Out of the Ordinary®



# Investec plc silo (excluding the results of Investec Limited)

Unaudited consolidated financial information for the year ended 31 March 2014

IFRS - Pounds Sterling







# **Overview of results**

Unaudited

Unaudited			
	31 March 2014	31 March 2013*	% change
Operating income (£'000)	1,174,152	1,167,670	0.6%
Operating costs (£'000)	889,522	848,502	4.8%
Operating profit before goodwill, acquired intangibles, non-operating items, taxation and			
after non-controlling interests (£'000)	154,395	113,663	35.8%
Earnings attributable to ordinary shareholders (£'000)	91,248	54,569	67.2%
Cost to income ratio	76.2%	73.7%	
Total capital resources (including subordinated liabilities) (£'000)	3,006,706	2,972,008	1.2%
Total shareholders' equity (£'000)	2,265,756	2,224,763	1.8%
Total assets (£'000)	22,674,494	24,351,760	-6.9%
Net core loans and advances (£'000)	8,222,265	8,250,114	-0.3%
Customer accounts (deposits) (£'000)	10,956,136	11,190,582	-2.1%
Cash and near cash balances (£'000)	4,324,449	4,604,615	-6.1%
Funds under management (£'million)	69,212	66,623	3.9%
Capital adequacy ratio	15.3%	16.6%	
Tier 1 ratio	10.5%	11.0%	
Defaults (net of impairments) as a % of net core loans and advances	3.21%	3.75%	
Net defaults as a % of net core loans and advances	-	-	
Credit loss ratio (i.e. income statement impairment charge as a % of average core loans and			
advances)	0.99%	1.16%	
Total gearing ratio (i.e. total assets to total equity)	10.0x	10.7x	
Loans and advances to customers: customer deposits *Restated.	71.0%	68.9%	



#### **Consolidated income statement**

Unaudited

Unaudited		
	Year to	Year to
£'000	31 March 2014	31 March 2013*
Interest income	803,768	925,230
Interest expense	(447,034)	(564,519)
Net interest income	356,734	360,711
Fee and commission income	766,675	753,898
Fee and commission expense	(132,104)	(130,398)
Investment income	99,099	70,751
Trading income arising from		
- customer flow	77,043	58,103
- balance sheet management and other trading activities	(9,308)	18,015
Other operating income	16,013	36,590
Total operating income before impairment losses on loans and advances	1,174,152	1,167,670
Impairment losses on loans and advances	(126,911)	(189,036)
Operating income	1,047,241	978,634
Operating income	1,047,241	570,034
Operating costs	(889,522)	(848,502)
Depreciation on operating leased assets	(6,044)	(16,072)
Operating profit before goodwill and acquired intangibles	151,675	114,060
Impairment of goodwill	(11,233)	(13,409)
Amortisation of acquired intangibles	(13,393)	(13,313)
Operating costs arising from integration of acquired subsidiaries	(18,919)	(13,119)
Operating profit	108,130	74,219
Net gain on disposal of subsidiaries	9,653	-
Non-operational costs arising from acquisition of subsidiary	-	(1,369)
Profit before taxation	117,783	72,850
Taxation on operating profit before goodwill	(31,009)	(23,861)
Taxation on acquired intangibles and acquisition/disposal/integration of subsidiaries	7.289	5.977
Profit after taxation	94,063	54,966
Profit attributable to Asset Management non-controlling interests	(5,535)	-
Loss/(profit) attributable to other non-controlling interests	2,720	(397)
Earnings attributable to shareholders *Restated.	91,248	54,569

#### Consolidated statement of comprehensive income

Unaudited £'000	Year to 31 March 2014	Year to 31 March 2013
Profit after taxation	94,063	54,966
Other comprehensive income/(loss):		
Items that may be reclassified to the income statement		
Fair value movements on cash flow hedges taken directly to other comprehensive income	2,793	(1,657)
(Gains)/losses on available-for-sale assets recycled through the income statement	(2,896)	407
Fair value movements on available-for-sale assets taken directly to other comprehensive income	1,239	(1,704)
Foreign currency adjustments on translating foreign operations	(45,682)	7,899
Items that will never be reclassified to the income statement		
Remeasurement of net defined benefit pension asset	(5,870)	(7,078)
Total comprehensive income	43,647	52,833
Total comprehensive income attributable to non-controlling interests	3.222	161
Total comprehensive income attributable to ordinary shareholders	25,009	37,623
Total comprehensive income attributable to preferred securities and perpetual preference		- ,
shareholders	15,416	15,049
Total comprehensive income	43,647	52,833



