 1 506 | 36 793 | 12 091 | 96 193 | 147 837 |
| Loss | - | - | - | 173 783 | - | 4 532 | 178 315 |
| Total | 356 | 292 717 | 26 894 | 352 580 | 62 287 | 166 518 | 901 352 |

An age analysis of past due and default core loans and advances to customers as at 31 March 2011 (based on actual amount in arrears)

| £'000 | Current watchlist loans | 1 - 60 days | 61-90 days | 91-180 days | 181-365 days | >365days | Total |
|--|-------------------------|--------------|---------------|---------------|---------------|----------------|----------------|
| Past due (1-60 days) | - | 4 414 | - | - | - | - | 4 414 |
| Special mention | - | 86 | 10 503 | - | - | - | 10 589 |
| Special mention (1 - 90 days) | - | 86 | 10 165 | - | - | - | 10 251 |
| Special mention (61 - 90 days and item well secured) | - | - | 338 | - | - | - | 338 |
| Default | - | 905 | 1 211 | 36 592 | 44 159 | 149 343 | 232 210 |
| Sub-standard | - | 7 | - | 8 495 | 36 456 | 48 811 | 93 769 |
| Doubtful | - | 898 | 1 211 | 28 079 | 7 662 | 96 000 | 133 850 |
| Loss | - | - | - | 18 | 41 | 4 532 | 4 591 |
| Total | - | 5 405 | 11 714 | 36 592 | 44 159 | 149 343 | 247 213 |



Investec plc (excluding Investec Limited)

Unaudited

Risk management

An analysis of core loans and advances to customers

| | Gross core loans and advances that are neither past due nor impaired | Gross core loans and advances that are past due but not impaired | Gross core loans and advances that are impaired | Total gross core loans and advances (actual capital exposure) | Specific impairments | Portfolio impairments | Total net core loans and advances (actual capital exposure) | Actual amount in arrears |
|--|--|--|---|---|----------------------|-----------------------|---|--------------------------|
| As at 30 September 2011 | | | | | | | | |
| Current core loans and advances | 6 931 959 | - | - | 6 931 959 | - | (1 485) | 6 930 474 | - |
| Past due (1-60 days) | - | 235 043 | - | 235 043 | - | - | 235 043 | 6 696 |
| Special mention | - | 44 080 | - | 44 080 | - | - | 44 080 | 3 979 |
| Special mention (1 - 90 days) | - | 25 660 | - | 25 660 | - | - | 25 660 | 3 535 |
| Special mention (61 - 90 days and item well secured) | - | 18 420 | - | 18 420 | - | - | 18 420 | 444 |
| Default | - | 98 496 | 557 544 | 656 040 | (219 385) | - | 436 655 | 257 529 |
| Sub-standard | - | 98 496 | 101 986 | 200 482 | (33 051) | - | 167 431 | 32 588 |
| Doubtful | - | - | 287 251 | 287 251 | (82 641) | - | 204 610 | 219 488 |
| Loss | - | - | 168 307 | 168 307 | (103 693) | - | 64 614 | 5 453 |
| Total | 6 931 959 | 377 619 | 557 544 | 7 867 122 | (219 385) | (1 485) | 7 646 252 | 268 204 |
| As at 31 March 2011 | | | | | | | | |
| Current core loans and advances | 6 934 084 | - | - | 6 934 084 | - | (1 518) | 6 932 566 | - |
| Past due (1-60 days) | - | 257 018 | - | 257 018 | - | - | 257 018 | 4 414 |
| Special mention | - | 27 051 | - | 27 051 | - | - | 27 051 | 10 589 |
| Special mention (1 - 90 days) | - | 15 873 | - | 15 873 | - | - | 15 873 | 10 251 |
| Special mention (61 - 90 days and item well secured) | - | 11 178 | - | 11 178 | - | - | 11 178 | 338 |
| Default | - | 157 143 | 460 140 | 617 283 | (182 225) | - | 435 058 | 232 210 |
| Sub-standard | - | 157 143 | 133 988 | 291 131 | (37 755) | - | 253 376 | 93 769 |
| Doubtful | - | - | 147 837 | 147 837 | (35 684) | - | 112 153 | 133 850 |
| Loss | - | - | 178 315 | 178 315 | (108 786) | - | 69 529 | 4 591 |
| Total | 6 934 084 | 441 212 | 460 140 | 7 835 436 | (182 225) | (1 518) | 7 651 693 | 247 213 |



Investec plc (excluding Investec Limited)

Unaudited

Risk management

An analysis of core loans and advances to customers and impairments by counterparty type

| £'000 | Current core loans and advances | Past due (1-60 days) | Special mention (1 - 90 days) | Special mention (61 - 90 days and well secured) | Sub-standard | Doubtful | Loss | Total gross core loans and advances to customers | Portfolio impairments | Specific impairments | Total impairments |
|--|---------------------------------|----------------------|-------------------------------|---|----------------|----------------|----------------|--|-----------------------|----------------------|-------------------|
| As at 30 September 2011 | | | | | | | | | | | |
| Private Banking professional and HNW individuals | 4 558 339 | 206 065 | 9 729 | 18 311 | 199 716 | 232 383 | 162 854 | 5 387 397 | (1 485) | (190 607) | (192 092) |
| Corporate sector | 1 887 542 | 28 722 | 15 931 | 109 | 766 | 53 832 | 5 453 | 1 992 355 | - | (28 107) | (28 107) |
| Banking, insurance, financial services (excluding sovereign) | 284 237 | - | - | - | - | 321 | - | 284 558 | - | (203) | (203) |
| Public and government sector (including central banks) | 142 855 | - | - | - | - | 715 | - | 143 570 | - | (468) | (468) |
| Trade finance and other | 58 986 | 256 | - | - | - | - | - | 59 242 | - | - | - |
| Total gross core loans and advances to customers | 6 931 959 | 235 043 | 25 660 | 18 420 | 200 482 | 287 251 | 168 307 | 7 867 122 | (1 485) | (219 385) | (220 870) |
| As at 31 March 2011 | | | | | | | | | | | |
| Private Banking professional and HNW individuals | 4 555 298 | 229 019 | 15 873 | 10 691 | 251 843 | 131 816 | 173 783 | 5 368 323 | (1 518) | (168 383) | (169 901) |
| Corporate sector | 1 901 968 | 27 760 | - | 487 | 39 288 | 15 037 | 4 532 | 1 989 072 | - | (13 265) | (13 265) |
| Banking, insurance, financial services (excluding sovereign) | 271 281 | - | - | - | - | 329 | - | 271 610 | - | (198) | (198) |
| Public and government sector (including central banks) | 134 699 | - | - | - | - | 638 | - | 135 337 | - | (379) | (379) |
| Trade finance and other | 70 838 | 239 | - | - | - | 17 | - | 71 094 | - | - | - |
| Total gross core loans and advances to customers | 6 934 084 | 257 018 | 15 873 | 11 178 | 291 131 | 147 837 | 178 315 | 7 835 436 | (1 518) | (182 225) | (183 743) |

An analysis of gross core loans and advances to customers by counterparty type

| £'000 | 30 Sept 2011 | 31 March 2011 |
|--|------------------|------------------|
| Private Banking professional and HNW individuals | 5 387 397 | 5 368 323 |
| Corporate sector | 1 992 355 | 1 989 072 |
| Banking, insurance, financial services (excluding sovereign) | 284 558 | 271 610 |
| Public and government sector (including central banks) | 143 570 | 135 337 |
| Trade finance | 59 242 | 71 094 |
| Total gross core loans and advances to customers | 7 867 122 | 7 835 436 |



Investec plc (excluding Investec Limited)

