Out of the Ordinary™

Investec

Specialist Bank and Asset Manager

Investec plc and Investec Limited (combined results)

Unaudited combined consolidated financial results in Pounds Sterling
for the year ended 31 March 2011

Salient Features

	31 March 2011	31 March 2010	% change
Operating profit before goodwill, acquired intangibles, non-operating items, taxation and after non-controlling interests (£'000)	**434 406**	432 258	0.5
Earnings attributable to shareholders (£'000)	**420 516**	346 133	21.5
Adjusted earnings before goodwill, acquired intangibles and non-operating items (£'000)	**327 897**	309 710	5.9
Adjusted earnings per share (pence)	**43.2**	45.1	(4.2)
Earnings per share (pence)	**49.7**	44.0	13.0
Headline earnings per share (pence)	**37.7**	40.1	(6.0)
Dividends per share (pence)	**17.0**	16.0	6.3
Total equity (£'million)	**3 961**	3 292	20.3
Third party assets under management (£'million)	**88 878**	74 080	20.0

Combined consolidated income statement

Year to 31 March £'000	Unaudited 2011	Audited* 2010
Interest income	**2 238 783**	2 041 153
Interest expense	**(1 557 314)**	(1 428 067)
Net interest income	**681 469**	613 086
Fee and commission income	**896 300**	612 574
Fee and commission expense	**(108 642)**	(67 497)
Principal transactions	**418 686**	457 759
Investment income on assurance activities	**64 834**	94 914
Premiums and reinsurance recoveries on insurance contracts	**6 110**	31 938
Other operating income	**54 003**	34 332
Other income	**1 331 291**	1 164 020
Claims and reinsurance premiums on insurance business	**(57 774)**	(119 918)
Total operating income net of insurance claims	**1 954 986**	1 657 188
Impairment losses on loans and advances	**(318 230)**	(286 581)
Operating income	**1 636 756**	1 370 607
Operating costs	**(1 196 865)**	(957 151)
Depreciation on operating leased assets	**(16 447)**	–
Operating profit before goodwill and amortisation of acquired intangibles	**423 444**	413 456
Impairment of goodwill	**(6 888)**	(3 526)
Amortisation of acquired intangibles	**(6 341)**	–
Operating profit	**410 215**	409 930
Profit arising from associate converted to subsidiary	**73 465**	–
Net loss on sale of subsidiaries	**(17 302)**	–
Profit before taxation	**466 378**	409 930
Taxation on operating profit before goodwill and acquired intangibles	**(65 075)**	(82 599)
Taxation on intangibles and sale of subsidiaries	**6 610**	–
Profit after taxation	**407 913**	327 331
Operating losses attributable to non-controlling interests	**10 962**	18 802
Loss on subsidiaries attributable to non-controlling interests	**1 641**	–
Earnings attributable to shareholders	**420 516**	346 133
Earnings attributable to shareholders	**420 516**	346 133
Impairment of goodwill	**6 888**	3 526
Amortisation of acquired intangibles, net of taxation	**3 509**	–
Loss on subsidiaries attributable to non-controlling interests	**(1 641)**	–
Profit arising from associate converted to subsidiary	**(73 465)**	–
Net loss on sale of subsidiaries, net of taxation	**13 524**	–
Preference dividends paid	**(43 019)**	(43 860)
Additional earnings attributable to other equity holders	**1 585**	3 911
Adjusted earnings before goodwill, acquired intangibles and non-operating items	**327 897**	309 710
Headline adjustments (gain on investment properties and available for sale instruments recognised in income)	**(41 238)**	(34 579)
Headline earnings	**286 659**	275 131
Earnings per share (pence)		
– Basic	**49.7**	44.0
– Diluted	**46.7**	41.5
Adjusted earnings per share (pence)		
– Basic	**43.2**	45.1
– Diluted	**40.6**	42.5
Headline earnings per share (pence)		
– Basic	**37.7**	40.1
– Diluted	**35.5**	37.8
Number of weighted average shares		
– basic (millions)	**759.8**	686.3

** As restated for reclassifications detailed in the commentary section of this report.*

Summarised combined consolidated statement of total comprehensive income

Year to 31 March £'000	Unaudited 2011	Audited 2010
Profit after taxation	**407 913**	327 331
Other comprehensive income:		
Cash flow hedge movements taken directly to other comprehensive income†	**9 929**	14 202
Fair value movements on available for sale assets taken directly to other comprehensive income†	**27 631**	20 370
Gains on realisation of available for sale assets recycled through the income statement†	**(4 845)**	(8 887)
Foreign currency adjustments on translating foreign operations	**39 588**	239 789
Pension fund actuarial gains/(losses)	**10 157**	(8 180)
Total comprehensive income	**490 373**	584 625
Total comprehensive income attributable to non-controlling interests	**(10 710)**	9 918
Total comprehensive income attributable to ordinary shareholders	**458 064**	493 073
Total comprehensive income attributable to perpetual preferred securities	**43 019**	81 634
Total comprehensive income	**490 373**	584 625

†Net of taxation of £5.7 million (2010: £10.0 million).

