

# // Results presentation

For the year-ended 31 March 2007

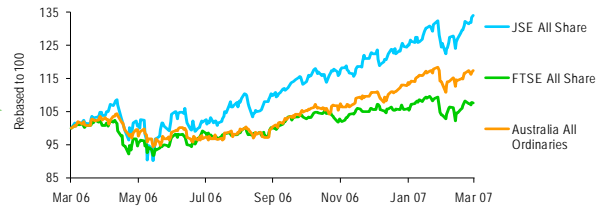


# Highlights

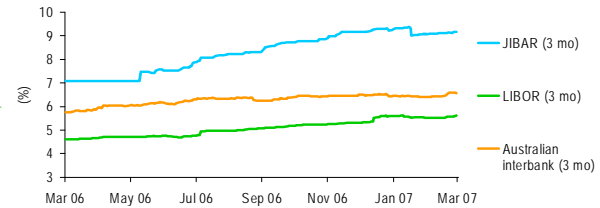


## Favourable operating environment

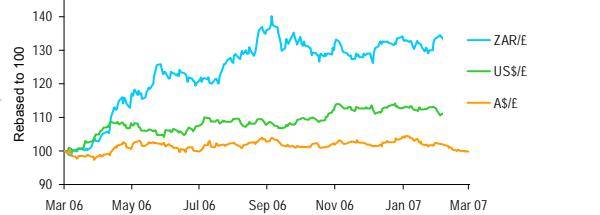
Volatile equity markets



Rising interest rate environment



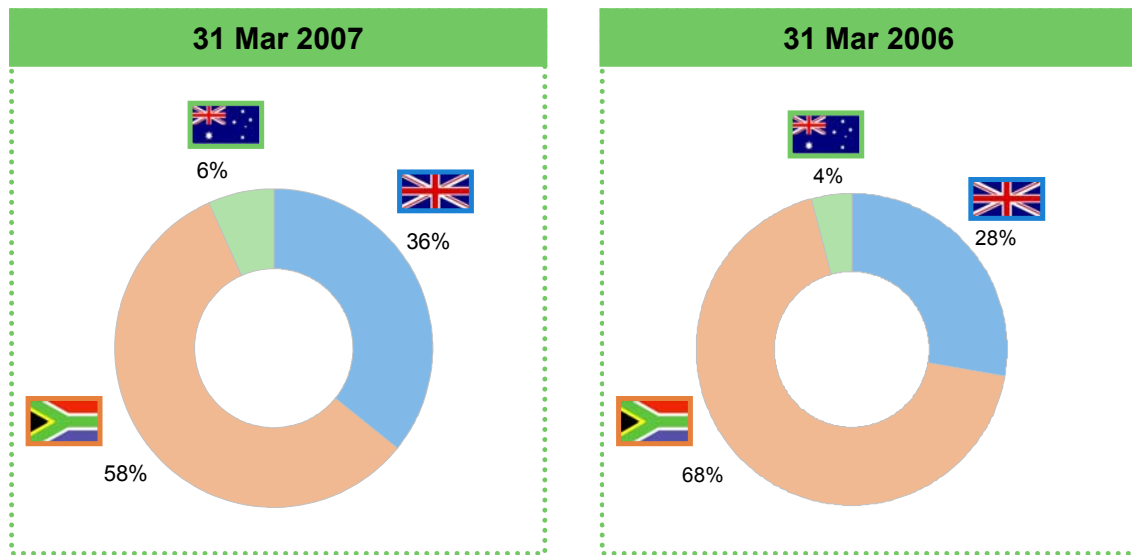
Weak Rand



Source: Datastream

## Penetrating core markets

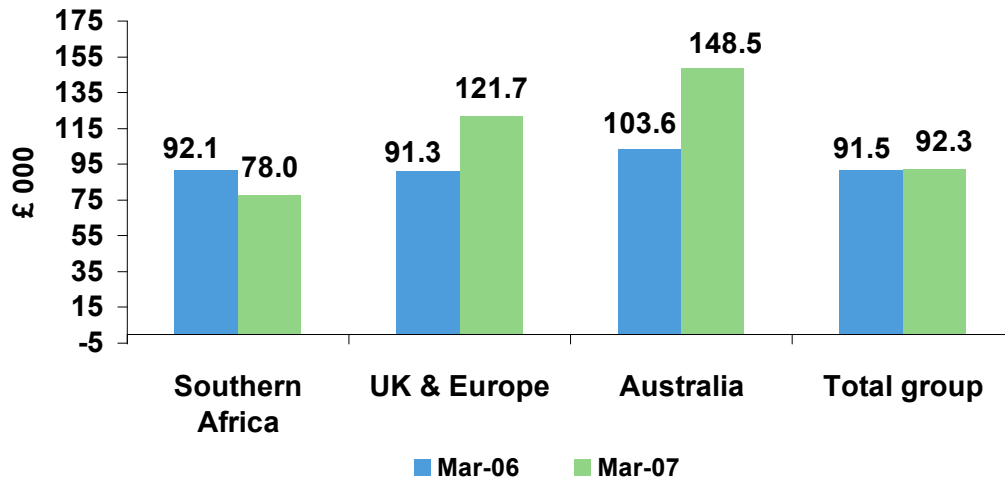
Operating profit\* by geography



\*Before goodwill, non-operating items and taxation