Unaudited

Risk management

An analysis of default core loans and advances as at 30 September 2011

| £'million | UK and Europe | | | | Australia | | | | Total | | | |
|---|------------------|----------------|-----------------------------|-------------|------------------|----------------|-----------------------------|-------------|------------------|----------------|-----------------------------|-------------|
| | Gross core loans | Gross defaults | Collateral against defaults | Impairments | Gross core loans | Gross defaults | Collateral against defaults | Impairments | Gross core loans | Gross defaults | Collateral against defaults | Impairments |
| Private Bank | | | | | | | | | | | | |
| Residential Property | 1 517 | 192 | 118 | 75 | 367 | 149 | 114 | 35 | 1 884 | 341 | 232 | 110 |
| Residential property investments | 587 | 6 | 5 | 1 | 34 | 26 | 19 | 7 | 621 | 32 | 24 | 8 |
| Residential mortgages (owner occupied and second homes) | 227 | - | - | - | 62 | - | - | - | 289 | - | - | - |
| Residential property development | 542 | 90 | 57 | 33 | 180 | 89 | 65 | 25 | 722 | 179 | 122 | 58 |
| Residential estates/land | 161 | 96 | 56 | 41 | 91 | 34 | 30 | 3 | 252 | 130 | 86 | 44 |
| Commercial Property | 1 566 | 117 | 66 | 54 | 560 | 94 | 82 | 16 | 2 126 | 211 | 148 | 70 |
| Commercial property investment | 1 236 | 39 | 29 | 11 | 522 | 76 | 64 | 15 | 1 758 | 115 | 93 | 26 |
| Commercial property land | 225 | 66 | 31 | 36 | 28 | 17 | 17 | 1 | 253 | 83 | 48 | 37 |
| Commercial property development | 105 | 12 | 6 | 7 | 10 | 1 | 1 | - | 115 | 13 | 7 | 7 |
| Other | 537 | 24 | 14 | 7 | 840 | 16 | 12 | 5 | 1 377 | 40 | 26 | 12 |
| Asset backed lending | 332 | 1 | - | 1 | 517 | 2 | 1 | 1 | 849 | 3 | 1 | 2 |
| Unlisted securities and general corporate lending | 64 | 3 | 3 | - | 123 | 10 | 7 | 4 | 187 | 13 | 10 | 4 |
| Unsecured lending | 31 | 18 | 10 | 6 | 108 | - | - | - | 139 | 18 | 10 | 6 |
| Other* | 110 | 2 | 1 | - | 92 | 4 | 4 | - | 202 | 6 | 5 | - |
| Total Private Bank | 3 620 | 333 | 198 | 136 | 1 767 | 259 | 208 | 56 | 5 387 | 592 | 406 | 192 |
| Capital Markets | | | | | | | | | | | | |
| Acquisition finance | 643 | 5 | 11 | 5 | 73 | - | - | - | 716 | 5 | 11 | 5 |
| Asset finance | 359 | 16 | 6 | 10 | 12 | - | - | - | 371 | 16 | 6 | 10 |
| Corporate loans | 635 | 5 | - | 5 | 81 | 3 | 2 | - | 716 | 8 | 2 | 5 |
| Project finance | 356 | 33 | 26 | 7 | 32 | - | - | - | 388 | 33 | 26 | 7 |
| Resource finance and commodities | 35 | - | - | - | 82 | - | - | - | 117 | - | - | - |
| Total Capital Markets | 2 028 | 59 | 43 | 27 | 280 | 3 | 2 | - | 2 308 | 62 | 45 | 27 |
| Other* | 172 | 2 | - | 2 | - | - | - | - | 172 | 2 | - | 2 |
| Total group | 5 820 | 394 | 241 | 165 | 2 047 | 262 | 210 | 56 | 7 867 | 656 | 451 | 221 |

* Largely includes lending activities within our Central Funding and International Trade Finance businesses

Investec plc (excluding Investec Limited)

Unaudited

Risk management

Collateral

The following disclosure is made with respect to Basel II requirements and definitions.

| £'000 | Collateral held against | | Total |
|---|-------------------------------|---|-------------------|
| | Gross core loans and advances | Other credit and counterparty exposures * | |
| As at 30 September 2011 | | | |
| Eligible financial collateral | 261 432 | 46 450 | 307 882 |
| Listed shares | 139 239 | - | 139 239 |
| Cash | 122 193 | 46 450 | 168 643 |
| Mortgage bonds | 5 700 837 | 131 666 | 5 832 503 |
| Residential mortgages | 1 749 082 | - | 1 749 082 |
| Residential development | 1 042 292 | - | 1 042 292 |
| Commercial property developments | 687 575 | - | 687 575 |
| Commercial property investments | 2 221 888 | 131 666 | 2 353 554 |
| Other collateral | 4 881 508 | - | 4 881 508 |
| Unlisted shares | 420 392 | - | 420 392 |
| Bonds other than mortgage bonds | 54 533 | - | 54 533 |
| Debtors, stock and other corporate assets | 2 994 715 | - | 2 994 715 |
| Guarantees | 572 966 | - | 572 966 |
| Other | 838 902 | - | 838 902 |
| Total collateral | 10 843 777 | 178 116 | 11 021 893 |
| As at 31 March 2011 | | | |
| Eligible financial collateral | 297 783 | 75 936 | 373 719 |
| Listed shares | 152 080 | 47 164 | 199 244 |
| Cash | 145 703 | 28 772 | 174 475 |
| Mortgage bonds | 6 434 801 | 136 035 | 6 570 836 |
| Residential mortgages | 1 749 199 | - | 1 749 199 |
| Residential development | 1 283 378 | - | 1 283 378 |
| Commercial property developments | 785 370 | - | 785 370 |
| Commercial property investments | 2 616 854 | 136 035 | 2 752 889 |
| Other collateral | 4 859 256 | - | 4 859 256 |
| Unlisted shares | 405 551 | - | 405 551 |
| Bonds other than mortgage bonds | 346 141 | - | 346 141 |
| Debtors, stock and other corporate assets | 2 755 265 | - | 2 755 265 |
| Guarantees | 522 877 | - | 522 877 |
| Other | 829 422 | - | 829 422 |
| Total collateral | 11 591 840 | 211 971 | 11 803 811 |

* A large percentage of these exposures (for example bank placements) are to highly rated financial institutions where limited collateral would be required due to the nature of the exposure.

Investec plc (excluding Investec Limited)

Unaudited

Risk management

Securitisation/principal finance activities and exposures

The information below sets out the initiatives we have focused on over the past few years, albeit that some of these business lines have been significantly curtailed given the current economic climate.

UK and Europe

The Principal Finance business focuses on securitisation of our assets, predominantly residential and commercial mortgages. We also undertake trading and investment in structured credit investments where we have invested in rated and unrated debt instruments largely within the UK and Europe and to a lesser extent in the US.

We retain residual net exposures amounting to £544 million to the assets originated, warehoused and securitised by Kensington.

Australia

Investec Bank (Australia) Limited acquired Experien in 2007. Assets originated by the business have been securitised. These amount to A\$807 million (31 March 2010: A\$860 million) and include leases and instalment debtors (A\$514 million), residential mortgages (A\$33 million), commercial mortgages (A\$149 million) and other loans, for example overdrafts (A\$111 million). These securitisation structures have all been rated by Standard and Poor's.

Credit analysis

In terms of our analysis of our credit and counterparty risk, exposures arising from securitisation/principal finance activities reflect only those exposures to which we consider ourselves to be at risk notwithstanding accounting conventions. In addition, assets that have been securitised by our Private Banking division are reflected as part of our core lending exposures and not our securitisation/principal finance exposures as we believe this reflects the true nature and intent of these exposures and activities.

| Nature of exposure/activity | Exposure as at 30 Sept 2011 £'mn | Exposure as at 31 March 2011 £'mn | Credit analysis internal risk classification | Asset quality - relevant comments for the period | Capital treatment |
|--|----------------------------------|-----------------------------------|--|--|--|
| Structured credit investments * | 670 | 615 | | | |
| Rated | 544 | 458 | On-balance sheet securitisation/principal finance exposure | | Risk-weighted or supervisory deductions against primary and secondary capital |
| Unrated | 111 | 146 | | | |
| Other | 15 | 11 | | | |
| Warehouse lines provided to, and investment in third party intermediary originating platforms (mortgage loans) | 324 | 356 | On-balance sheet securitisation/principal finance exposure. | | Risk weighted depending on rating of counterparty. |
| Loans originated and/or acquired - awaiting securitisation | 389 | 69 | On-balance sheet securitisation/principal finance exposure. | | Risk-weighted |
| Kensington - mortgage assets: Net exposures to the securitised book (after impairments) to the warehouse book (i.e. those assets that have been securitised) | 31 | 65 | On-balance sheet securitisation/principal finance exposure. Classified as 'unrated'. We are required to fully consolidate all assets acquired from Kensington. However, only those assets to which we are at risk are reflected in this analysis with the balance reflected under "no credit exposures". | see further on | Risk-weighted or supervisory deductions against primary and secondary capital |
| Kensington - mortgage assets: Net exposures to the warehouse book (i.e. those assets that have been originated and placed in special purpose vehicles awaiting securitisation) | 513 | 535 | On-balance sheet securitisation/principal finance exposure. Classified as 'other'. We are required to fully consolidate all assets acquired from Kensington. However, only those assets to which we are at risk are reflected in this analysis with the balance reflected under "no credit exposures". | see further on | Risk-weighted |
| Private Banking division assets which have been securitised | 489 | 484 | On-balance sheet exposure - reclassified from "accounting securitised assets" to core loans and advances for credit analysis purposes. | Analysed as part of the bank's overall asset quality on core loans and advances. | We apply securitisation rules: either risk-weighted or supervisory deductions against primary and secondary capital. |

