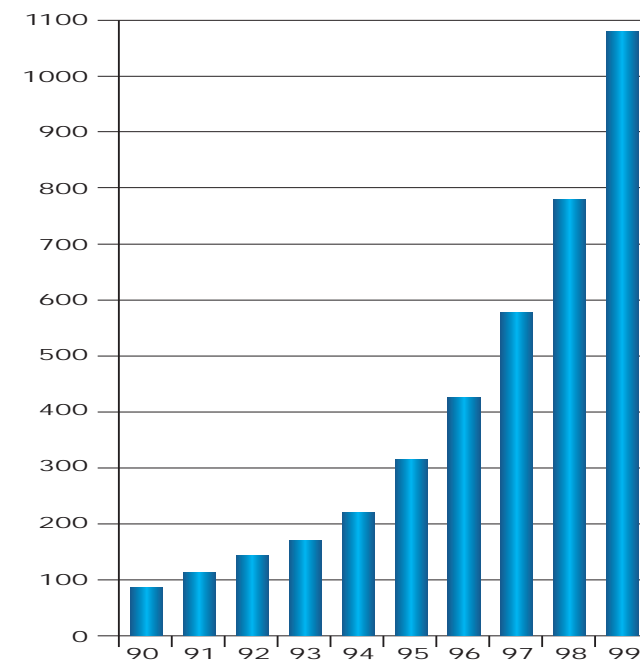


INVESTEC

Audited group results for the year ended 31 March 1999

DILUTED HEADLINE EARNINGS PER SHARE UP 39,3%
20TH YEAR OF UNINTERRUPTED GROWTH
SIGNIFICANT INTERNATIONAL ACQUISITIONS

Diluted headline earnings
(cents per share)

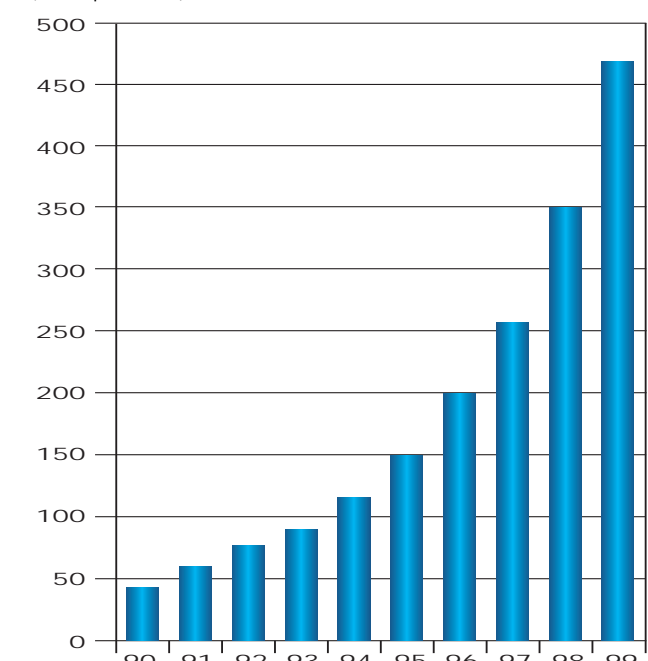


■ Ten-year compound growth in diluted headline earnings per share 31,6% per annum.

SALIENT FEATURES

	31 March 1999	31 March 1998	% Increase
Headline earnings attributable to ordinary shareholders (R' millions)	857	572	49,8
Diluted headline earnings per share (cents)	1 089,9	782,4	39,3
Dividends per share (cents)	475,0	350,0	35,7
Dividend cover (times)	2,2	2,3	
Net tangible asset value per share on a diluted basis (R)	65,7	76,5	(14,1)
Risk weighted assets (R'billions)	34	29	17,2
Capital adequacy ratio (percent)	15,2	19,8	
Return on average risk weighted assets (percent)	2,5	2,5	
Total assets under management (R'billions)	361	196	84,2
Total number of fully diluted shares in issue (millions)	92,5	79,9	

Dividends
(cents per share)



■ Ten-year compound growth in dividends per share 31,0% per annum

CONSOLIDATED INCOME STATEMENT

(R' millions)	31 March 1999	31 March 1998	% Increase
Interest received	9 544	6 257	52,5
Interest paid	8 246	5 396	52,8
	1 298	861	50,8
Provision for bad and doubtful debts	223	104	114,4

CONSOLIDATED BALANCE SHEET

(R' millions)	31 March 1999	31 March 1998
Capital employed		
Ordinary share capital	48	46
Compulsorily convertible debentures	1 715	286
Reserves	6 433	5 895
	8 196	6 227
Interest of minority shareholders in		

economy which is now in recession. Emerging markets were out of favour, local interest rates were managed to excessively high levels and the economy consequently damaged.