## Leveraging off our platforms

Operating profit per employee\*



\*Before goodwill, non-operating items and taxation, excluding income from associates

## Strong brand gaining momentum



## Resulted in a solid performance

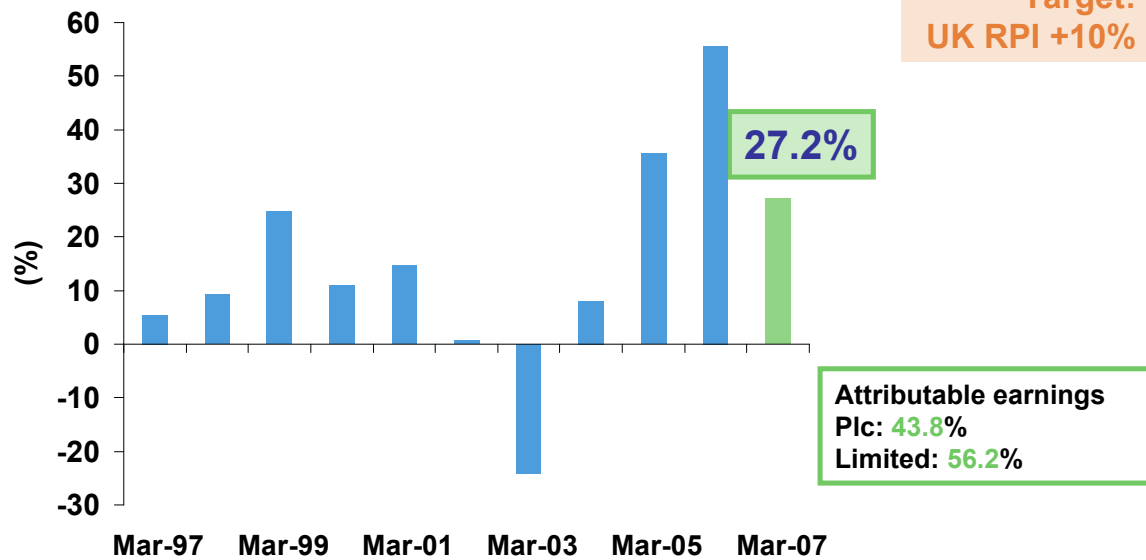
(IFRS)	31 Mar 2007	31 Mar 2006	% Change
Operating profit before tax* (£'000)	466 585	388 767	20.0%
Attributable earnings* (£'000)	300 704	230 017	30.7%
Adjusted EPS* (pence)	53.3	41.9	27.2%
DPS (pence)	23.0	18.2	26.4%
Average loans and advances (£'bn)	9.9	8.0	23.6%
Average third party assets under management (£'bn)	55.7	45.6	22.0%