*Analysis of structured credit investments

| £'million | 30 September 2011 | | | | 31 March 2011 | | | |
|------------------------------|-------------------|------------|-----------|------------|---------------|------------|-----------|------------|
| | Rated** | Unrated | Other | Total | Rated** | Unrated | Other | Total |
| US corporate loans | 13 | - | - | 13 | 19 | - | - | 19 |
| US ABS | 3 | - | - | 3 | - | - | - | - |
| European ABS | 6 | 7 | - | 13 | 3 | 7 | - | 10 |
| European RMBS | 315 | 95 | - | 410 | 298 | 131 | - | 429 |
| European CMBS | 62 | 5 | - | 67 | 65 | 5 | - | 70 |
| European credit cards | 5 | - | - | 5 | 6 | - | - | 6 |
| European corporate loans | 74 | 4 | - | 78 | - | 3 | - | 3 |
| Australian RMBS | 66 | - | - | 66 | 67 | - | - | 67 |
| Other (credit default swaps) | - | - | 15 | 15 | - | - | 11 | 11 |
| Total | 544 | 111 | 15 | 670 | 458 | 146 | 11 | 615 |

**Further analysis of rated structured credit investments as at 30 September 2011

| £'million | AAA | AA | A | BBB | BB | B | C and below | Total |
|--------------------------|------------|-----------|-----------|-----------|-----------|-----------|-------------|------------|
| US corporate loans | - | - | - | - | 12 | 1 | - | 13 |
| US ABS | - | - | - | - | - | - | 3 | 3 |
| European ABS | - | - | 3 | 3 | - | - | - | 6 |
| European RMBS | 182 | 42 | 23 | 17 | 4 | 22 | 25 | 315 |
| European CMBS | 3 | 17 | 26 | 5 | 8 | 3 | - | 62 |
| European credit cards | 5 | - | - | - | - | - | - | 5 |
| European corporate loans | 68 | 6 | - | - | - | - | - | 74 |
| Australian RMBS | 24 | 22 | 13 | 7 | - | - | - | 66 |
| Total | 282 | 87 | 65 | 32 | 24 | 26 | 28 | 544 |

Investec plc (excluding Investec Limited)

Unaudited

Risk management

Kensington summary and statistics

| As at 30 Sept 2011 | Warehouse book | Securitised portfolio | Total | % of Total |
|---|----------------|-----------------------|---------------|---------------|
| Assets and business activity statistics | | | | |
| Mortgage assets under management (£'million) | 1 531 | 2 050 | 3 581 | |
| IFRS adjustments | (50) | 80 | 30 | |
| Mortgage assets under management (£'million) | 1 581 | 1 970 [^] | 3 551 | |
| First charge % of total mortgage assets under management | 93.9% | 93.4% | 94.2% | |
| Second charge % of total mortgage assets under management | 6.1% | 6.6% | 5.8% | |
| Fixed rate loans % of total mortgage assets under management | 0.7% | 0.1% | 0.3% | |
| Number of accounts | 14 204 | 22 861 | 37 065 | |
| Average loan balance (first charge) | 142 767 | 107 292 | 121 994 | |
| Largest loan balance | 1 102 981 | 1 149 214 | 1 200 806 | |
| Weighted average loan mature margin % | 4.1% | 4.7% | 4.4% | |
| Product mix (pre-IFRS adjustments) (£'million) | | | | |
| | 1 581 | 1 970 | 3 551 | 100.0% |
| Prime | 6 | 0 | 6 | 0.2% |
| Near prime | 529 | 398 | 927 | 26.1% |
| Prime Buy to Let | 1 | 0 | 1 | - |
| Adverse | 373 | 1 460 | 1 833 | 51.6% |
| Adverse Buy to Let and Right to Buy | 63 | 112 | 175 | 4.9% |
| Start - Irish operations | 609 | 0 | 609 | 17.2% |
| Geographic distribution (£'million) | | | | |
| | 1 581 | 1 970 | 3 551 | 100.0% |
| UK - North | 300 | 641 | 941 | 26.5% |
| UK - South West | 74 | 139 | 213 | 6.0% |
| UK - South East | 218 | 408 | 626 | 17.6% |
| Outer London | 149 | 243 | 392 | 11.0% |
| Inner London | 70 | 137 | 207 | 5.8% |
| Midlands | 161 | 402 | 563 | 15.9% |
| Start - Irish operations | 609 | 0 | 609 | 17.2% |
| Spread of value of properties (%) | | | | |
| | 100.0% | 100.0% | 100.0% | |
| >£500,000 | 3.4% | 1.1% | 1.9% | |
| >£250,000 <=£500,000 | 23.6% | 10.0% | 15.2% | |
| >£200,000 <=£250,000 | 16.3% | 11.6% | 13.4% | |
| >£150,000 <=£200,000 | 20.7% | 20.0% | 20.3% | |
| >£100,000 <=£150,000 | 23.2% | 30.5% | 27.7% | |
| >£70,000 <=£100,000 | 11.3% | 20.7% | 17.1% | |
| >£50,000 <=£70,000 | 1.4% | 5.1% | 3.7% | |
| <£50,000 | 0.1% | 1.0% | 0.7% | |
| Asset quality statistics | | | | |
| Weighted average current LTV of portfolio (adjusted for house price deflation*) | 99.4% | 79.5% | 88.4% | |
| LTV spread - % of book | | | | |
| | 100.0% | 100.0% | 100.0% | |
| <= 65% | 12.8% | 21.4% | 17.7% | |
| >65% - <70% | 3.4% | 6.5% | 5.2% | |
| >70% - <75% | 3.8% | 8.2% | 6.4% | |
| >75% - <80% | 4.6% | 9.6% | 7.6% | |
| >80% - <85% | 5.9% | 11.4% | 9.1% | |
| >85% - <90% | 7.5% | 12.2% | 10.3% | |
| >90% - <95% | 9.1% | 9.8% | 9.5% | |
| >95% - <100% | 9.3% | 7.4% | 8.2% | |
| > 100% | 43.6% | 13.5% | 26.0% | |
| % of accounts > 90 days in arrears | 32.0% | 30.5% | 31.1% | |
| number of accounts > 90 in arrears | 4 544 | 6 952 | 11 496 | |
| Total capital lent in arrears (£'million) | | | | |
| | 753 | 892 | 1 645 | 100.0% |
| Arrears 0 - 60 days | 82 | 134 | 216 | 13.1% |
| Arrears 61 - 90 days | 59 | 86 | 145 | 8.8% |
| Arrears >90 days | 563 | 636 | 1 199 | 72.9% |
| Possession | 49 | 36 | 85 | 5.2% |
| Debt to income ratio of clients % | 20.4% | 19.7% | 20.0% | |
| Investec investment/exposure to assets reflected above (£'million) | 608 | 48 | 656 | |
| On balance sheet provision (£'million) | (95) | (17) | (112) | |
| Investec net investment/exposure to assets reflected above (£'million) | 513 | 31 | 544 | |

*Bad debt provision is based on house price index assumptions of:

UK: calendar year: house price decline assumption of circa -5% for 2011, -7.5% for 2012 and flat thereafter, with an additional -10% haircut to the price to reflect forced sale discount

Ireland: calendar year: house price decline assumption of -11.4% for 2011, -3% for 2012 and house price growth assumption of 1% p.a. for 2013 to 2015 with an additional forced sale discount of 5-7%.

[^] The decrease since 31 March 2011 is due to repayments and the sale and deconsolidation of certain assets.

Investec plc (excluding Investec Limited)

Unaudited

Risk management

Equity and investment risk in the banking book

Equity and investment risk in the banking book arises primarily from the following activities conducted within the bank:

- Investment Banking Principal Investments (Private Equity and Direct Investments): Investments are selected based on the track record of management, the attractiveness of the industry and the ability to build value for the existing business by implementing an agreed strategy. In addition, as a result of our local market knowledge and investment banking expertise, we are well positioned to take direct positions in listed shares where we believe that the market is mispricing the value of the underlying portfolio of assets. These investment positions are carefully researched with the intent to stimulate corporate activity
- Lending transactions (within the Private Banking and Capital Markets divisions): The manner in which we structure certain transactions results in equity, warrant and profit shares being held, predominantly within unlisted companies
- Property Activities: We source development, investment and trading opportunities to create value and trade for profit within agreed risk parameters.