SUBSTANTIAL INCREASE IN OTHER INCOME

Total income grew to R3,279 billion, an increase of 88,2% of which 37,3% is organic and the balance is attributable to the inclusion of acquisitions. Net interest income grew by 50,8% driven by a 30,8% increase in advances during the year, including strong growth in the domestic corporate banking books. The deteriorating economic position of local borrowers together with the natural growth resulting from a larger book accounted for the increased charge in the provision for bad and doubtful debts (114,4%).

Interest paid	0 240	0 590	0 240
	1 298	861	50,8
Provision for bad and doubtful debts	223	104	114,4
Net interest income	1 075	757	42,0
Other income	2 204	985	123,8
Total income	3 279	1 742	88,2
Operating expenses	2 064	1 010	104,4
Exceptional items	22	2	
Income before taxation	1 193	730	63,4
Taxation	307	168	82,7
Operating income	886	562	57,7
Share of income of associated companies	78	81	(3,7)
Net income	964	643	49,9
Earnings attributable to minority shareholders	37	27	37,0
	927	616	50,5
Debt interest	92	46	100,0
Earnings attributable to ordinary shareholders	835	570	46,5
Ordinary dividends	381	269	
Retained income for the year	454	301	
Earnings per share (cents)	1 050,2	787,9	33,3
Diluted earnings per share (cents)	1 064,5	780,3	36,4

CALCULATION OF HEADLINE EARNINGS

Headline earnings	857	572
Exceptional items	(22)	(2)
Net surplus on disposal of subsidiaries	63	133
Goodwill amortised	(176)	(92)
Discount on fair value of acquisitions	91	-
Net loss on disposal of fixed assets	-	(43)
Attributable earnings	835	570

DIVIDEND ANNOUNCEMENT

A final dividend (No. 88) of 300 cents (1998: 220 cents) per share, making a total of 475 cents (1998: 350 cents), for the year ended 31 March 1999 has been declared payable to shareholders registered at the close of business on 4 June 1999. Dividends will be paid on or about 18 June 1999.

The dividend is payable in the currency of the Republic of South Africa.

By order of the board

S Noik
Secretary

18 May 1999

Compulsorily convertible debentures	1 715	286
Reserves	6 433	5 895
	8 196	6 227
Interest of minority shareholders in subsidiaries	560	967
Total capital employed	8 756	7 194
Liabilities		
Deposits and other accounts	103 909	75 680
Shareholders for ordinary dividends	241	175
	112 906	83 049
Assets		
Cash and short-term funds	36 711	36 381
Short-term negotiable securities	37 014	18 310
Investment and trading securities	7 837	5 466
Other assets	4 866	3 170
Advances and other accounts	21 936	16 777
Associated companies	1 498	2 130
Fixed assets	924	695
Intangible assets	2 120	120
	112 906	83 049
Acceptances, Guarantees and Letters of Credit	4 470	3 387

COMMENTARY

OPERATING DEVELOPMENTS

Investec is pleased to post its 20th year of uninterrupted growth in a year in which significant resources were applied to developing and integrating its international operations. With the consolidation in new premises in London on the recently acquired operations of Hambros, Guinness Mahon, Henderson Crosthwaite and Guinness Flight with the existing Carr Sheppards and Investec U.K. operations, Investec now has a presence in investment and private banking and asset management in London. The New York business was strengthened by the acquisition of the stock brokers, Stuart Coleman & Co., while Investec Australia absorbed the funds management business of ACSIS. The offshore operations in Jersey and Mauritius both showed strong growth. Simultaneously, penetration in the corporate and investment banking markets in South Africa increased substantially. The asset management businesses of Investec Asset Management and Guinness Flight have been integrated to form a global asset management company, Investec Guinness Flight Limited, and the Private Banking operations in Europe, South Africa, Australia and Israel have been integrated into one business.