\* Before goodwill and non-operating items

## Financial objectives



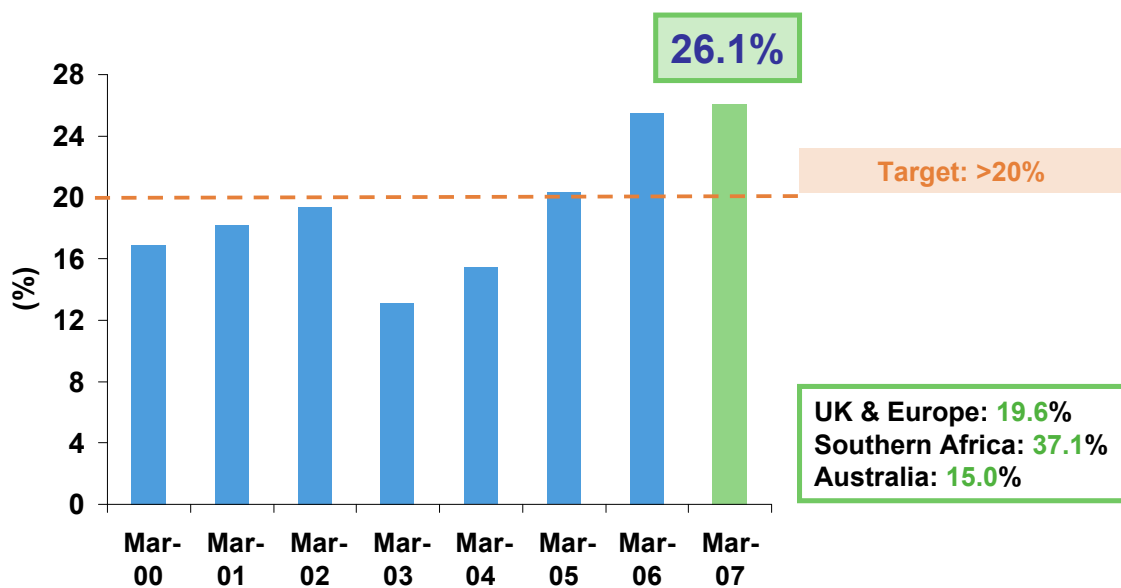
## Adjusted EPS\* growth



\*Before goodwill and non-operating items

Note: Prior to 2005 the numbers are reported in terms of SA/UK GAAP and thereafter in terms of IFRS

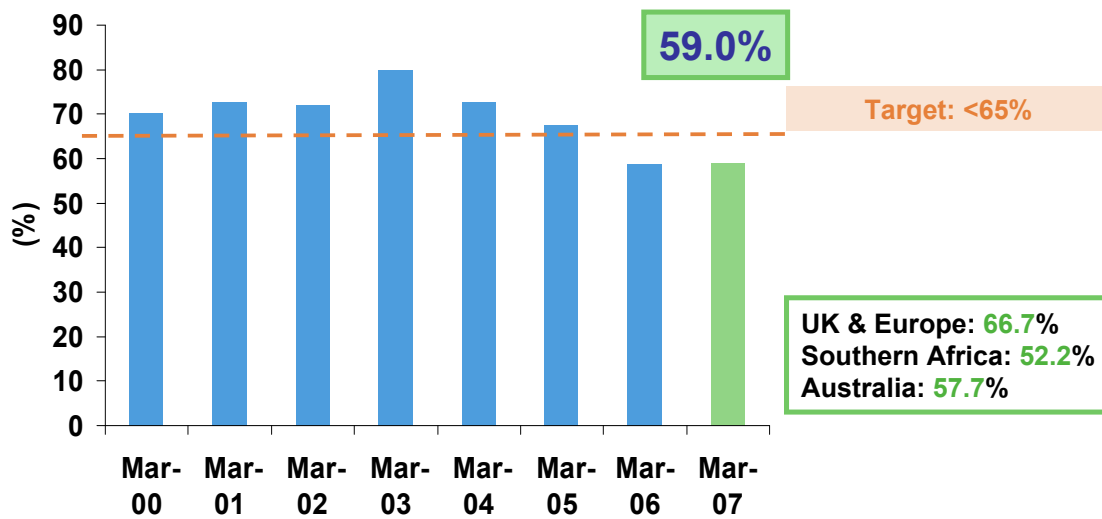
## ROE\*



\*Return on adjusted shareholders' equity (including goodwill and CCD's)

Note: Prior to 2005 the numbers are reported in terms of UK GAAP and thereafter in terms of IFRS

## Cost to income ratio



Note: Prior to 2005 the numbers are reported in terms of UK GAAP and thereafter in terms of IFRS

## Capital

Target CAR:  
13 - 16%

	Investec Limited	Investec Bank Limited	Investec plc	Investec Bank (UK) Limited	Investec Bank (Australia) Limited
31 Mar 2007	R'mn	R'mn	£'mn	£'mn	A\$'mn
Net qualifying capital	13 687	12 789	1 357	1 284	568
Risk-weighted assets	93 075	90 426	5 485	5 314	2 383
<b>Capital adequacy ratio</b>	<b>14.7%</b>	<b>14.1%</b>	<b>24.7%</b>	<b>24.2%</b>	<b>23.8%</b>
Tier 1 ratio	10.4%	9.3%	14.8%	13.2%	19.0%