The table below provides an analysis of income and revaluations recorded with respect to these investments.

| Country/category £'000 | Income (pre funding costs) | | | Total | Fair value through equity |
|---|----------------------------|---------------|--------------------------------------|---------------|------------------------------|
| | Unrealised | Realised | Dividends, net interest and other | | |
| Six months to 30 September 2011 | | | | | |
| Unlisted investments | 11 381 | 3 162 | (802) | 13 741 | 2 828 |
| UK and Europe | 11 381 | 3 196 | (814) | 13 763 | 3 337 |
| Australia | - | (34) | 12 | (22) | (509) |
| Listed equities | (8 971) | 798 | (4 567) | (12 740) | 470 |
| UK and Europe | (8 971) | 450 | (4 568) | (13 089) | 3 608 |
| Australia | - | 348 | 1 | 349 | (3 138) |
| Investment and trading properties | 36 | 864 | 441 | 1 341 | - |
| UK and Europe | 36 | 228 | 441 | 705 | - |
| Australia | - | 636 | - | 636 | - |
| Warrants, profit shares and other embedded derivatives | (3 531) | - | 2 254 | (1 277) | - |
| UK and Europe | (3 531) | - | 2 254 | (1 277) | - |
| Australia | - | - | - | - | - |
| Total | (1 085) | 4 824 | (2 674) | 1 065 | 3 298 |
| Year ended 31 March 2011 | | | | | |
| Unlisted investments | 9 473 | 24 965 | (2 492) | 31 946 | (3 526) |
| UK and Europe | 9 473 | 21 978 | (2 696) | 28 755 | (2 608) |
| Australia | - | 2 987 | 204 | 3 191 | (918) |
| Listed equities | 3 302 | 3 915 | (18 990) | (11 773) | 7 091 |
| UK and Europe | 3 302 | 42 | (19 240) | (15 896) | 5 606 |
| Australia | - | 3 873 | 250 | 4 123 | 1 485 |
| Investment and trading properties | 472 | 193 | 1 193 | 1 858 | - |
| UK and Europe | 472 | 193 | 614 | 1 279 | - |
| | - | - | 579 | 579 | - |
| Warrants, profit shares and other embedded derivatives | (936) | 10 744 | (26) | 9 782 | - |
| UK and Europe | (936) | 10 744 | (26) | 9 782 | - |
| Australia | - | - | - | - | - |
| Total | 12 311 | 39 817 | (20 315) | 31 813 | 3 565 |

Unrealised revaluation gains are included in Tier 1 capital. Revaluations that are posted directly to equity are included in Tier 2 capital

Investec plc (excluding Investec Limited)

Unaudited

Risk management

The balance sheet value of investments is indicated in the table below.

| Country/category £'000 | Balance sheet value of investments | Valuation change stress test* | Balance sheet value of investments | Valuation change stress test* |
|---|--|----------------------------------|--|----------------------------------|
| | 30 Sept 2011 | 30 Sept 2011 | 31 March 2011 | 31 March 2011 |
| Unlisted investments | 192 274 | 28 841 | 123 546 | 18 532 |
| UK and Europe | 184 791 | 27 719 | 116 994 | 17 549 |
| Australia | 7 483 | 1 122 | 6 552 | 983 |
| Listed equities | 52 020 | 13 006 | 70 278 | 17 569 |
| UK and Europe | 45 851 | 11 464 | 61 337 | 15 334 |
| Australia | 6 169 | 1 542 | 8 941 | 2 235 |
| Investment and trading properties | 86 122 | 17 224 | 58 434 | 11 687 |
| UK and Europe | 64 625 | 12 925 | 30 554 | 6 111 |
| Australia | 21 497 | 4 299 | 27 880 | 5 576 |
| Warrants, profit shares and other embedded derivatives | 26 631 | 9 320 | 32 387 | 11 336 |
| UK and Europe | 26 631 | 9 320 | 32 387 | 11 336 |
| Total | 357 047 | 68 391 | 284 645 | 59 124 |

*In order to assess our earnings sensitivity to a movement in the valuation of these investments the following stress testing parameters are applied.

Stress test values applied

| | |
|--|-----|
| Unlisted investments | 15% |
| Listed equities | 25% |
| Trading properties | 20% |
| Investment properties | 10% |
| Warrants, profit shares and other embedded derivatives | 35% |

Stress testing summary

Based on the information as at 30 September 2011, as reflected above we could have a £68 million reversal in revenue (which assumes a year in which there is a "worst case scenario"). This would not cause the company to report a loss but could have a significantly negative impact on earnings for that period. The probability of all these asset classes in all geographies in which we operate being negatively impacted at the same time is very low, although the probability of listed equities being negatively impacted at the same time is very high.

Capital requirements

In terms of Basel II capital requirements, unlisted and listed equities within the banking book are represented under the category of "equity risk" and the investment properties, profit shares and embedded derivatives are considered in the calculation of capital required for credit risk.

Investec plc (excluding Investec Limited)

Unaudited

Risk management

Traded market risk management

Traded market risk is a measure of potential change in the value of a portfolio of instruments as a result of changes in the financial environment (resulting in changes in underlying market risk factors such as interest rates, equity markets, bond markets, commodity markets, exchange rates and volatilities) between now and a future point in time. The market risk management team identifies, quantifies and manages the effects of these potential changes in accordance with Basel II and policies determined by the board.

Within our trading activities, we act as principal with clients or the market. Market risk, therefore, exists where we have taken on principal positions, resulting from proprietary trading, market making, arbitrage, underwriting and investments in the commodity, foreign exchange, equity, capital and money markets. The focus of these businesses is primarily on supporting client activity. Our strategic intent is that proprietary trading should be limited and that trading should be conducted largely to facilitate clients in deal execution.

Management and measurement of traded market risk

Market risk management teams review the market risks on our books. Detailed risk reports are produced daily for each trading desk. These reports are distributed to management and the traders on the desk. Any unauthorised excesses are recorded and require a satisfactory explanation from the desk for the excess. The production of risk reports allows for the monitoring of every instrument traded against prescribed limits. New instruments or products are independently validated before trading can commence. Each traded instrument undergoes various stresses to assess potential losses. Each trading desk is monitored on an overall basis as an additional control. Trading limits are generally tiered with the most liquid and least "risky" instruments being assigned the largest limits.

The market risk teams perform a profit attribution, where our daily traded income is attributed to the various underlying risk factors on a day-to-day basis. An understanding of the sources of profit and loss is essential to understanding the risks of the business.

Measurement techniques used to quantify market risk arising from our trading activities include sensitivity analysis, Value at Risk (VaR), stressed VaR, Expected Tail Loss (ETL) and Extreme Value Theory (EVT). Stress testing and scenario analysis are also used to simulate extreme conditions to supplement these core measures.

VaR numbers are monitored at the 95%, 99% and 100% (maximum loss) confidence intervals with limits set at 95% confidence interval. ETLs are monitored also monitored daily at the 95% and 99% levels. Scenario analysis considers the impact of a significant market event on our current trading portfolios. We consider the impact for the 10 days after the event, not merely the instantaneous shock to the markets. Included in our scenario analysis are for example the following; October 1987 (Black Monday), 11 September 2001 and the December Rand crisis in 2001. We also consider the impact of extreme yet plausible future economic events on the trading portfolio as well as possible worst case (not necessarily plausible) scenarios. Scenario analysis is done once a week and is included in the data presented to Executive Risk Review Forum (ERRF).

All VaR models, while forward-looking, are based on past events and depend on the quality of available market data. The accuracy of the VaR model as a predictor of potential loss is continuously monitored through back testing. This involves comparing the actual trading revenues arising from the previous day's closing positions with the one-day VaR calculated for the previous day on these same positions. If the revenue is negative and exceeds the one-day VaR, a "back testing breach" is considered to have occurred.

| | UK and Europe | | | | Australia | | | |
|--------------------------|---------------|------------------|---------------|--------------|------------|--------------------|-----------------|----------------|
| | Period end | 95% (one-day) | | | Period end | 95% (one-day) | | |
| | £'000 | Average £'000 | High £'000 | Low £'000 | A\$'000 | Average A\$'000 | High A\$'000 | Low A\$'000 |
| 30 September 2011 | | | | | | | | |
| Commodities | - | - | - | - | - | - | - | - |
| Equity derivatives | 627 | 899 | 1 709 | 497 | - | - | - | - |
| Foreign exchange | 30 | 28 | 105 | 9 | 25 | 23 | 100 | 1 |
| Interest rates | 325 | 232 | 424 | 166 | 76 | 65 | 116 | 17 |
| Consolidated* | 912 | 1 000 | 1 621 | 731 | 67 | 72 | 125 | 19 |
| 31 March 2011 | | | | | | | | |
| Commodities | 49 | 19 | 49 | 11 | 1 | 1 | 29 | - |
| Equity derivatives | 900 | 1 391 | 2 196 | 780 | - | - | - | - |
| Foreign exchange | 9 | 28 | 85 | 3 | 6 | 21 | 146 | 1 |
| Interest rates | 239 | 391 | 519 | 208 | 17 | 82 | 198 | 11 |
| Consolidated* | 1 129 | 1 592 | 2 260 | 997 | 20 | 89 | 202 | 12 |

*The consolidated VaR for each desk and each entity is lower than the sum of the individual VaR's. This arises from the correlation offset between various asset classes (diversification).