Summarised combined consolidated statement of changes in equity

Year to 31 March £'000	Unaudited 2011	Audited 2010
Balance at beginning of the year	**3 291 861**	2 620 537
Total comprehensive income	**490 373**	584 625
Share based payment adjustments	**69 518**	56 942
Dividends paid to ordinary shareholders	**(123 630)**	(91 946)
Dividends paid to perpetual preference shareholders	**(43 019)**	(43 860)
Dividends paid to non-controlling interests	**(356)**	(578)
Issue of ordinary shares	**325 886**	84 178
Issue of perpetual preference shares	**16 138**	40 869
Share issue expenses	**(3 632)**	(3 559)
Movement of treasury shares	**(45 461)**	40 974
Issue of equity instruments by subsidiaries	**1 493**	3 547
Movement of non-controlling interests on disposals and acquisitions	**(3 970)**	132
Non-controlling interest relating to disposal of subsidiaries	**(14 099)**	–
Balance at end of the year	**3 961 102**	3 291 861

Combined consolidated balance sheet

At 31 March £'000	Unaudited 2011	Audited* 2010
Assets		
Cash and balances at central banks	**1 769 078**	2 338 234
Loans and advances to banks	**1 468 705**	2 781 630
Cash equivalent advances to customers	**535 983**	581 117
Reverse repurchase agreements and cash collateral on securities borrowed	**2 467 775**	911 432
Trading securities	**5 114 322**	4 221 645
Derivative financial instruments	**1 799 204**	1 591 841
Investment securities	**3 328 609**	1 996 073
Loans and advances to customers	**18 758 524**	17 414 691
Loans and advances to customers – Kensington warehouse assets	**1 612 181**	1 776 525
Securitised assets	**4 924 293**	5 334 453
Interests in associated undertakings	**23 481**	104 059
Deferred taxation assets	**114 838**	134 355
Other assets	**1 410 593**	1 240 624
Property and equipment	**279 801**	161 255
Investment properties	**379 527**	273 038
Goodwill	**456 608**	274 417
Intangible assets	**136 452**	36 620
	44 579 974	41 172 009
Other financial instruments at fair value through profit or loss in respect of		
– Liabilities to customers	**6 361 296**	5 397 014
– Assets related to reinsurance contracts	**–**	2 842
	50 941 270	46 571 865
Liabilities		
Deposits by banks	**1 858 893**	2 439 670
Deposits by banks – Kensington warehouse funding	**975 542**	1 213 042
Derivative financial instruments	**1 486 419**	1 193 421
Other trading liabilities	**716 556**	504 618
Repurchase agreements and cash collateral on securities lent	**1 599 646**	1 110 508
Customer accounts (deposits)	**24 441 260**	21 934 044
Debt securities in issue	**2 145 213**	2 187 040
Liabilities arising on securitisation	**4 340 864**	4 714 556
Current taxation liabilities	**206 957**	196 965
Deferred taxation liabilities	**148 750**	136 974
Other liabilities	**1 411 137**	1 177 589
Pension fund liabilities	**–**	1 285
	39 331 237	36 809 712
Liabilities to customers under investment contracts	**6 358 732**	5 392 662
Insurance liabilities, including unit-linked liabilities	**2 564**	4 352
Reinsured liabilities	**–**	2 842
	45 692 533	42 209 568
Subordinated liabilities	**1 287 635**	1 070 436
	46 980 168	43 280 004
Equity		
Ordinary share capital	**208**	195
Perpetual preference share capital	**153**	152
Share premium	**2 242 067**	1 928 296
Treasury shares	**(42 713)**	(66 439)
Other reserves	**315 878**	246 718
Retained income	**1 131 980**	846 060
Shareholders' equity excluding non-controlling interests	**3 647 573**	2 954 982
Non-controlling interests	**313 529**	336 879
– Perpetual preferred securities issued by subsidiaries	**317 997**	314 944
– Non-controlling interests in partially held subsidiaries	**(4 468)**	21 935
Total equity	**3 961 102**	3 291 861
Total liabilities and equity	**50 941 270**	46 571 865