During the year securities trading operations were further rationalised through the sales of Securities Investment Bank to Saflife Limited and District Securities Bank to Cadiz Holdings Limited and the Group retains minority interests in each. Subsequent to the year-end the Group acquired the Johannesburg Retail Broking division of HSBC Simpson McKie.

In support of corporate finance transactions during the year, the Group acquired full control of JCI Limited which subsequently became a cash shell. After the year-end, the Group acquired control of South African Druggists Limited in similar circumstances.

SOUND RESULTS DRIVEN BY ORGANIC GROWTH AND ACQUISITIONS

Headline earnings for the year to 31 March 1999 grew by 49,8% to R857 million while diluted headline earnings per share increased by 39,3%. The Group now has a ten-year compound growth rate in diluted headline earnings per share of 31,6% per annum.

These results benefited from the U.K. acquisitions mentioned above and from sound organic growth in our existing local and international businesses.

OPERATING ENVIRONMENT

The environment in which the Group operated was characterised by buoyant capital markets at the beginning of the year, turmoil in world financial markets after the first quarter and a local

50,8% driven by a 30,8% increase in advances during the year, including strong growth in the domestic corporate banking books. The deteriorating economic position of local borrowers together with the natural growth resulting from a larger book accounted for the increased charge in the provision for bad and doubtful debts (114,4%).

Other income grew by 123,8% to R2,204 million through acquisitions and strong performances by the Group's Corporate and Investment Banking, Securities Trading and Asset Management operations. The annuity component of other income increased by 136,8%.

As a result of the organic growth in foreign operation and the acquisitions over half of the Group's net income is now earned in foreign currencies.

CONTINUED FOCUS ON CONTROL OF EXPENSES

The ratio in respect of local business has dropped to 48,4% while that for our developing businesses operating in higher cost international jurisdictions is 66,7%. The overall ratio of operating expenses to total income consequently increased 4,2% to 58,9%. The after tax profit per employee increased over the year from R276 000 to R323 000.

STRONG GROWTH IN ASSETS UNDER MANAGEMENT

On balance sheet assets grew by 36,1% to R113 billion and third party assets under management grew by 119,4% to R248 billion, mainly through the acquisition of Guinness Flight.

SHAREHOLDERS' FUNDS

Total shareholders' funds increased from R7,2 billion to R8,7 billion, as a result of the issue of compulsorily convertible debentures of R1,43 billion. Consequent to the increased asset base and the goodwill element of the acquisitions, the Group's capital adequacy ratio moved from 19,8% to 15,2% over the year. This level of capital adequacy is considered more appropriate to the Group's activities.

YEAR 2000

The Group's comprehensive Year 2000 initiative has progressed well and it is planned to achieve compliance in mission critical systems and workstations by 31 July 1999, by which date the testing of internal systems, external connectivity and upgrading of equipment will be completed.

The board and management are fully informed of developments. Contingency and risk initiatives are now being formulated to ensure that internal and external Y2K implications will not have a material adverse effect on the Group. All related costs are expensed; these have had no material impact on Group results or on its forecasts.

PROSPECTS

The directors and management are of the opinion that the Group will continue to achieve strong growth in earnings and dividends.

On behalf of the board

H S Herman S Koseff B Kantor
Chairman *Chief Executive* *Managing Director*

Tuesday 18 May, 1999

Registered office:
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Johannesburg 2001.

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Investec Group Limited ("Investec") (Registration number 04/02833/06):
H S Herman (*Chairman*), S Koseff* (*Chief Executive*), B Kantor* (*Managing*), S E Abrahams,
A I Basserabie, Dr H K Davies, G H Davin, D E Jowell, I R Kantor, D M Lawrence*, D H Mitchell,
D R Motsepe, Dr M Z Nkosi, Dr F van Zyl Slabbert, B Tapnack*, P R S Thomas.

* Executive
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Corporate Banking Services. Trade Finance. Property Services.

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