Investec plc (excluding Investec Limited)

Unaudited

Risk management

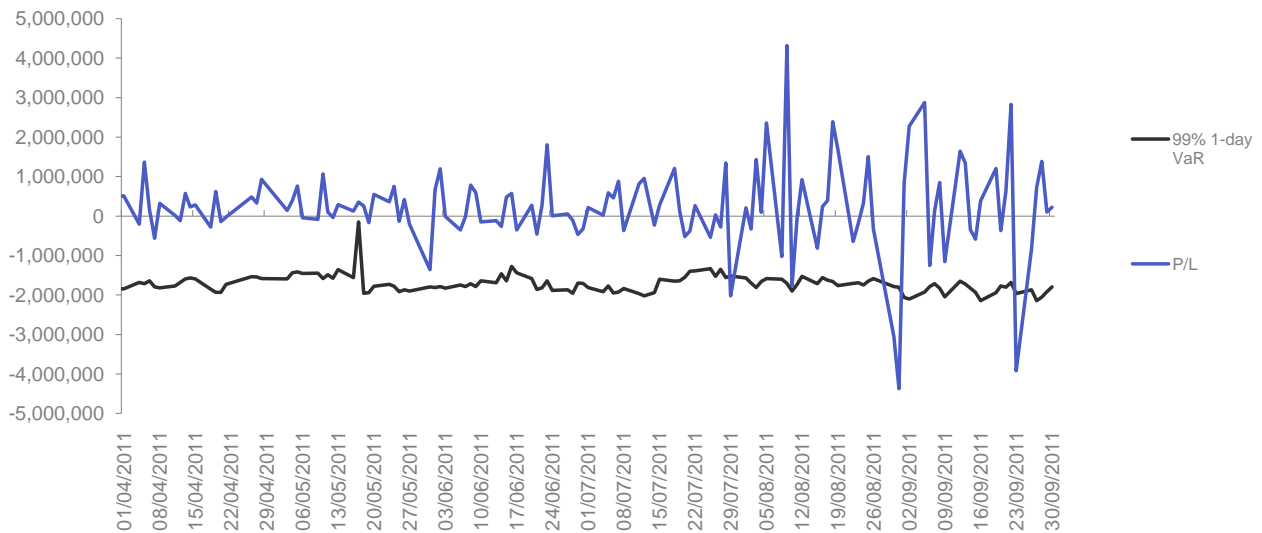
Traded market risk management

The graphs below show total daily VaR and profit and loss figures for our trading activities over the reporting period. The values are for the 99% one-day VaR, i.e. 99% of the time, the total trading activities will not lose more than the values depicted below. Based on these graphs, we can gauge the accuracy of the VaR figures.

UK and Europe

There have been 4 backtesting exceptions over the period, i.e. where the loss on the previous day's positions was greater than the VaR. This is more than the expected one or two exceptions that we would expect to see over this period as a result of the significant increase in equity markets' volatility. The exceptions were driven by the Structured Equity desk and were all on days when equity markets rallied significantly and there were large falls in implied volatilities. Average VaR reduced significantly as a result of lower risk taking on the Structured Equity desk.

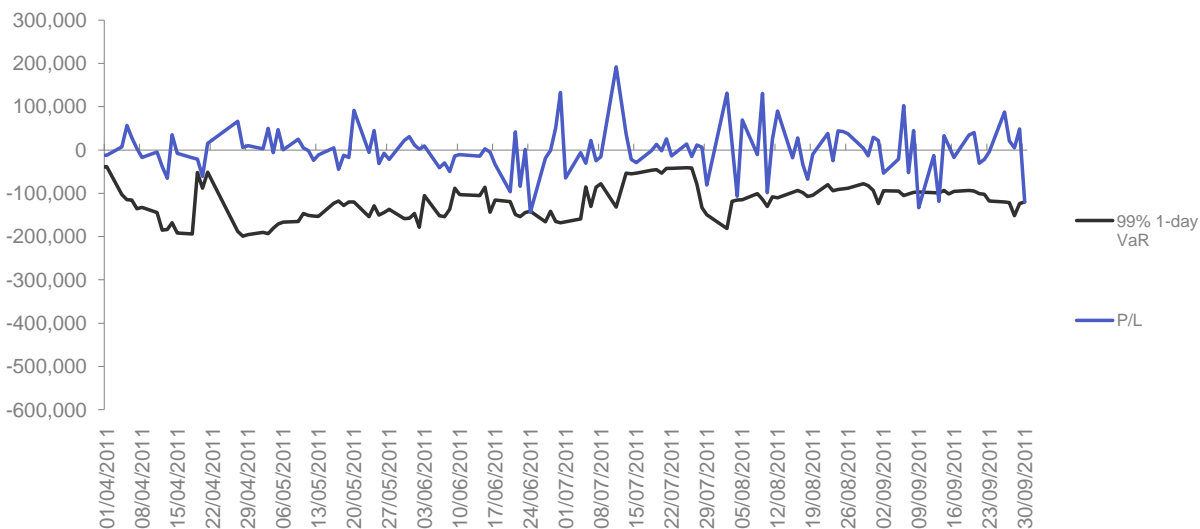
99% 1 - day VaR backtesting (GBP)



Australia

Trading activity was relatively muted during the first half of the year, with average VaR utilisation lower than the already moderate levels experienced in the financial year 2011. There have been three exceptions i.e. where the loss is greater than the VaR. This is more than the expected number of the exceptions at the 99% level and is a result of unusually high levels of market volatility.

99% 1 - day VaR backtesting (A\$)





Investec plc (excluding Investec Limited)

Unaudited

Risk management

ETL

| | UK and Europe 95% (one-day) £'000 | Australia 95% (one-day) A\$'000 |
|--------------------------|--|--|
| 30 September 2011 | | |
| Commodities | 2 | - |
| Equity derivatives | 1 235 | - |
| Foreign exchange | 56 | 31.3 |
| Interest rates | 469 | 116.5 |
| Consolidated* | 1 374 | 107.9 |
| 31 March 2011 | | |
| Commodities | 71 | 10 |
| Equity derivatives | 1 339 | - |
| Foreign exchange | 13 | 8 |
| Interest rates | 409 | 30 |
| Consolidated* | 1 636 | 40 |

*The consolidated ETL for each desk and each entity is lower than the sum of the individual ETL's. This arises from the correlation offset between various asset classes.

Stress testing

The table below indicates the potential losses that could arise if the portfolio is stressed under extreme market conditions. These numbers do not assume normality but rather relies on fitting a distribution to the tails of the distribution. This method is known as extreme value theory (EVT), the reported stress scenario below calculates the 99% EVT which is a 1-in-8 year possible loss event.

| | UK and Europe 99% EVT £'000 | Australia 99% EVT A\$'000 |
|--------------------------|-----------------------------------|---------------------------------|
| 30 September 2011 | | |
| Commodities | 4 | - |
| Equity derivatives | 3 996 | - |
| Foreign exchange | 74 | 53 |
| Interest rates | 1 972 | 454 |
| Consolidated | 3 988 | 343 |
| 31 March 2011 | | |
| Commodities | 266 | - |
| Equity derivatives | 3 782 | - |
| Foreign exchange | 33 | 15 |
| Interest rates | 2 087 | 121 |
| Consolidated | 3 915 | 273 |



Investec plc (excluding Investec Limited)