**As restated for reclassifications detailed in the commentary section of this report.*

Summarised combined consolidated cash flow statement

Year to 31 March £'000	Unaudited 2011	Audited 2010
Cash inflows from operations	**779 885**	731 000
Increase in operating assets	**(4 032 844)**	(3 336 695)
Increase in operating liabilities	**2 752 392**	4 115 640
Net cash (outflow)/inflow from operating activities	**(500 567)**	1 509 945
Net cash outflow from investing activities	**(292 272)**	(19 368)
Net cash inflow/(outflow) from financing activities	**156 748**	(127 794)
Effects of exchange rate changes on cash and cash equivalents	**101 032**	274 915
Net (decrease)/increase in cash and cash equivalents	**(535 059)**	1 637 698
Cash and cash equivalents at the beginning of the year	**3 922 047**	2 284 349
Cash and cash equivalents at the end of the year	**3 386 988**	3 922 047

Cash and cash equivalents are 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).

Investec plc
(Registration number 3633621)
JSE Code: INP
ISIN: GB00B17BBQ50

Registered office
2 Gresham Street
London, EC2V 7QP
United Kingdom

Transfer secretaries
Computershare Investor Services (Pty) Ltd
70 Marshall Street, Johannesburg, 2001

Company secretary:
D Miller+

Investec Limited
(Registration number 1925/002833/06)
JSE Code: INL
ISIN: ZAE000081949

Registered office
100 Grayston Drive
Sandown
Sandton 2196

Transfer secretaries
Computershare Investor Services (Pty) Ltd
70 Marshall Street, Johannesburg, 2001

Company secretary:
B Coetsee

Directors: H S Herman (Chairman), S Koseff* (Chief Executive), B Kantor* (Managing Director), S E Abrahams, G F O Alford+, G R Burger*, C A Carolus, P K O Crosthwaite+, O C Dickson+, H J du Toit*, B Fried+, H Fukuda OBE+, I R Kantor, M P Malungani, Sir David Prosser+, P R S Thomas, F Titi.
*Executive +British

B Fried, P K O Crosthwaite, H J du Toit and O C Dickson were appointed to the board of directors with effect from 1 April 2010, 18 June 2010, 15 December 2010 and 31 March 2011 respectively.

Sir Chips Keswick, A Tapnack and G M T Howe resigned from the board of directors on 13 August 2010, 15 December 2010 and 31 December 2010 respectively.

Investec

Segmental geographic and business analysis of operating profit before goodwill, acquired intangibles, non-operating items and taxation for the year ended 31 March 2011

£'000	United Kingdom and Europe	Southern Africa	Australia	Total group
Asset Management	**53 002**	**74 306**	**–**	**127 308**
Wealth and Investment	**25 008**	**15 418**	**–**	**40 426**
Property Activities	**375**	**40 178**	**7 155**	**47 708**
Private Banking	**(84 041)**	**2 990**	**(10 390)**	**(91 441)**
Investment Banking	**8 887**	**65 191**	**(6 716)**	**67 362**
Capital Markets	**139 978**	**92 211**	**9 860**	**242 049**
Group Services and Other Activities	**(9 583)**	**9 780**	**797**	**994**
Operating profit after non-controlling interests	**133 626**	**300 074**	**706**	**434 406**
Non-controlling interest – equity				**(10 962)**
Operating profit before goodwill and acquired intangibles				**423 444**

Segmental geographic and business analysis of operating profit before goodwill, acquired intangibles, non-operating items and taxation for the year ended 31 March 2010

£'000	United Kingdom and Europe	Southern Africa	Australia	Total group
Asset Management	25 335	58 077	–	83 412
Wealth and Investment	11 637	14 250	–	25 887
Property Activities	825	31 582	1 072	33 479
Private Banking	6 545	29 330	1 177	37 052
Investment Banking	(4 399)	45 694	273	41 568
Capital Markets	93 163	70 572	15 404	179 139
Group Services and Other Activities	(9 407)	40 862	266	31 721
Operating profit after non-controlling interests	123 699	290 367	18 192	432 258
Non-controlling interest – equity				(18 802)
Operating profit before goodwill and acquired intangibles				413 456

Commentary

Investec plc and Investec Limited (combined results)

Unaudited combined consolidated financial results in pounds sterling for the year ended 31 March 2011

Overall group performance

The group has delivered a sound operational performance underpinned by a strong recurring income base with five of its six core businesses recording increased earnings. The group's non-capital intensive asset management and wealth management businesses reported a strong increase in their contribution to group earnings as a result of the acquisition of Rensburg Sheppards plc and significant net inflows. Whilst some of the group's banking businesses have performed well, notably Capital Markets, overall group results have been constrained by lower levels of transactional activity and the slow recovery of non-performing loans in the Private Bank. The balance sheet remains strong, with an increase in capital and liquidity over the year.