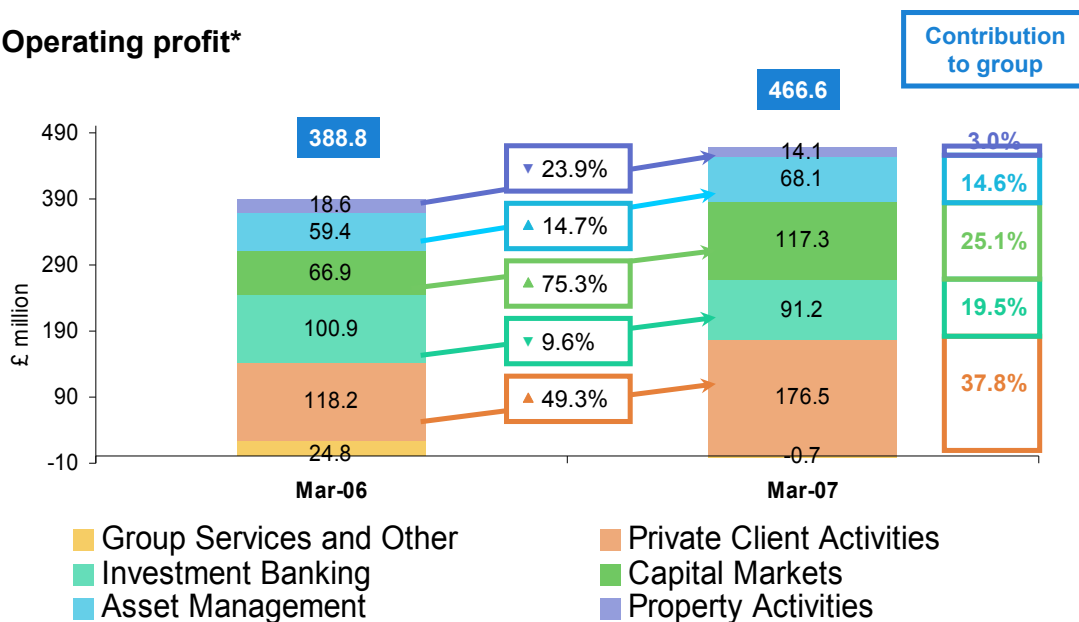
# Operational review



A distinctive specialist banking group

## Divisional performance

### Operating profit\*



\*Before goodwill, non-operating items and taxation

## Private Client Portfolio Management and Stockbroking

Neutral Currency: ▲ 10.5% to £23.2 bn

### Overall

- Private Client business in South Africa benefited from:
  - new product launches
  - higher asset levels
  - increased volumes
  - strong focus on efficiency
- Rensburg Sheppards plc integration in the UK successfully completed

### Snapshot

Operating profit*	▲	32.7% to £22.1 mn
Funds under management	▼	(1.0%) to £20.7 bn
Cost to income <sup>^</sup>	▼	61.5%
ROE (pre-tax)**	▲	44.2%
Profit per employee*	▼	£64.6 thousand

\*Before goodwill, non-operating items and taxation

\*\*Return on adjusted shareholders' equity (including goodwill and CCD's)

<sup>^</sup>Excludes Rensburg Sheppards plc

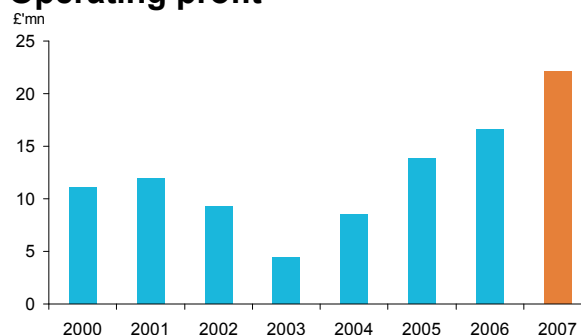
## Private Client Portfolio Management and Stockbroking

% of group total: 4.7%

### Outlook

- Three focus areas to support continued growth:
  - The launch of products appealing to sophisticated private clients
  - The aggressive approach to asset gathering through the reorganisation of front-facing teams
  - Good market fundamentals
- Focus in Rensburg Sheppards plc has now shifted from internal to external with the intention to roll out a growth strategy

### Operating profit\*



\*Before goodwill, non-operating items and taxation

Results are shown for the year-ended 31 March. Prior to 2005 the numbers are reported in terms of UK GAAP and thereafter in terms of IFRS



## Private Banking

### Overall

- Strong performance driven by solid growth in advances and non-interest income
- Continued penetration of core markets with all areas of specialisation performing well
- Momentum and an evolving brand supported the performance
- Benefits of scale positively impacting bottom line

