



Investec Bank Limited

Reviewed condensed consolidated financial results for the year ended 31 March 2007

Consolidated income statement

(R' millions)	Year to 31 March 2007	Year to 31 March 2006
Interest receivable	10,339	7,827
Interest payable	(7,785)	(5,827)
Net interest income	2,554	2,000
Fees and commissions receivable	910	647
Fees and commissions payable	(46)	(28)
Principal transactions	1,000	637
Operating loss from associates	(10)	-
Other income	1,854	1,256
Total operating income	4,408	3,256
Impairment losses on loans and advances	(122)	17
Operating income	4,286	3,273
Administrative expenses	(2,150)	(1,722)
Depreciation and impairment of property, equipment and software	(51)	(38)
Operating profit	2,085	1,513
Profit on disposal of subsidiary*	39	-
Profit before taxation	2,124	1,513
Taxation	(572)	(305)
Profit after taxation	1,552	1,208
Earnings attributable to minority interests	3	32
Earnings attributable to shareholders	1,549	1,176
	1,552	1,208
Calculation of headline earnings		
Earnings attributable to shareholders	1,549	1,176
Headline adjustments	(39)	(1)
Realisation of available for sale instrument	-	(1)
Profit on disposal of subsidiaries	(39)	-
Headline earnings attributable to shareholders	1,510	1,175
Preference dividends paid	(121)	(121)
Headline earnings attributable to ordinary shareholders	1,389	1,054

*The group disposed of its investment in Investec Holdings (Botswana) Limited during the year to Investec Asset Management Holdings (Pty) Limited on an arms length basis. The sale had no material effect on the group's financial results and position.

Consolidated balance sheet at

(R' millions)	31 March 2007	31 March 2006
Assets		
Cash and balances at central banks	851	1,930
Loans and advances to banks	20,783	12,473
Cash equivalent advances to customers	7,214	5,217
Reverse repurchase agreements and cash collateral on securities borrowed	2,916	1,224
Trading securities	15,401	12,208
Derivative financial instruments	5,693	9,032
Investment securities	29	31
Loans and advances to customers	78,588	62,885
Investment in associated undertakings	221	-
Deferred taxation assets	263	241
Other assets	884	682
Property and equipment	104	83
Investment properties	3	7
Intangible assets	61	26
Loans to group companies	9,753	6,508
	142,764	112,547
Liabilities		
Deposits by banks	12,959	7,776
Derivative financial instruments	5,576	7,138
Other trading liabilities	255	266
Repurchase agreements and cash collateral on securities lent	2,378	919
Customer accounts	73,074	56,201
Debt securities in issue	30,870	23,502
Current taxation liabilities	307	422
Deferred taxation liabilities	284	164
Other liabilities	3,939	4,207
	129,642	100,595
Subordinated liabilities (including convertible debt)	3,066	3,140
	132,708	103,735
Equity		
Ordinary share capital	16	16
Share premium	4,732	4,732
Equity portion of convertible debentures	229	229
Perpetual preference shares	1,491	1,491
Other reserves	738	512
Retained income	2,850	1,824
Shareholders' equity excluding minority interests	10,056	8,804
Minority interests	-	8
Total equity	10,056	8,812
Total liabilities and equity	142,764	112,547

Statement of changes in equity

(R' millions)	Year to 31 March 2007	Year to 31 March 2006
Balance at the beginning of the year	8,812	8,459
Foreign currency adjustments	12	(6)
Earnings for the year attributable to shareholders	1,549	1,176
Earnings for the year attributable to minority interests	3	32
Dividends paid to ordinary shareholders	(190)	(640)
Dividends paid to perpetual preference shareholders	(121)	(121)
Fair value gain on available for sale assets	2	-
Decrease in minorities on disposals	(5)	(104)
Dividends paid to minorities	(6)	-
Cash flow hedge fair value gain	-	16
Balance at the end of the year	10,056	8,812

Consolidated cash flow statement

(R' millions)	Year to 31 March 2007	Year to 31 March 2006
Net cash inflow from operating activities	1,295	470
Net cash inflow/(outflow) from banking activities	2,521	(82)
Net cash outflow from investing activities	(284)	(33)
Net cash (outflow)/inflow from financing activities	(3,251)	1,966
Net increase in cash and cash equivalents	281	2,321
Cash and cash equivalents at the beginning of the year	7,679	5,358
Cash and cash equivalents at the end of the year	7,960	7,679

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 information For the year to 31 March 2007

(R' millions)	Private Client Activities	Capital Markets	Investment Banking	Group Services and Other	Total
Operating income	1,550	1,448	584	704	4,286
Operating expenses	(995)	(608)	(204)	(394)	(2,201)
Operating profit	555	840	380	310	2,085
Cost to income ratio (%)	61.7	40.3	34.9	56.2	49.9