Against this backdrop the main features of the year under review are:

- Operating profit before goodwill, acquired intangibles, non-operating items and taxation and after non-controlling interests ("operating profit") increased 0.5% to GBP434.4 million (2010: GBP432.3 million).
- Impairments on loans and advances increased 11.0% to GBP318.2 million (2010: GBP286.6 million).
- Adjusted earnings attributable to shareholders before goodwill, acquired intangibles and non-operating items increased 5.9% to GBP327.9 million (2010: GBP309.7 million).
- Adjusted earnings per share (EPS) before goodwill, acquired intangibles and non-operating items decreased 4.2% from 45.1 pence to 43.2 pence, largely as a result of an increase in the number of shares in issue.
- Third party assets under management increased 20.0% to GBP88.9 billion (2010: GBP74.1 billion).
- Customer accounts (deposits) increased 11.4% to GBP24.4 billion (2010: GBP21.9 billion).
- Core loans and advances increased 4.8% to GBP18.8 billion (2010: GBP17.9 billion).
- Net asset value per share increased 14.3% to 416.0 pence and net tangible asset value per share (which excludes goodwill and intangible assets) increased by 6.1% to 343.8 pence.
- The board proposes a final dividend of 9.0 pence per ordinary share equating to a full year dividend of 17.0 pence (2010: 16.0 pence) resulting in a dividend cover based on the group's adjusted EPS before goodwill and non-operating items of 2.5 times (2010: 2.8 times), consistent with the group's dividend policy.

Strategic review

The group has realigned its business model towards less capital intensive activities by building strong asset management and wealth management businesses thereby growing its annuity net fee and commission income. This strategy has been successful, resulting in a substantial rise in funds under management and an increase in operating profit from these businesses of 53.5% to GBP167.7 million (2010: GBP109.3 million). This has resulted in a change in the proportion of the group's earnings, with the asset management and wealth management businesses now accounting for 38.6% of the group's operating profit during the last year, compared to 25.3% in 2010.

The banking environment remains fluid as regulators continue their review and adjustment of the regulatory framework in an attempt to strengthen the system and avoid future crises. The group has as a consequence continued to maintain high levels of liquidity and capital as it adjusts to a system where higher levels of liquidity and capital will become the norm.

Operational review

Liquidity and funding

Diversifying Investec's funding sources has been a key element in improving the quality of the group's balance sheet and reducing its reliance on wholesale funding. The group continues to benefit from its growing retail franchise recording an increase in customer deposits in all three core geographies. Cash and near cash balances amount to GBP9.3 billion (2010: GBP9.1 billion).

Capital adequacy

The group targets a minimum tier one capital ratio of 11% and a total capital adequacy ratio range of 14% to 17% on a consolidated basis for each of Investec plc and Investec Limited respectively. Capital adequacy ratios are strong in Investec plc and Investec Limited, as reflected in the table below.

Basel II ratios	31 Mar 2011	31 Mar 2010
Investec plc		
Capital adequacy ratio	16.8%	15.9%
Tier 1 ratio	11.6%	11.3%
Investec Limited		
Capital adequacy ratio	15.9%	15.6%
Tier 1 ratio	11.9%	12.1%

The group has conducted a review of the proposed Basel III requirements and believes that its current capital structure and capital ratios exceed the minimum capital requirements for 2013.

Asset quality

The bulk of Investec's credit and counterparty risk arises through its Private Banking and Capital Markets activities. The Private Bank lends mainly to high net worth and high income individuals, whilst Capital Markets primarily transacts with mid to large sized corporates, public sector bodies and institutions. Defaults on core loans and advances have increased but are fully collateralised, as detailed in the "Financial statement analysis" below. Investec continues to focus on improving the quality of its loan portfolio in all geographies.

Business unit review

Asset Management

Asset Management increased operating profit 52.6% to GBP127.3 million (2010: GBP83.4 million) benefiting from substantially higher funds under management and a solid investment performance. The division recorded strong net inflows of GBP7.4 billion contributing to an increase in assets under management of 26.7% from GBP46.4 billion to GBP58.8 billion.

Wealth and Investment

Wealth and Investment increased operating profit 56.2% to GBP40.4 million (2010: GBP25.9 million) benefiting from higher funds under management and the acquisition of Rensburg Sheppards plc. Total funds under management increased by 8.5% from GBP27.1 billion to GBP29.4 billion.

Property Activities

Property Activities generated an increase in operating profit of 42.5% to GBP47.7 million (2010: GBP33.5 million). The results of the division were largely supported by a good performance from the investment property portfolio in South Africa.