**Neutral Currency**  
 Loans: ▲ 32% to £8.1 bn  
 Deposits: ▲ 29% to £6.2 bn  
 FUA: ▲ 56% to £2.9 bn

### Snapshot

Operating profit*	▲	52.1% to £154.4 mn
Loan book	▲	11.3% to £6.9 bn
Retail deposit book	▲	16.5% to £5.6 bn
Funds under advice	▲	34.1% to £2.5 bn
Cost to income	▼	53.1%
ROE (pre-tax)**	▲	38.1%
Profit per employee*	▲	£87.2 thousand

\*Before goodwill, non-operating items and taxation

\*\*Return on adjusted shareholders' equity (including goodwill and CCD's)

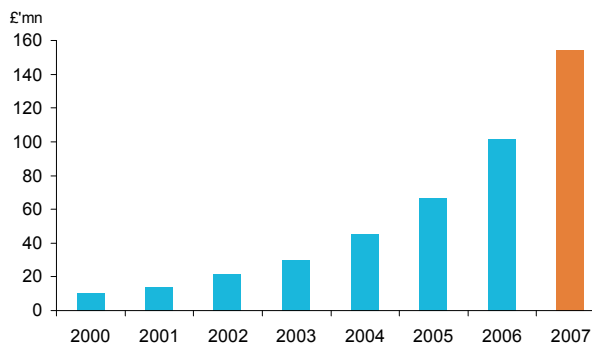
## Private Banking

% of group total: 33.1%

### Outlook

- Continued momentum supports the outlook
- 2008 will focus on:
  - reinvestment for future growth
  - sweating existing strategies for scale and growth

### Operating profit\*



\*Before goodwill, non-operating items and taxation

Results are shown for the year-ended 31 March. Prior to 2005 the numbers are reported in terms of UK GAAP and thereafter in terms of IFRS

## Capital Markets

### Overall

- Strong growth supported by solid performance from advisory, structuring, asset creation, trading and distribution activities
- Several businesses established in past few years making meaningful contributions
- Benefited from increased scale in Australia as a result of the acquisition of NM Rothschild & Sons (Australia) Limited

Neutral Currency: ▲ 18.7% to £3.5 bn

### Snapshot

Operating profit*	▲	75.3% to £117.3 mn
Loan book	▲	3.2% to £3.1 bn
Cost to income	▼	53.2%
ROE (pre-tax)**	▲	37.7%
Profit per employee*	▲	£188.3 thousand

\*Before goodwill, non-operating items and taxation

\*\*Return on adjusted shareholders' equity (including goodwill and CCD's)

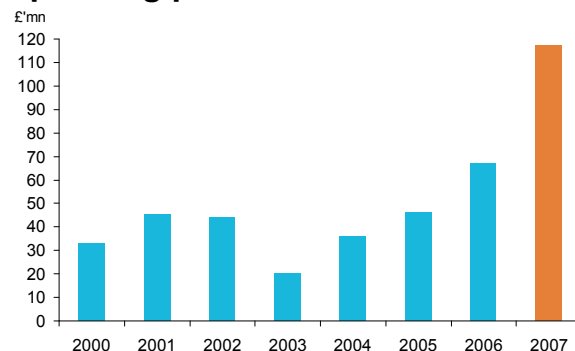
## Capital Markets

% of group total: 25.1%

### Outlook

- The deal pipeline and general momentum are positive
- Market conditions continue to be favourable
- In the UK and SA we continue to strive for depth and greater penetration
- Looking to broaden franchise in Australia
- Securitisation and capital markets are a key focus
- Continue to pursue strategy around specialist funds

### Operating profit\*



\*Before goodwill, non-operating items and taxation

Results are shown for the year-ended 31 March. Prior to 2005 the numbers are reported in terms of UK GAAP and thereafter in terms of IFRS

## Investment Banking

### Overall

- High level of activity from all underlying businesses in all geographies
- Improved quality of people, clients and investment portfolios
- Strong integrated platforms with a growing market presence
- The entrepreneurial investment component of Direct Investments generated less revenue than in prior years

### Snapshot

Operating profit	▼	(9.6%) to £91.2 mn
Agency and Advisory profit*	▲	13.9% to £30.3 mn
Direct Investments and Private Equity profit*	▼	(18.0%) to £60.9 mn
Cost to income	▲	56.3%
ROE (pre-tax)**	▼	68.6%
Profit per employee*	▼	£291.9 thousand

\*Before goodwill, non-operating items and taxation

\*\*Return on adjusted shareholders' equity (including goodwill and CCD's)