# **Consolidated balance sheet**

Unaudited
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Cash and balances at central banks         1.375,670         1.326,873           Lans and advances to banks         1.307,670         1.326,873           Reverse repurchase agreements and cash collateral on securities borrowed         1.226,246         1.866,853           Bank debt securities         1.237,670         1.328,673           Bank debt securities         2.226,223         1.935,510           Derivative financial instruments         2.226,237         357,154           Other debt securities         3.242,597         357,154           Usam and advances to customers         3.242,597         357,154           Unans and advances to customers securitised         447,638         491,194           Other securities assets         2.768,158         3,10,674           Interests in associated undertakings         2.738,158         3,10,674           Under securities assets         105,109         128,223           Property and equipment         65,923         67,992           Investment property         61,715         11,50,03           Castoma and advances         14,33,141         1,781,802           Derivative financial instruments         668,722         87,992           Investment property         61,715         11,500         325,576	£'000	31 March 2014	31 March 2013*
Lans and advances to banks         1.326,570         1.326,570           Reviews repurchase agreements and cash collateral on securities borrowed         1.232,416         1.660,377           Sovereign debt securities         371,118         455,201           Dher debt securities         371,118         455,201           Other debt securities         920,015         1,133,068           Sovereign debt securities         920,015         1,133,068           Dervisitive financial instruments         920,015         1,133,068           Sovereign debt securities         342,557         357,715           Lans and advances to customers securitised         7,774,627         7,759,120           Own originated loans and advances         1,672,703         2,013,40           Other securitised assets         1,051,03         122,82,803           Other assets         1,190,051         128,28,03           Property and equipment         66,523         67,922           Intarguitie assets         1,190,051         11,528,604           Property and equipment         66,522         87,922           Intarguitie assets         1,191,050         147,233           Deposits by banks         61,47,33         942,356           Deprotitie servities on originated loans and advances <td>Assets</td> <td></td> <td></td>	Assets		
Lans and advances to banks         1.326,570         1.326,570           Reviews repurchase agreements and cash collateral on securities borrowed         1.232,416         1.660,377           Sovereign debt securities         371,118         455,201           Dher debt securities         371,118         455,201           Other debt securities         920,015         1,133,068           Sovereign debt securities         920,015         1,133,068           Dervisitive financial instruments         920,015         1,133,068           Sovereign debt securities         342,557         357,715           Lans and advances to customers securitised         7,774,627         7,759,120           Own originated loans and advances         1,672,703         2,013,40           Other securitised assets         1,051,03         122,82,803           Other assets         1,190,051         128,28,03           Property and equipment         66,523         67,922           Intarguitie assets         1,190,051         11,528,604           Property and equipment         66,522         87,922           Intarguitie assets         1,191,050         147,233           Deposits by banks         61,47,33         942,356           Deprotitie servities on originated loans and advances <td>Cash and balances at central banks</td> <td>1,742,618</td> <td>1,375,670</td>	Cash and balances at central banks	1,742,618	1,375,670
Reverse repurchase agreements and cash collateral on securities borrowed         1,215,500         1,528,503           Bank debt securities         371,183         4650,207           Derivative financial instruments         290,015         1,135,086           Securities arising from trading activities         566,706         673,783           Meestiment portfolio         342,697         342,697           Own originated loans and advances to customers securitised         447,758,920         2,774,827           Other securities and advances to customers securitised         2,788,158         3,167,741           Unter securities dassets         2,788,158         3,167,741           Unter securities dassets         1,199,057         1,328,280           Other securities assets         105,109         12,828,233           Property and equipment         665,223         877,922           Investment property         61,715         11,500,57           Caddwill         427,674,494         24,351,760           Liabilities         10,433,441         1,781,802           Derivative financial instruments         668,722         817,566           Other securities and cash collateral on securities lent         614,733         442,357,760           Liabilities arising on securitisation of own originated loans and adva	Loans and advances to banks		