Private Banking

Private Banking posted a loss of GBP91.4 million (2010: profit of GBP37.1 million) as a result of low activity levels, increased impairments and write offs. The private client core lending book increased by 3.1% from GBP12.9 billion to GBP13.3 billion and the deposit book increased by 5.9% from GBP11.8 billion to GBP12.5 billion.

Investment Banking

Investment Banking increased operating profit 62.1% to GBP67.4 million (2010: GBP41.6 million). Principal Investments recorded a robust result, primarily driven by an improved performance from certain investments held in the UK and South African portfolio. The Agency divisions benefitted from a good deal pipeline, however, trading conditions in the Institutional Stockbroking business remain difficult.

Capital Markets

Capital Markets reported an increase in operating profit of 35.1% to GBP242.0 million (2010: GBP179.1 million). The division benefited from satisfactory levels of activity across the advisory and structuring businesses, notably within the Principal Finance, Structured Finance and Structured Equity Finance teams. Core loans and advances increased 7.2% from GBP4.5 billion to GBP4.8 billion.

Group Services and Other Activities

Group Services and Other Activities posted a profit of GBP1.0 million (2010: profit of GBP31.7 million). Central Funding's results were impacted by lower levels of interest rates and a weaker performance from equity investments held within the South African portfolio. Central Services incurred an increase in both personnel and marketing costs.

Further information on key developments within each of the business units is provided in a detailed report published on the group's website: http://www.investec.com

Financial statement analysis

Total operating income

Total operating income net of insurance claims increased by 18.0% to GBP1 955.0 million (2010: GBP1 657.2 million), with recurring income as a percentage of total operating income amounting to 62.3% (2010: 60.3%).

Net interest income increased by 11.2% to GBP681.5 million (2010: GBP613.1 million) largely as a result of improved margins within the South African Private Bank and a sound performance from the group's fixed income portfolios.

Net fee and commission income increased by 44.5% to GBP787.7 million (2010: GBP545.1 million). Funds under management have grown substantially, supported by improved market indices and strong net inflows. The banking businesses recorded an increase in net fees and commissions, although transactional activity levels remain mixed.

Income from principal transactions decreased by 8.5% to GBP418.7 million (2010: GBP457.8 million). The group has benefited from a solid performance from its investment banking, fixed income and property investment portfolios. This was offset by a weaker performance from some of the equity investments held within the South African central funding portfolio.

Other operating income includes the operating results of certain investments which were consolidated; associate income, and income earned on operating leases acquired during the year.

Impairment losses on loans and advances

The uncertain pace of economic recovery has slowed the improvement in the level of non-performing loans and defaults have continued to increase. Impairment losses on loans and advances have increased from GBP205.4 million to GBP248.3 million (excluding Kensington). The credit loss charge as a percentage of average gross loans and advances has increased from 1.16% to 1.27%. The group expects this ratio to decrease during the forthcoming financial year. The percentage of default loans (net of impairments but before taking collateral into account) to core loans and advances has increased from 4.0% to 4.7%. The ratio of collateral to default loans (net of impairments) remains satisfactory at 1.36 times (2010: 1.33 times).

Impairment losses on loans and advances relating to the Kensington business amount to GBP69.9 million (2010: GBP81.2 million). The Kensington book has reduced from GBP4.7 billion to GBP4.2 billion.

Operating costs and depreciation

The ratio of total operating costs to total operating income amounts to 61.7% (2010: 57.8%).

Total expenses grew by 26.8% to GBP1 213.3 million (2009: GBP957.2 million) as a result of the appreciation of the Rand and Australian Dollar; the acquisitions of Rensburg Sheppards plc, Masterlease UK and Lease Direct Finance Limited; an increase in variable remuneration in certain divisions given improved profitability; an increase in headcount in certain divisions; and increased spending on brand development.

Impairment of goodwill

The current period goodwill impairment relates to Asset Management businesses acquired in prior years.

Amortisation of acquired intangibles

The current period amortisation of acquired intangibles relates to the acquisition of Rensburg Sheppards plc and mainly comprises amortisation of amounts attributable to client relationships.

Profit arising from associate converted to a subsidiary

A net gain of GBP73.5 million has arisen on the acquisition of Rensburg Sheppards plc, as detailed in the "Notes to the commentary" section below.

Net loss on sale of subsidiaries

The net loss on sale of subsidiaries of GBP17.3 million arose from a loss on sale and deconsolidation of previously consolidated group investments, partially offset by a gain on the sale of Rensburg Fund Management Limited.