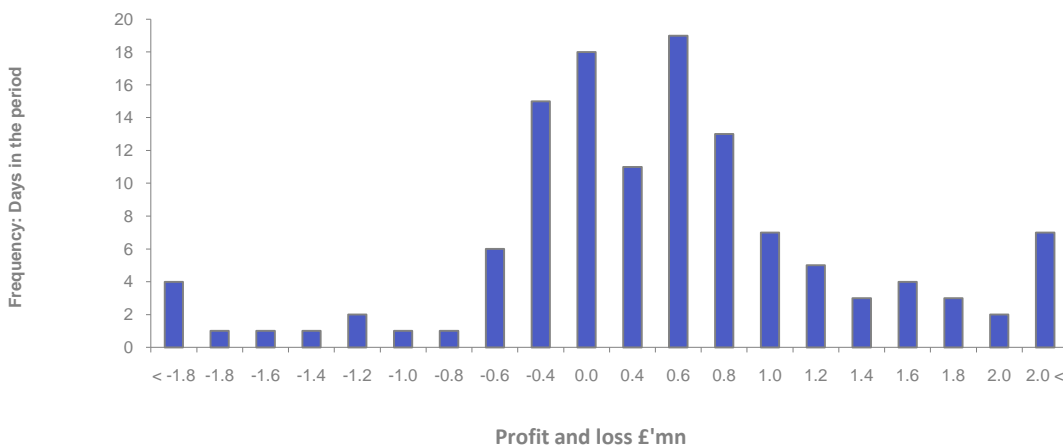
Unaudited

Risk management

Profit and loss histograms

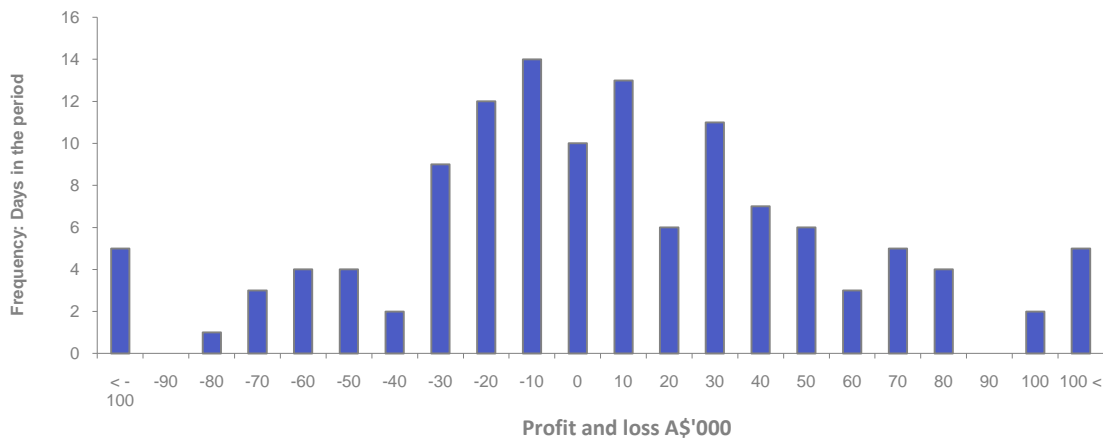
UK and Europe

The histogram below illustrates the distribution in daily revenue for our trading businesses. The distribution is skewed to the profit side and the graph shows that trading revenue was realised on 74 days out of a total of 125 days in the trading business. The average daily trading revenue generated for the six months ended 30 September 2011 was £216 602 (March 2011: £144 616).



Australia

The histogram below illustrates the distribution in daily revenue for our trading businesses. The graph shows that positive trading revenue was realised on 62 days out of a total of 126 days in the trading business. The average daily trading revenue generated for the six months ended 30 September 2011 was A\$3 247 (March 2011: loss A\$1 393).





Investec plc (excluding Investec Limited)

Unaudited

Risk management

Balance sheet risk management

Balance sheet risk management encompasses the independent monitoring and prudential management of the financial risks relating to our asset and liability portfolios, comprising market liquidity, funding, concentration and non-trading interest rate risks on balance sheet.

Non-trading interest rate risk description

Non-trading interest rate risk is the impact on net interest earnings and sensitivity to economic value, as a result of unexpected, adverse movements in interest rates arising from the execution of our core business strategies and the delivery of products and services to our customers.

Sources of banking-related risk exposures include potential adverse effect of volatility and changes in interest rate levels, the shape of the yield curves, basis risk spreads and the optionality inherent in certain products. These affect the interest rate margin realised between lending income and borrowing costs, when applied to our rate sensitive asset and liability portfolios, which has a direct effect on future net interest income and the economic value of equity. The mix of interest rate repricing characteristics is influenced by the underlying financial needs of customers.

Investec plc (excluding Investec Limited)

Unaudited

Risk management

Interest rate sensitivity gap

The tables below show our non-trading interest rate mismatch. These exposures affect the interest rate margin realised between lending income and borrowing costs assuming no management intervention.

UK and Europe - interest rate sensitivity as at 30 September 2011

| £'million | Not > 3 months | > 3 months but < 6 months | > 6 months but < 1 year | > 1 year but < 5 years | > 5 years | Non rate | Total non-trading |
|-----------------------------------|-----------------|---------------------------|-------------------------|------------------------|--------------|----------------|-------------------|
| Cash and short-term funds - banks | 1 144 | 2 | - | - | - | 146 | 1 292 |
| Investment/trading assets | 2 566 | 97 | 88 | 216 | 338 | 350 | 3 655 |
| Securitised assets | 2 989 | - | - | - | - | 1 | 2 990 |
| Advances | 7 471 | 326 | 177 | 447 | 65 | 17 | 8 503 |
| Other assets | - | - | - | 175 | - | 1 546 | 1 721 |
| Assets | 14 170 | 425 | 265 | 838 | 403 | 2 060 | 18 161 |
| Deposits - banks | (1 490) | (18) | (46) | (38) | - | - | (1 592) |
| Deposits - non-banks | (7 504) | (165) | (1 282) | (136) | - | (19) | (9 106) |
| Negotiable paper | (464) | (381) | (207) | (86) | - | - | (1 138) |
| Investment/trading liabilities | (2 531) | - | - | - | - | - | (2 531) |
| Securitised liabilities | (523) | - | - | (161) | - | (148) | (832) |
| Subordinated liabilities | (68) | - | - | - | (623) | (35) | (726) |
| Other liabilities | - | - | - | - | - | (1 015) | (1 015) |
| Liabilities | (12 580) | (564) | (1 535) | (421) | (623) | (1 217) | (16 940) |
| Intercompany loans | (576) | (43) | 35 | 634 | 389 | (18) | 421 |
| Shareholders' funds | - | - | - | - | - | (1 702) | (1 702) |
| Balance sheet | 1 014 | (182) | (1 235) | 1 051 | 169 | (877) | (60) |
| Off-balance sheet | 417 | 183 | 337 | (705) | (232) | 316 | 316 |
| Repricing gap | 1 431 | 1 | (898) | 346 | (63) | (561) | 256 |
| Cumulative repricing gap | 1 431 | 1 432 | 534 | 880 | 817 | 256 | |

Australia - interest rate sensitivity as at 30 September 2011

| A\$'million | Not > 3 months | > 3 months but < 6 months | > 6 months but < 1 year | > 1 year but < 5 years | > 5 years | Non rate | Total non-trading |
|-----------------------------------|----------------|---------------------------|-------------------------|------------------------|-------------|--------------|-------------------|
| Cash and short-term funds - banks | 424 | - | - | - | - | - | 424 |
| Investment/trading assets | 1 031 | - | 19 | 184 | - | 25 | 1,259 |
| Securitised assets | 203 | 56 | 122 | 395 | 8 | - | 784 |
| Advances | 2 113 | 35 | 81 | 235 | 10 | 12 | 2,486 |
| Other assets | - | - | - | - | - | 407 | 407 |
| Assets | 3 771 | 91 | 222 | 814 | 18 | 444 | 5,360 |
| Deposits - banks | - | - | - | - | - | - | - |
| Deposits - non-banks | (1 525) | (460) | (137) | (137) | (10) | (48) | (2 317) |
| Negotiable paper | (596) | (101) | (31) | (650) | - | (28) | (1 406) |
| Securitised liabilities | (770) | - | - | - | - | - | (770) |
| Subordinated liabilities | (76) | - | - | - | - | - | (76) |
| Other liabilities | - | - | - | - | - | (134) | (134) |
| Liabilities | (2 967) | (561) | (168) | (787) | (10) | (210) | (4 703) |
| Intercompany loans | (27) | - | - | - | - | 11 | (16) |
| Shareholders' funds | - | - | - | - | - | (641) | (641) |
| Balance sheet | 777 | (470) | 54 | 27 | 8 | (396) | - |
| Off-balance sheet | 58 | (45) | (39) | 43 | (7) | (10) | - |
| Repricing gap | 835 | (515) | 15 | 70 | 1 | (406) | - |
| Cumulative repricing gap | 835 | 320 | 335 | 405 | 406 | - | |

Economic value sensitivity

Our preference for monitoring and measuring non-trading interest rate risk is economic value sensitivity. The tables below reflect our economic value sensitivity to a 2% parallel shift in interest rates assuming no management intervention. The numbers represent the change to mainly net interest income should such a hypothetical scenario arise. The sensitivity effect does not have a significant direct impact to equity.

UK and Europe

| ' million | Sensitivity to the following interest rates (expressed in original currencies) | | | All (GBP) |
|------------|---|-------|-------|--------------|
| | GBP | USD | EUR | |
| 200bp Down | (10.5) | 0.4 | 0.4 | (9.7) |
| 200bp Up | 10.5 | (0.4) | (0.4) | 9.7 |

Australia

| ' million | AUD |
|------------|--------|
| 200bp Down | (6.05) |
| 200bp Up | 6.05 |

Investec plc (excluding Investec Limited)

Unaudited



Risk management

Balance sheet risk management

Liquidity risk description

Liquidity risk is the risk that we have insufficient capacity to fund increases in assets, or are unable to meet our payment obligations as they fall due, without incurring unacceptable losses. This includes repaying depositors or maturing wholesale debt. This risk is inherent in all banking operations and can be impacted by a range of institution-specific and marketwide events.