Soveriegin debt securities         1,222,416         1,600.377           Bank debt securities         229,228         199,510           Other debt securities         220,228         199,510           Dervative financial instruments         220,015         1,135,088           Securities arising from trading activities         586,706         673,763           Loans and advances to customers         7,774,627         7,756,520           Own originated loans and advances to customers securitised         1,672,708         2,031,340           Other sociated advances to customers securitised         1,672,708         2,031,340           Other assets         1,109,057         1,328,204           Property and equipment         65,923         87,992           Interests in associated undertakings         21,155,088         1,159,007           Odwill         427,011         456,664           Intargible assets         1,193,141         1,781,802           Derivative financial instruments         668,722         817,856           Derivative financial instruments         1,361,660         327,762           Customer accounts(deposits)         1,056,136         11,190,582           Derivative financial instruments         668,722         777,487           Customer accoun	Reverse repurchase agreements and cash collateral on securities borrowed		
Bank day securities         371,183         455,201           Other day issecurities         292,028         190,510           Derivative financial instruments         900,015         1,135,085           Securities arising from trading activities         586,706         673,763           Own originated loans and advances to customers securitised         447,638         491,194           Other ison and advances to customers securitised         447,638         491,194           Other securities associated undertakings         2,788,158         3,106,741           Interests in associated undertakings         1,652,297         1,328,264           Other securities assets         1,050,07         1,928,264           Other securities assets         1,050,07         1,928,264           Other assets         1,530,484         172,131           Intangible assets         1,533,441         1,71,802           Intangible assets         1,533,444         1,721,311           Deposits by banks         1,433,414         1,781,802           Derivative financial instruments         668,722         817,526           Other tading liabilities         1,308,264         1,190,677         1,721,318           Deprivative financial instruments         668,722         817,526         1,724,24		1,232,416	
Other debt securities         229,228         190,510           Derivative financial instruments         220,015         11,53,068           Securities anising from trading activities         586,706         673,763           Investment portfolio         342,2697         557,154           Loans and advances to customers         7,774,627         7,758,920           Other ioans and advances to customers securitised         1,672,708         2,013,400           Other ioans and advances         2,798,158         3,106,741           Interests in associated undertakings         2,798,158         3,106,741           Other assets         1,190,077         1382,804           Property and equipment         65,523         87,992           Investiment property         61,715         11,500           Goodwill         427,011         456,666           Intangible assets         1,53,348         172,131           Libbilities         153,348         172,131           Deposits by banks         1,433,141         1,781,802           Detrivative financial instruments         668,722         817,526           Other tadeig libilities         1,309,268         1,762,383           Detrive financial instruments         1,433,141         1,781,802	Bank debt securities		
Derivative financial instruments         920,016         1.135,088           Securities ating from trading activities         588,706         673,763           Investment portfolio         342,597         357,154           Loans and advances to customers         447,638         449,194           Other occurities ational costs         2,798,158         3106,711           Other socurities ation assets         2,798,158         3106,721           Deferred taxation assets         1672,709         1382,804           Property and equipment         66,923         87,992           Investment property         61,715         11,500           Goodwill         1,433,141         1,781,002           Inargible assets         2,674,494         243,317,60           Derivative financial instruments         668,722         817,852           Other trading liabilities         391,660         372,762           Repurchase agreements and cash collateral on securities lent         614,733         942,965           Customer accounts (deposits)         19,956,136         11,90,562         77,851           Det socuritisation of own originated loans and advances         449,079         477,873           Labilities arising on securitisation of other assets         2,374,599         2,486,186	Other debt securities		