Taxation

The operational effective tax rate (excluding taxation on intangibles and sale of subsidiaries) of the group decreased from 20.6% to 15.5%, due to the resolution of matters for which a provision was previously held.

Losses attributable to non-controlling interests

Losses attributable to non-controlling interests of GBP11.0 million largely comprise:

- GBP9.2 million relating to investments consolidated in the Private Equity division;
- GBP1.4 million relating to Euro denominated preferred securities issued by a subsidiary of Investec plc which are reflected on the balance sheet as part of non-controlling interests. (The transaction is hedged and a forex transaction loss arising on the hedge is reflected in operating profit before goodwill with the equal and opposite impact reflected in earnings attributable to non-controlling interests).

Balance sheet analysis

Since 31 March 2010:

- Total shareholders' equity (including non-controlling interests) increased by 20.3% to GBP4.0 billion largely as a result of retained earnings and the issue of shares.
- Total assets increased from GBP46.6 billion to GBP50.9 billion largely as a result of increased cash and near cash balances and advances, as well as an increase in goodwill and intangibles associated with the acquisition of Rensburg Sheppards plc.
- Core loans and advances (excluding own originated securitised assets) as a percentage of customer deposits improved from 76.2% to 72.4%.
- The return on adjusted average shareholders' equity declined from 13.5% to 11.2%.

The group's gearing ratios remain low with core loans and advances to equity at 4.7 times (2010: 5.4 times) and total assets (excluding assurance assets) to equity at 11.3 times (2010:12.5 times).

Outlook

Over the past two years, we have re-positioned the group as a "specialist bank and asset manager" and made substantial progress in realigning our business model in response to the challenging and uncertain regulatory landscape. Whilst our performance remains sensitive to the global economy, our current assessment of the environment is for an improvement in impairments and growth in the overall business for the year ahead.

On behalf of the boards of Investec plc and Investec Limited

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

18 May 2011

Notes to the commentary section above

- **Presentation of financial information**

Investec operates under a Dual Listed Companies (DLC) structure with premium/primary listings of Investec plc on the London Stock Exchange and Investec Limited on the JSE Limited.

In terms of the contracts constituting the DLC structure, Investec plc and Investec Limited effectively form a single economic enterprise in which the economic and voting rights of ordinary shareholders of the companies are maintained in equilibrium relative to each other. The directors of the two companies consider that for financial reporting purposes, the fairest presentation is achieved by combining the results and financial position of both companies.

Accordingly, the year end results for Investec plc and Investec Limited present the results and financial position of the combined DLC group under IFRS, denominated in Pounds Sterling. In the commentary above, all references to Investec or the group relate to the combined DLC group comprising Investec plc and Investec Limited.

Unless the context indicates otherwise, all comparatives included in the commentary above relate to the year ended 31 March 2010.

- **Foreign currency impact**

The group's reporting currency is Pounds Sterling. Certain of the group's operations are conducted by entities outside the UK. The results of operations and the financial condition of the individual companies are reported in the local currencies in which they are domiciled, including Rands, Australian Dollars, Euros and US Dollars. These results are then translated into Pounds Sterling at the applicable foreign currency exchange rates for inclusion in the group's combined consolidated financial statements. In the case of the income statement, the weighted average rate for the relevant period is applied and, in the case of the balance sheet, the relevant closing rate is used.

The following table sets out the movements in certain relevant exchange rates against Pounds Sterling over the period:

	Year to 31 Mar 2011		Year to 31 Mar 2010	
Currency per GBP1.00	**Close**	**Ave**	**Close**	**Ave**
South African Rand	10.88	11.16	11.11	12.38
Australian Dollar	1.55	1.65	1.66	1.88
Euro	1.13	1.17	1.12	1.13
Dollar	1.60	1.55	1.52	1.59

Exchange rates between local currencies and Pounds Sterling have fluctuated over the period. The most significant impact arises from the appreciation of the Rand. The average exchange rate over the period has appreciated by 9.9% and the closing rate has appreciated by 2.1% since 31 March 2010.

- **Acquisition of Rensburg Sheppards plc**

On 30 March 2010, it was announced that Investec and Rensburg Sheppards plc had reached agreement on the terms of a recommended all share offer under which Investec would acquire the entire issued and to be issued ordinary share capital of Rensburg Sheppards plc not already owned by it. Following shareholder and regulatory approvals the acquisition became effective on 25 June 2010. Prior to this date Investec's 47.1% interest in Rensburg Sheppards plc was accounted for as an associate. As a result of requirements under new accounting rules, the group was required to fair value its existing 47.1% holding in Rensburg Sheppard's plc at the point it acquired the remaining 52.9%. This has resulted in an exceptional gain of GBP73.5 million (net of acquisition costs). The group issued 37.9 million shares to acquire the remaining shares in Rensburg Sheppards plc for a consideration of GBP180.4 million. This consideration combined with the existing fair valued holding resulted in the recognition of goodwill and intangibles of GBP198.5 million and GBP133.4 million, respectively.