Liquidity risk is further broken down into:

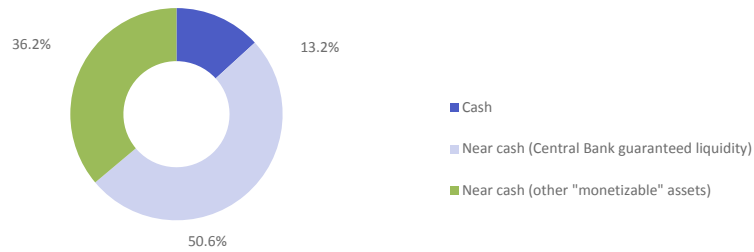
- Funding liquidity: which relates to the risk that the bank will be unable to meet current and/or future cash flow or collateral requirements without adversely affecting the normal course of business, its financial position or its reputation
- Market liquidity: which relates to the risk that the bank may be unable to trade in specific markets or that it may only be able to do so with difficulty due to market disruptions or a lack of market liquidity.

Sources of liquidity risk include unforeseen withdrawals of demand deposits, restricted access to new funding with appropriate maturity and interest rate characteristics, inability to liquidate a marketable asset in a timely manner with minimal risk of capital loss, unpredicted customer non-payment of a loan obligation and a sudden increased demand for loans in the absence of corresponding funding inflows of appropriate maturity.

Investec plc cash and near cash trend

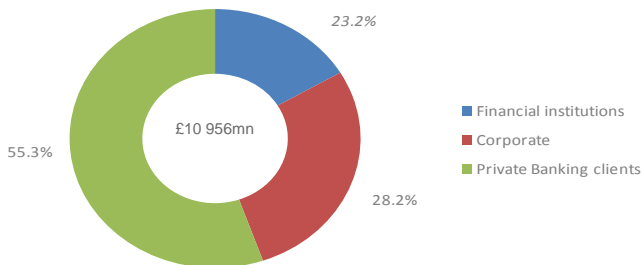


An analysis of cash and near cash as at 30 September 2011 (£4,327 million)

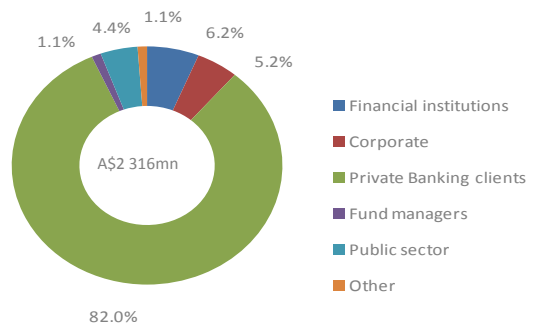


Bank and non-bank depositor concentration by type

UK and Europe



Australia



Investec plc (excluding Investec Limited)

Unaudited



Risk management

Balance sheet risk management

Liquidity mismatch

The tables that follow show our liquidity mismatch.

With respect to the contractual liquidity mismatch:

- No assumptions are made, and we record all asset and liabilities with the underlying contractual maturity as determined by the cash flow profile for each deal
- As an integral part of the broader liquidity generation strategy, we maintain a liquidity buffer in the form of unencumbered, cash, government, or bank paper (typically eligible for repurchase with the central bank), and near cash as a buffer against both expected and unexpected cash flows
- The actual contractual profile of this asset class is of little consequence, as practically Investec would meet any expected net cash outflows by selling these securities, we have:
 - Set the time horizon to one month to monetise our cash and near cash portfolio of “available for sale” discretionary treasury assets, where there are deep secondary markets for this elective asset class
 - Set the time horizon to "on demand" to monetise our statutory liquid assets for which liquidity is guaranteed by the central bank
 - Reported the “contractual” profile by way of a note to the tables.

With respect to the behavioural liquidity mismatch:

- The new funding we would require under normal business circumstances is shown in the “behavioural mismatch”. To this end, behavioural profiling is applied to liabilities with an indeterminable maturity, as the contractual repayments of many customer accounts are on demand or at short notice but expected cash flows vary significantly from contractual maturity. An internal analysis model is used, based on statistical research of the historical series of products, which models the point of probable maturity. In addition, re-investment behaviour, with profile and attrition based on history, is applied to term deposits in the normal course of business.

Investec plc (excluding Investec Limited)

Unaudited

Risk management

UK and Europe

Contractual liquidity as at 30 September 2011

| £'million | Demand | Up to 1 month | 1 - 3 months | 3 - 6 months | 6 months to 1 year | 1 to 5 years | > 5 years | Total |
|-----------------------------------|--------------------|----------------|----------------|----------------|--------------------|----------------|----------------|-----------------|
| Cash and short-term funds - banks | 1 358 | 161 | 12 | 1 | - | - | - | 1 532 |
| Investment/trading assets | 628 | 1 573 | 361 | 177 | 190 | 782 | 1 146 | 4 857 |
| Securitised assets | 51 | - | - | 1 | 3 | 20 | 2 915 | 2 990 |
| Advances | - | 625 | 564 | 332 | 817 | 2 605 | 3 560 | 8 503 |
| Other assets | 283 | 467 | 67 | 49 | 85 | 140 | 630 | 1 721 |
| Assets | 2 320 | 2 826 | 1 004 | 560 | 1 095 | 3 547 | 8 251 | 19 603 |
| Deposits - banks | (110) [^] | (1 118) | (24) | (75) | (180) | (375) | (968) | (1 850) |
| Deposits - non-banks | (493) | (1 402) | (3 106) | (2 545) | (403) | (1 123) | (34) | (9 106) |
| Negotiable paper | (95) | (29) | (20) | (12) | (209) | (483) | (290) | (1 138) |
| Securitised liabilities | (265) | - | - | - | - | - | (2 266) | (2 531) |
| Investment/trading liabilities | (104) | (773) | (252) | (12) | (13) | (407) | (390) | (1 951) |
| Subordinated liabilities | - | - | - | - | - | (35) | (691) | (726) |
| Other liabilities | (211) | (476) | (3) | (48) | (127) | (66) | (89) | (1 020) |
| Liabilities | (1 278) | (2 798) | (3 405) | (2 692) | (932) | (2 489) | (4 728) | (18 322) |
| Intercompany loans | (23) | (7) | - | - | 35 | 38 | 378 | 421 |
| Shareholders' funds | - | - | - | - | - | - | (1 702) | (1 702) |
| Contractual liquidity gap | 1 019 | 21 | (2 401) | (2 132) | 198 | 1 096 | 2 199 | - |
| Cumulative liquidity gap | 1 019 | 1 040 | (1 361) | (3 493) | (3 295) | (2 199) | - | - |

Behavioural liquidity

| £'million | Demand | Up to 1 month | 1 - 3 months | 3 - 6 months | 6 months to 1 year | 1 to 3 years | > 5 years | Total |
|---------------------------|--------|---------------|--------------|--------------|--------------------|--------------|-----------|-------|
| Behavioural liquidity gap | 2 056 | 1 306 | 29 | (41) | 486 | (5 000) | 1 164 | - |
| Cumulative | 2 056 | 3 362 | 3 391 | 3 350 | 3 836 | (1 164) | - | - |

[^]The deposits shown in the demand column at 30 September 2011 reflect cash margin deposits held.

Australia

Contractual liquidity as at 30 September 2011

| A\$'million | Demand | Up to 1 month | 1 - 3 months | 3 - 6 months | 6 months to 1 year | 1 to 5 years | > 5 years | Total |
|-----------------------------------|--------------------|---------------|--------------|----------------|--------------------|----------------|--------------|----------------|
| Cash and short-term funds - banks | 424 | - | - | - | - | - | - | 424 |
| Investment/trading assets* | 1 025 | 4 | 46 | 36 | 60 | 182 | 97 | 1 450 |
| Securitised assets | 1 | 26 | 57 | 73 | 164 | 453 | 8 | 782 |
| Advances** | 14 | 147 | 140 | 272 | 401 | 1 411 | 101 | 2 486 |
| Other assets | - | - | - | - | - | - | 217 | 217 |
| Assets | 1 464 | 177 | 243 | 381 | 625 | 2 046 | 423 | 5 359 |
| Deposits - banks | - | - | - | - | - | - | - | - |
| Deposits - non banks | (556) [^] | (217) | (765) | (454) | (138) | (176) | (10) | (2 316) |
| Negotiable paper | - | (34) | (92) | (111) | (202) | (968) | - | (1 407) |
| Securitised liabilities | (1) | (25) | (49) | (695) | - | - | - | (770) |
| Investment/trading liabilities | - | - | (14) | (10) | (16) | (49) | (26) | (115) |
| Subordinated liabilities | - | - | - | - | - | (76) | - | (76) |
| Other liabilities | - | - | - | - | - | - | (18) | (18) |
| Liabilities | (557) | (276) | (920) | (1 270) | (356) | (1 269) | (54) | (4 702) |
| Intercompany loans | 7 | 5 | - | - | - | (27) | - | (15) |
| Shareholders' funds | - | - | - | - | - | - | (642) | (642) |
| Contractual liquidity gap | 914 | (94) | (677) | (889) | 269 | 750 | (273) | - |
| Cumulative liquidity gap | 914 | 820 | 143 | (746) | (477) | 273 | - | - |