For the year to 31 March 2006

(R' millions)	Private Client Activities	Capital Markets	Investment Banking	Group Services and Other	Total
Operating income	1,110	909	643	610	3,272
Operating expenses	(729)	(468)	(159)	(403)	(1,759)
Operating profit	381	441	484	207	1,513
Cost to income ratio (%)	66.1	48.0	25.0	76.0	54.3

Commentary

Overview of results

We are pleased to announce that Investec Bank Limited, a subsidiary of Investec Limited, posted an increase in headline earnings attributable to ordinary shareholders of 31.8% from R1,054 million to R1,389 million. For full information on the Investec group results, refer to the combined results of Investec plc and Investec Limited.

Business unit review

Unless the context indicates otherwise, all comparatives referred to in the business unit review, relate to the year ended 31 March 2006. Operating profit is before taxation and headline adjustments.

Salient operational features of the year under review include:

- The Private Client Activities division posted an increase of 45.7% in operating profit to R555 million (2006: R381 million). The Private Bank has benefited from strong growth in advances, non-interest income and a solid performance recorded across its areas of specialisation. The private client lending book has grown by 36.9% to R55.8 billion (2006: R40.7 billion) and the division increased its retail deposit book by 48.6% to R26.3 billion (2006: R17.7 billion).
- The Capital Markets (formerly known as Treasury and Specialised Finance) division posted operating profit of R840 million (2006: R441 million), an increase of 90.5%. Growth was underpinned by a strong performance from the division's advisory, structuring, trading, asset creation and distribution activities.
- Operating profit of the Investment Banking division decreased by 21.5% to R380 million (2006: R484 million). The Corporate Finance division benefited from a high level of activity. The results of the Private Equity division are not comparable to the previous period as certain of the recent Private Equity investments have been acquired by other subsidiaries of Investec Limited. However, the entrepreneurial investment component of the Direct Investment division generated less revenue than in prior years.
- Other Activities posted a 49.8% increase in operating profit to R310 million (2006: R207 million) largely as a result of a stronger performance from some of the investments within the central funding portfolio.

Accounting policies

The year end results are prepared in accordance with the recognition and measurement requirements of International Financial Reporting Standards and the presentation and disclosure requirements of IAS 34. The accounting policies applied in the preparation of the results for the year ended 31 March 2007 are consistent with those adopted in the financial statements for the year ended 31 March 2006, except for the adoption of accounting standards interpretations issued with effect from 1 January 2006. The adoption of these interpretations has had no material reportable impact on the financial results, position or cash flows of the group.

On behalf of the board of Investec Bank Limited

Hugh Herman
Chairman

Stephen Koseff
Chief Executive Officer

Bernard Kantor
Managing Director

Sandton
17 May 2007

KPMG Inc and Ernst & Young Inc, the group's independent joint auditors, have reviewed the preliminary financial statements contained in the preliminary report, and have expressed an unmodified conclusion on the preliminary financial statements. Their review report is available for inspection at the company's registered office.

Non-redeemable non-cumulative non-participating preference shares

Declaration of dividend number 8

Notice is hereby given that preference dividend number 8 amounting to 459.04 cents per share has been declared for the period 01 October 2006 to 31 March 2007. The dividend is payable to holders of the non-redeemable non-cumulative non-participating preference shares as recorded in the books of the company at the close of business on 29 June 2007.

The relevant dates for the payment of dividend number 8 are as follows:-

Last day to trade cum-dividend	Friday, 22 June 2007
Shares trade ex-dividend	Monday, 25 June 2007
Record date	Friday, 29 June 2007
Payment date	Wednesday, 04 July 2007

Share certificates may not be dematerialised or rematerialised between Monday, 25 June 2007 and Friday, 29 June 2007, both dates inclusive.

By order of the board

B Coetsee
Company Secretary
17 May 2007

Registered office

100 Grayston Drive
Sandown
Sandton
2196

Transfer secretaries

Computershare Investor Services
2004 (Pty) Ltd
70 Marshall Street
Johannesburg 2001

Investec Bank Limited
(Registration number 1969/004763/06)

JSE share code: INLP **ISIN:** ZAE000048393

Directors: H S Herman (Chairman), D M Lawrence* (Deputy Chairman), S Koseff* (Chief Executive), B Kantor* (Managing), S E Abrahams, G R Burger*, D E Jowell, M P Malungani, K X T Socikwa, B Tapnack*, P R S Thomas, F Titi, C B Tshili. *Executive

Company secretary: B Coetsee