- **Accounting policies and disclosures**

The accounting policies applied in the preparation of the results for the year ended 31 March 2011 are consistent with those adopted in the financial statements for the year ended 31 March 2010, except for the adoption of the revised IFRS 3 – Business Combinations. This standard is applicable to all business combinations effective from 1 April 2010 in the group accounts. The main change arising from the adoption is that acquisition related costs are expensed in the period in which the costs are incurred and the services rendered, except for costs related to the issue of debt (recognised as part of the effective interest rate) and the cost of issue of equity (recognised directly in shareholders' equity).

These unaudited condensed summarised combined consolidated financial statements have been prepared in terms of the recognition and measurement criteria of International Financial Reporting Standards, and the presentation and disclosure requirements of IAS 34, Interim Financial Reporting.

- **Restatements and presentation of information**

Offsetting of intergroup interest received and interest paid

On review, it was detected that the gross interest income and expense, as reported at 31 March 2010, had not appropriately netted certain intergroup interest income and expense between the two line items. Whilst net interest income was correctly reported, the restatement to interest received and paid is noted below:

GBP'000	31 March 2010
Restated	
Interest income	2 041 153
Interest expense	(1 428 067)
Net interest income	**613 086**
As previously reported	
Interest income	2 726 011
Interest expense	(2 112 925)
Net interest income	**613 086**
Changes to previously reported	
Interest income	(684 858)
Interest expense	684 858
Net interest income	**–**

The above change has no impact to the income statement (other than as noted above), balance sheet nor cash flow statement.

Redeemable preference shares

The group had previously included cumulative redeemable preference shares as a component of other liabilities. The presentation has been amended to include the cumulative redeemable preference shares as a component of debt securities in issue.

GBP'000	31 March 2010	31 March 2009
Restated		
Debt securities in issue	2 187 040	1 275 615
Other liabilities	1 177 589	1 003 400
As previously reported		
Debt securities in issue	1 791 869	1 014 871
Other liabilities	1 572 760	1 264 144
Changes to previously reported		
Debt securities in issue	395 171	260 744
Other liabilities	(395 171)	(260 744)

- **Proviso**

- Please note that matters discussed in this announcement may contain forward looking statements which are subject to various risks and uncertainties and other factors, including, but not limited to:
  - the further development of standards and interpretations under International Financial Reporting Standards (IFRS) applicable to past, current and future periods, evolving practices with regard to the interpretation and application of standards under IFRS.
  - domestic and global economic and business conditions.
  - market related risks.
- A number of these factors are beyond the group's control.
- These factors may cause the group's actual future results, performance or achievements in the markets in which it operates to differ from those expressed or implied.
- Any forward looking statements made are based on the knowledge of the group at 18 May 2011.
- The information in the announcement for the year ended 31 March 2011, which was approved by the board of directors on 18 May 2011, does not constitute statutory accounts as defined in Section 435 of the UK Companies Act 2006.

Investec plc
Ordinary share dividend announcement
Registration number: 3633621
Share code: INP
ISIN: GB00BI7BBQ50

In terms of the DLC structure, Investec plc shareholders who are not South African resident shareholders may receive all or part of their dividend entitlements through dividends declared and paid by Investec plc on their ordinary shares and/or through dividends declared and paid on the SA DAN share issued by Investec Limited.

Investec plc shareholders who are South African residents, may receive all or part of their dividend entitlements through dividends declared and paid by Investec plc on their ordinary shares and/or through dividends declared and paid on the SA DAS share issued by Investec Limited.

Notice is hereby given that final dividend number 18 of 9 pence (2010: 8 pence) per ordinary share has been recommended by the board in respect of the financial year ended 31 March 2011 payable to shareholders recorded in the members' register of the company at the close of business on Friday, 29 July 2011, which will be paid as follows:

- for non-South African resident Investec plc shareholders, through a dividend payment by Investec plc of 9 pence per ordinary share
- for South African resident shareholders of Investec plc, through a dividend payment by Investec plc of 1 pence per ordinary share and through a dividend paid, on the SA DAS share equivalent to 8 pence per ordinary share

The relevant dates for the payment of dividend number 18 are as follows:

Last day to trade cum-dividend	
On the London Stock Exchange (LSE)	Tuesday, 26 July 2011
On the Johannesburg Stock Exchange (JSE)	Friday, 22 July 2011
Shares commence trading ex-dividend	
On the London Stock Exchange (LSE)	Wednesday, 27 July 2011
On the Johannesburg Stock Exchange (JSE)	Monday, 25 July 2011
Record date (on the JSE and LSE)	Friday, 29 July 2011
Payment date (on the JSE and LSE)	Monday, 08 August 2011

Share certificates on the South African branch register may not be dematerialised or rematerialised between Monday, 25 July 2011 and Friday, 29 July 2011, both dates inclusive, nor may transfers between the UK and SA registers take place between Monday, 25 July 2011 and Friday, 29 July 2011, both dates inclusive.