Note: contractual liquidity adjustments

| A\$'million | Demand | Up to 1 month | 1 - 3 months | 3 - 6 months | 6 months to 1 year | 1 to 5 years | > 5 years | Total |
|----------------------------|--------|---------------|--------------|--------------|--------------------|--------------|-----------|-------|
| *Investment/trading assets | - | 138 | 163 | 36 | 60 | 924 | 128 | 1 449 |
| **Advances | 498 | 143 | 131 | 250 | 357 | 1005 | 101 | 2 485 |

Behavioural liquidity

| A\$'million | Demand | Up to 1 month | 1 - 3 months | 3 - 6 months | 6 months to 1 year | 1 to 5 years | > 5 years | Total |
|---------------------------|--------|---------------|--------------|--------------|--------------------|--------------|-----------|-------|
| Behavioural Liquidity Gap | 1 390 | (173) | (869) | (1 001) | 178 | 748 | (273) | - |
| Cumulative | 1 390 | 1 217 | 348 | (653) | (475) | 273 | - | - |

^{^^} Includes call deposits of A\$529 million and the balance reflects term deposits which have finally reached/are reaching contractual maturity.

Investec plc (excluding Investec Limited)

Unaudited

Capital adequacy and capital structure

| £'million | 30 Sept 2011 | 31 March 2011 | 30 Sept 2010 * |
|--|-----------------|---------------|-------------------|
| Regulatory capital | | | |
| Tier 1 | | | |
| Called up share capital | - | - | - |
| Share premium | 1,104 | 1,059 | 1,059 |
| Retained income | 509 | 491 | 490 |
| Treasury shares | (29) | (11) | (7) |
| Other reserves | 266 | 278 | 289 |
| Minority interests in subsidiaries | 166 | 170 | 163 |
| Goodwill and intangibles | (540) | (542) | (550) |
| Total tier 1 | 1,476 | 1,445 | 1,444 |
| Less: deductions | (18) | (24) | (32) |
| | 1,458 | 1,421 | 1,412 |
| Tier 2 | | | |
| Aggregate amount | 753 | 702 | 623 |
| Less: deductions | (18) | (24) | (32) |
| | 735 | 678 | 591 |
| Other deductions from tier 1 and tier 2 | (32) | (31) | (59) |
| Total capital | 2,161 | 2,068 | 1,944 |
| Risk-weighted assets (banking and trading) | 12,610 | 12,292 | 11,665 |
| Credit risk - prescribed standardised exposure classes | 9,778 | 9,623 | 9,285 |
| Corporates | 2,640 | 2,807 | 2,352 |
| Secured on real estate property | 3,464 | 3,354 | 3,691 |
| Counterparty risk on trading positions | 301 | 219 | 286 |
| Short term claims on institutions and corporates | 288 | 256 | 409 |
| Retail | 710 | 668 | 580 |
| Institutions | 260 | 253 | 187 |
| Other exposure classes | 2,115 | 2,066 | 1,780 |
| Securitised exposures | 303 | 284 | 351 |
| Equity risk - standardised approach | 286 | 266 | 234 |
| Listed equities | 23 | 31 | 34 |
| Unlisted equities | 263 | 235 | 200 |
| Market risk - portfolios subject to internal models approach | 620 | 649 | 325 |
| Interest rate | 216 | 174 | 149 |
| Foreign Exchange | 243 | 256 | 11 |
| Equities | 161 | 219 | 165 |
| Operational risk - standardised approach | 1,623 | 1,470 | 1,470 |
| Capital requirements | 1,009 | 983 | 933 |
| Credit risk - prescribed standardised exposure classes | 783 | 769 | 742 |
| Corporates | 211 | 225 | 188 |
| Secured on real estate property | 277 | 268 | 295 |
| Counterparty risk on trading positions | 24 | 18 | 23 |
| Short term claims on institutions and corporates | 23 | 20 | 33 |
| Retail | 57 | 53 | 46 |
| Institutions | 21 | 20 | 15 |
| Other exposure classes | 170 | 165 | 142 |
| Securitised exposures | 24 | 23 | 28 |
| Equity risk - standardised approach | 23 | 21 | 19 |
| Listed equities | 2 | 2 | 3 |
| Unlisted equities | 21 | 19 | 16 |
| Market risk - portfolios subject to internal models approach | 49 | 52 | 26 |
| Interest rate | 17 | 14 | 12 |
| Foreign Exchange | 19 | 20 | 1 |
| Equities | 13 | 18 | 13 |
| Operational risk - standardised approach | 130 | 118 | 118 |
| Capital adequacy ratio | 17.1% | 16.8% | 16.7% |
| Tier 1 ratio | 11.6% | 11.6% | 12.1% |
| Capital adequacy ratio - pre operational risk | 19.7% | 19.1% | 19.1% |
| Tier 1 ratio - pre operational risk | 13.3% | 13.1% | 13.8% |

* restated to be consistent with the basis of presentation at March 2011. £180,433,000 of the premium arising on the issue of shares to acquire 53% of Rensburg Sheppards plc has been reclassified from share premium to capital reserve to reflect the utilisation of merger relief.

Investec plc (excluding Investec Limited)

Unaudited

Credit quality steps

The table below shows the exposure amounts associated with the credit quality steps and the relevant risk weightings.

| Credit quality step | Risk weight | 30 September 2011 | | 31 March 2011 | |
|---|-------------|-------------------|---|------------------|---|
| | | Exposure £'mn | Exposure after Credit Risk Mitigation £'mn | Exposure £'mn | Exposure after Credit Risk Mitigation £'mn |
| Central banks and sovereigns | | | | | |
| 1 | 0% | 2 242 | 2 242 | 2 539 | 2 486 |
| 2 | 20% | - | - | - | - |
| 3 | 50% | - | - | - | - |
| 4 | 100% | - | - | - | - |
| 5 | 100% | - | - | - | - |
| 6 | 150% | - | - | - | - |
| Institutions original effective maturity of more than three months | | | | | |
| 1 | 200% | 385 | 385 | 804 | 804 |
| 2 | 50% | 279 | 279 | 168 | 168 |
| 3 | 50% | 3 | 3 | 5 | 4 |
| 4 | 100% | - | - | - | - |
| 5 | 100% | - | - | - | - |
| 6 | 150% | - | - | - | - |
| Short term claims on institutions | | | | | |
| 1 | 20% | 617 | 437 | 546 | 467 |
| 2 | 20% | 124 | 124 | 157 | 151 |
| 3 | 20% | 62 | 62 | 392 | 276 |
| 4 | 50% | 10 | 10 | - | - |
| 5 | 50% | - | - | - | - |
| 6 | 150% | - | - | - | - |
| Counterparty credit risk- effective original maturity of more than three months* | | | | | |
| 1 | 20% | 335 | 262 | 392 | 368 |
| 2 | 50% | 56 | 34 | 77 | 51 |
| 3 | 50% | 418 | 42 | - | - |
| 4 | 100% | - | - | 1 | 1 |
| 5 | 100% | - | - | - | - |
| 6 | 150% | - | - | - | - |
| Counterparty credit risk- effective original maturity of less than three months* | | | | | |
| 1 | 20% | 1,865 | 477 | 1,072 | 69 |
| 2 | 20% | 219 | 46 | 189 | 49 |
| 3 | 20% | - | - | 159 | 12 |
| 4 | 50% | 207 | 9 | - | - |
| 5 | 50% | - | - | - | - |
| 6 | 150% | - | - | - | - |
| Corporates | | | | | |
| 1 | 20% | 26 | 26 | 128 | 128 |
| 2 | 50% | 5 | 5 | 7 | 7 |
| 3 | 100% | 5 | 5 | 171 | 171 |
| 4 | 100% | 19 | 16 | 17 | 17 |
| 5 | 150% | 28 | 14 | 14 | 14 |
| 6 | 150% | - | - | - | - |
| Securitisation positions | | | | | |
| 1 | 20% | 138 | 138 | 196 | 196 |
| 2 | 50% | 62 | 62 | 73 | 78 |
| 3 | 100% | 46 | 46 | 41 | 41 |
| 4 | 350% | 14 | 14 | 13 | 15 |
| 5 | 1250% | 37 | 37 | 47 | 47 |
| Total rated counterparty exposure | | 7 202 | 4 775 | 7 207 | 5 620 |