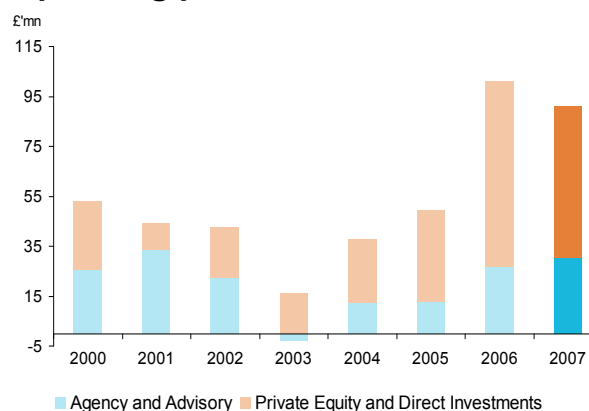
## Investment Banking

% of group total: 19.6%

### Outlook

- Quality and strength of deal pipeline and investment portfolios will continue to drive activity and sustain momentum
- Continue to build value in our direct investment and private equity portfolios independently of realisations and market conditions
- Balanced portfolio should sustain performance

### Operating profit\*



\*Before goodwill, non-operating items and taxation

Results are shown for the year-ended 31 March. Prior to 2005 the numbers are reported in terms of UK GAAP and thereafter in terms of IFRS

## Asset Management

### Overall

- Strong momentum in the UK and international business
- Continued sound performance in Southern Africa
- Solid long term investment performance continues to support the fundamentals
- Invested in the strengthening of both our manufacturing and distribution capabilities

Neutral Currency: ▲ 11.7% to £ 35.3 bn

### Snapshot

Operating profit*	▲	14.7% to £68.1 mn
Assets under management	▼	(5.6%) to £29.9 bn
Cost to income	▼	63.9%
ROE (pre-tax)**	▲	44.9%
Profit per employee*	▲	£79.5 thousand

\*Before goodwill, non-operating items and taxation (including Silica, the third party administration business)

\*\*Return on adjusted shareholders' equity (including goodwill and CCD's)

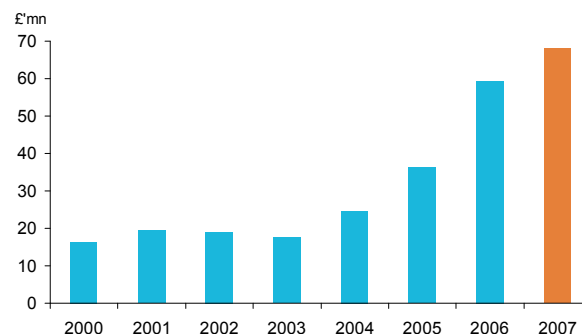
## Asset Management

% of group total: 14.6%

### Outlook

- Momentum across the business remains positive
- Focus is on turning good track records and market position into substantial net inflows
- Medium-term growth – scaling existing opportunities
- A number of new initiatives will drive long-term growth

### Operating profit\*



\*Before goodwill, non-operating items and taxation

Results are shown for the year-ended 31 March. Prior to 2005 the numbers are reported in terms of UK GAAP and thereafter in terms of IFRS

## Property Activities

Neutral Currency: ▲ 31% to £2.4 bn

### Overall

- The SA business continued to perform well benefiting from:
  - Strong equity and property fundamentals
  - Higher average funds under management
  - Realisations
- The performance was negatively impacted by a lower contribution from our investment property portfolio due to increased funding costs

### Snapshot

Operating profit*	▼	(23.9%) to £14.1 mn
Funds under management	▼	(1.1%) to £1.8 bn
Cost to income	▲	58.9%
ROE (pre-tax)**	▼	50.0%
Profit per employee*	▼	£53.2 thousand

\*Before goodwill impairment, non-operating items and taxation

\*\*Return on adjusted shareholders' equity (including goodwill and CCD's)

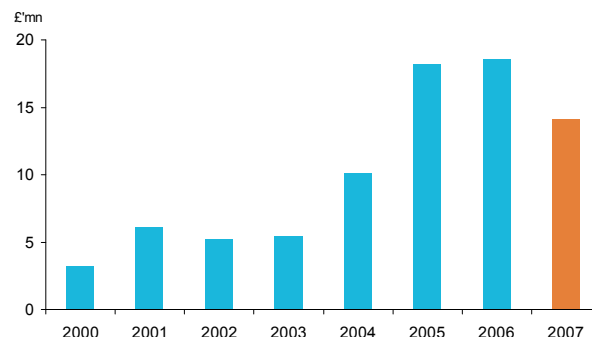
## Property Activities

% of group total: 3.0%

### Outlook

- Good stock of trading opportunities
- Refocusing of activities to
  - Trading
  - Fund management
  - 'Private equity' style funds
- Developing a broader local and global property business offering investors a spectrum of global products and capitalising on Investec's skills across the group