Shareholders registered on the South African register are advised that the distribution of 9 pence, equivalent to 102 cents per share, has been arrived at using the Rand/Pound Sterling average buy/sell forward rate, as determined at 11h00 (SA time) on Wednesday, 18 May 2011.

By order of the board

D Miller
Company Secretary — 18 May 2011

Investec Limited
Ordinary share dividend announcement
Registration number: 1925/002833/06
Share code: INL
ISIN: ZAE000081949

Notice is hereby given that a final dividend number 111 of 102 cents (2010: 89 cents) per ordinary share has been recommended by the board in respect of the financial year ended 31 March 2011 payable to shareholders recorded in the members' register of the company at the close of business on Friday, 29 July 2011.

The relevant dates for the payment of the dividend number 111 are as follows:

Last day to trade cum-dividend	Friday, 22 July 2011
Shares commence trading ex-dividend	Monday, 25 July 2011
Record date	Friday, 29 July 2011
Payment date	Monday, 08 August 2011

The final dividend of 102 cents per ordinary share has been determined by converting the Investec plc distribution of 9 pence per ordinary share into Rands using the Rand/Pounds Sterling average buy/sell forward rate at 11h00 (SA time) on Wednesday, 18 May 2011.

Share certificates may not be dematerialised or rematerialised between Monday, 25 July 2011 and Friday, 29 July 2011, both dates inclusive.

By order of the board

B Coetsee
Company Secretary — 18 May 2011

Investec plc
Preference share dividend announcement
Registration number: 3633621
Share code: INPP
ISIN: GB00B19RX541

Non-redeemable non-cumulative non-participating preference shares
Declaration of dividend number 10

Notice is hereby given that preference dividend number 10 has been declared for the period 01 October 2010 to 31 March 2011 amounting to 7.48 pence per share 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 Friday, 17 June 2011.

For shares trading on the Johannesburg Stock Exchange (JSE), the dividend of 7.48 pence per share is equivalent to 84 cents per share, which has been determined using the Rand/Pound Sterling average buy/sell forward rate as at 11h00 (SA Time) on Wednesday, 18 May 2011.

The relevant dates relating to the payment of dividend number 10 are as follows:

Last day to trade cum-dividend	
On the Channel Islands Stock Exchange (CISX)	Tuesday, 14 June 2011
On the Johannesburg Stock Exchange (JSE)	Thursday, 09 June 2011
Shares commence trading ex-dividend	
On the Channel Islands Stock Exchange (CISX)	Wednesday, 15 June 2011
On the Johannesburg Stock Exchange (JSE)	Friday, 10 June 2011
Record date (on the JSE and CISX)	Friday, 17 June 2011
Payment date (on the JSE and CISX)	Thursday, 30 June 2011

Share certificates may not be dematerialised or rematerialised between Friday, 10 June 2011 and Friday, 17 June 2011, both dates inclusive, nor may transfers between the UK and SA registers may take place between Friday, 10 June 2011 and Friday, 17 June 2011, both dates inclusive.

By order of the board

D Miller
Company Secretary — 18 May 2011

Investec Limited
Preference share dividend announcement
Registration number: 1925/002833/06
Share code: INPR
ISIN: ZAE000063814

Non-redeemable non-cumulative non-participating preference shares
Declaration of dividend number 13

Notice is hereby given that preference dividend number 13 has been declared for the period 01 October 2010 to 31 March 2011 amounting to 318.84 cents per share 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 Friday, 17 June 2011.

The relevant dates for the payment of dividend number 13 are as follows:

Last day to trade cum-dividend	Thursday, 09 June 2011
Shares commence trading ex-dividend	Friday, 10 June 2011
Record date	Friday, 17 June 2011
Payment date	Thursday, 30 June 2011

Share certificates may not be dematerialised or rematerialised between Friday, 10 June 2011 and Friday, 17 June 2011, both dates inclusive.

By order of the board

B Coetsee
Company Secretary — 18 May 2011