Securities arising from trading activities         588,700         673,783           Investment profibio         342,597         357,154           Lans and advances to customers         7,776,827         7,758,920           Orm originated loans and advances         1672,709         2,031,340           Other loans and advances         2,798,158         3,106,741           Interests in associated undertakings         2,798,158         3,106,741           Interests in associated undertakings         2,1366         42,707           Other assets         1,199,057         1,382,804           Property and equipment         66,923         87,992           Investment property         61,715         11,500           Goodwill         427,011         445,864           Uabilities         2,267,494         24,351,760           Deprosit by banks         1433,141         178,180           Derivative financial instruments         668,722         817,528           Other tassing on securitisation of own originated loans and advances         1433,141         77,870           Liabilities arising on securitisation of own originated loans and advances         1439,148         77,870           Liabilities arising on securitisation of own originated loans and advances         2,374,599         2,486,168 </td <td>Derivative financial instruments</td> <td></td> <td></td>	Derivative financial instruments		
Investment portfolio         342.597         347.154           Lanas and advances to customers         7.74.627         7.756.920           Own originated loans and advances to customers securitised         447,638         491,194           Other socuritised assets         2.739,156         3.106,741           Interests in associated undertakings         2.739,158         3.106,741           Deferred taxation assets         105,109         128,822           Other socuritised assets         1.199,057         1.382,804           Property and equipment         65,923         87,992           Investment property         61,715         11,150,007           GoodWill         427,011         456,666           Intangible assets         153,348         172,131           Deposits by banks         1,433,141         1,781,802           Derivative financial instruments         668,722         817,526           Other taxing inabilities anising on securities lent         1,433,141         1,178,802           Customer accounts (deposits)         10,955,136         11,190,52           Det socuritis in issue         1,389,248         1,762,338           Liabilities arising on securitisation of own originated loans and advances         2,374,599         2,476,186           C	Securities arising from trading activities		
Lans and advances to customers         7,774 627         7,758 920           Own originated loans and advances to customers securitised         447 638         491 194           Other loans and advances         2,796 158         3,106 741           Interests in associated undertakings         21,366         24,707           Defore taxation assets         105,109         126,822           Other assets         105,109         126,822           Property and equipment         65,923         87,992           Unvestment property         61,715         11,500           Goodwill         422,674,494         24,336,740           Deposits by banks         1,433,141         1,781,802           Derivative financial instruments         668,722         817,526           Other radiong liabilities         391,660         372,752           Repurchase agreements and cash collateral on securities lent         614,733         942,396           Customer accounts (deposits)         10,956,136         11,90,582         10,369,6136         11,90,582           Delivation liabilities anisgi on securitisation of own originated loans and advances         2,374,599         2,466,186           Current taxation liabilities         1,234,687         1,383,148         172,238           Subordinated liabil			,
Own originated loans and advances to customers securitised         447,638         491,142           Other loans and advances         1,672,709         2,031,340           Other securitised assets         2,788,158         3,106,741           Interesti in associated undertakings         21,366         247,071           Defored taxation assets         1199,057         1,382,804           Property and equipment         65,923         87,992           Investment property         61,715         11,500           GoodWill         427,011         4456,646           Intangible assets         1433,144         1,781,802           Deposits by banks         1,433,144         1,781,802           Derivative financial instruments         668,722         817,526           Other taxing inabilities         391,660         372,762           Repurchase agreements and cash collateral on securities lent         614,73         942,365           Customer accounts (deposits)         109,966,166         11,90,582         1,762,383           Det securities in issue         1,389,288         1,762,383         1,762,383           Liabilities arising on securitisation of own originated loans and advances         2,374,599         2,486,186           Cursent taxation liabilities         1,977,770	Loans and advances to customers		
Other loans and advances         1.672,709         2.031,330           Other securitised assets         2.798,158         3.106,741           Interests in associated undertakings         21,366         24,707           Defored taxation assets         105,109         126,822           Other assets         105,109         126,822           Unestment property         61,715         11,500           Goodwill         427,001         456,646           Intangible assets         153,348         172,131           Ober sets by banks         2,674,494         24,351,760           Deposits by banks         1,433,141         1,781,802           Deposits by banks         668,722         817,526           Other raciong liabilities         391,650         372,762           Repurchase agreements and cash collateral on securities lent         614,773         942,386           Customer accounts (deposits)         100,566,136         11,190,582         107,271         87,291           Delt scurities arising on securitisation of other assets         2,374,599         2,446,186         68,502         77,870           Liabilities arising on securitisation of other assets         107,271         87,221         1333,148         107,271         87,224			