### Operating profit\*



\*Before goodwill, non-operating items and taxation

Results are shown for the year-ended 31 March. Prior to 2005 the numbers are reported in terms of UK GAAP and thereafter in terms of IFRS

## Group Services and Other Activities

Assurance Activities*	▼	from £11.5 mn to £1.6 mn
International Trade Finance*	▲	21.2% to £5.5 mn
Central Funding*	▲	from £66.8 mn to £67.0 mn
Central Services*	▲	from (£57.8 mn) to (£74.6 mn)

\*Before goodwill, non-operating items and taxation

## Asset quality

	<b>31 Mar 2007</b>	31 Mar 2006
Total gross loans and advances to customers (£'mn)	<b>10 230</b>	9 646
Gross default loans (£'mn)	<b>123</b>	91
Net default loans (pre impairments held against these loans) (£'mn)	<b>29</b>	29
<b>Gross default loans as a % of gross loans and advances to customers</b>	<b>1.20%</b>	<b>0.94%</b>

## General

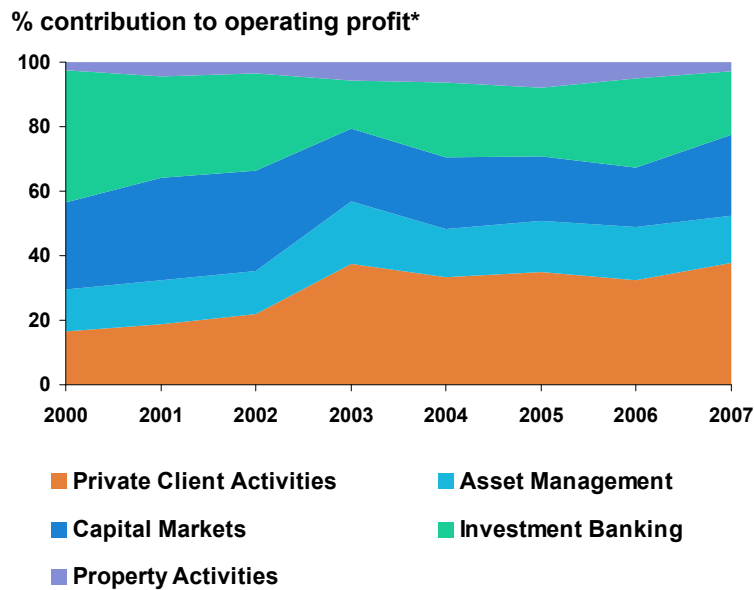
Effective tax rate (excluding assurance activities)	from 27.3% to 26.3%
Weighted shares	from 548.8 mn to 563.8 mn

<b>Earnings attributable to minority interests</b>	<b>£9.1 mn</b>
Operating profits in relation to investments held in the Private Equity division	£10.0 mn
Profit on sale of portfolio of investment properties in which minorities had a 23.1% holding	£2.2 mn
Other	£0.3 mn
Less translation of preferred securities issued by a subsidiary of Investec plc – transaction is hedged	(£3.4 mn)

## Strategic considerations



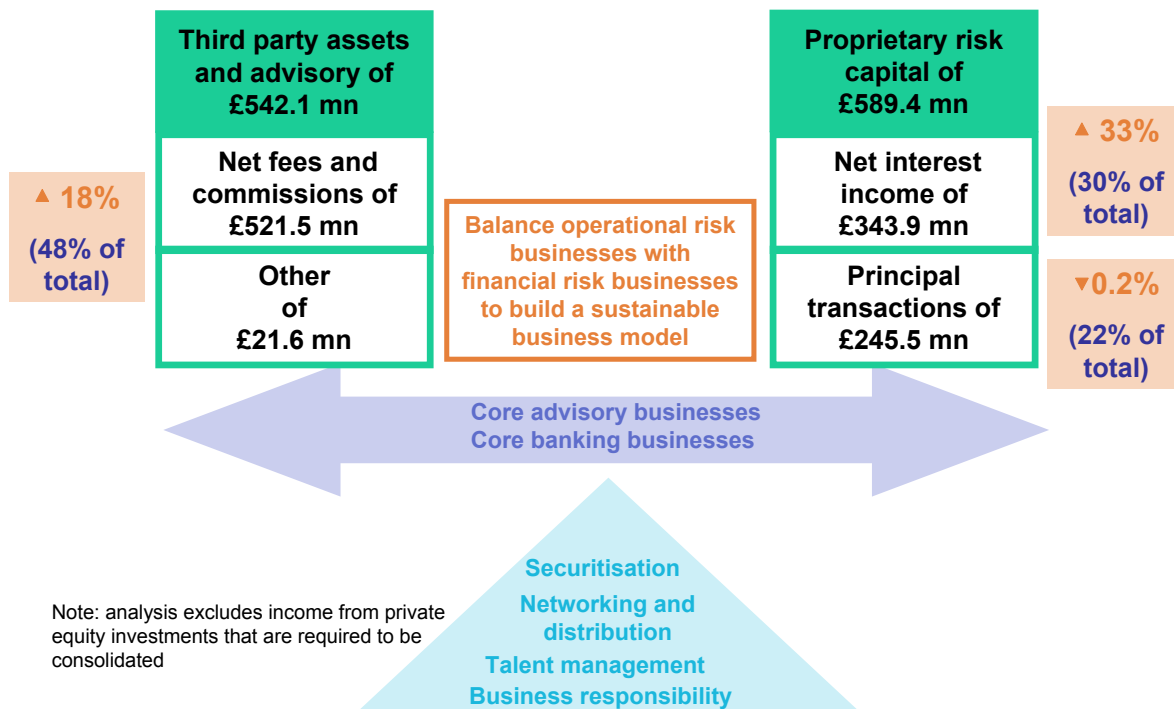
## Balanced portfolio of businesses



\*Excluding Group Services and Other Activities

Prior to 2005 the numbers are reported in terms of UK GAAP and thereafter in terms of IFRS

## Sustainable business model

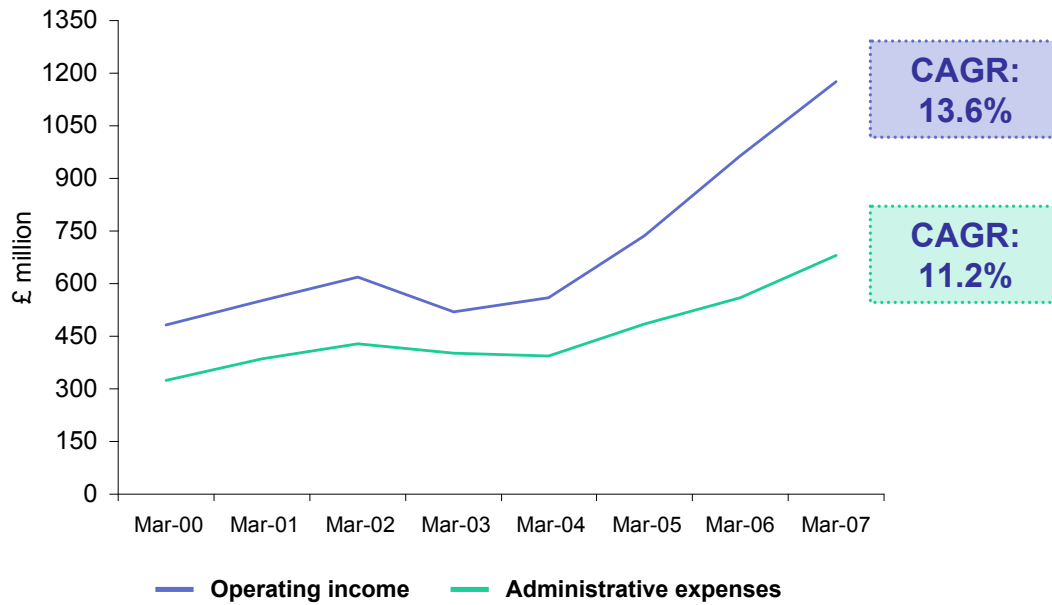


Note: analysis excludes income from private equity investments that are required to be consolidated

(31 Mar 2007)



## Jaws ratio



## Growth strategy

### UK and Europe

- Continue to push organic growth
- Actively seeking bolt-on acquisitions

### Australia

- Strong platform starting to reap benefits
- Will benefit from organic growth opportunities
- Actively seeking bolt-on acquisitions

### South Africa

- Continue to benefit from strong SA economy
- Deepen existing strong presence

# Outlook



## Outlook

- Good underlying momentum driving organic growth across businesses
- Recent rating upgrades:
  - Solid understanding of and disciplined approach to credit
  - Effective capital management
- Good expense control while investing for growth
- Experienced management team
- Recognised brand



## Outlook

- The levels of activity and momentum have continued into the new financial year
- The increase in scale and market penetration that we have achieved across all our geographies should continue to support the operating results of our businesses as expressed in local currencies
- Assuming current favourable market conditions persist we would expect to deliver on our stated growth and financial return objectives



## // Results presentation

For the year-ended 31 March 2007