Other securitised assets         2,798,158         3,106,741           Interests in associated undertakings         21,366         24,707           Opferred taxation assets         105,109         126,822           Other assets         1,199,057         1,322,804           Properly and equipment         65,923         87,992           Investment properly         61,715         11,500           Goodwill         427,011         4456,646           Intangible assets         153,348         172,131           Deposits by banks         1,433,141         1,761,802           Derivative financial instruments         668,722         817,526           Other trading liabilities         391,650         372,762           Repurchase agreements and cash collateral on securities lent         614,733         942,396           Customer accounts (deposits)         10,956,136         11,100,582         107,77,80           Det securities in issue         13,349,459         2,486,186         107,77,88         21,379,752           Usbordinated liabilities         107,77,88         21,379,752         20,408,738         22,196,997           Subordinated liabilities         11,324,687         1,333,148         1,333,148         1,333,148           Urrent taxation	0	,	
Interests in associated undertakings         21,366         24,707           Deferred taxation assets         105,109         126,822           Other assets         1,199,057         1,382,804           Property and equipment         65,923         87,992           Investment property         61,715         11,500           Goodwill         427,011         456,646           Intangible assets         153,348         172,131           Liabilities         22,674,494         24,351,760           Deposits by banks         668,722         817,526           Other ascentises in associated on securities lent         614,733         942,336           Customer accounts (deposits)         10,956,136         11,190,582           Det securities in issue         13,832,848         107,271         87,291           Liabilities arising on securitisation of own originated loans and advances         449,079         477,870           Liabilities arising on securitisation of other assets         2,374,599         2,466,186           Current taxation liabilities         107,271         87,291           Defered taxation liabilities         10,867,788         21,379,752           Subordinated liabilities         151         151           Other liabilities <t< td=""><td></td><td></td><td></td></t<>			
Deferred taxation assets         105,109         126,822           Other assets         1,199,057         1,382,804           Propery and equipment         65,923         87,992           Investment property         61,715         11,500           Goodwill         165,692         87,992           Liabilities         153,348         172,131           Deposits by banks         1,433,141         1,781,802           Derivative financial instruments         6668,722         817,526           Other trading liabilities         391,650         372,762           Repurchase agreements and cash collateral on securities lent         614,733         942,396           Customer accounts (deposits)         10,956,161         11,905,681         1,762,303           Deferred taxation liabilities         10,356,161         11,905,682         1,782,991         2,466,186           Customer accounts (deposits)         10,956,163         11,905,692         477,870         2,874,999         2,466,186           Customer accounts (deposits)         10,956,163         11,905,692         747,855         177,870           Deferred taxation liabilities         10,771         87,782         1,833,148         1,833,148         1,833,148         1,833,148         1,333,148			
Other assets       1,199,057       1,382,804         Property and equipment       65,923       87,992         Investment property       61,715       11,500         Goodwill       427,011       456,646         Intangible assets       153,348       172,131 <b>Liabilities</b> 22,674,494       24,351,760         Deposits by banks       1,433,141       1,781,802         Derivative financial instruments       668,722       817,526         Other trading liabilities       331,650       372,762         Repurchase agreements and cash collateral on securities lent       614,733       942,396         Customer accounts (deposits)       10,956,136       11,190,682         Det securities in issue       1,369,268       1,762,338         Liabilities arising on securitisation of own originated loans and advances       449,079       477,870         Liabilities arising on securitisation of other assets       2,374,599       2,468,186         Current taxation liabilities       13,246,887       1,333,148         Deferred taxation liabilities       12,34,687       1,333,148         Ordinated liabilities       11,234,687       1,333,148         Ordinated liabilities       11,146,548       1,130,210         Treasury sha	6	,	
Property and equipment       66,923       87,992         Investment property       61,715       11,500         Goodwill       427,011       456,846         Intangible assets       153,348       172,131         Liabilities       22,674,494       24,351,760         Deposits by banks       1,433,141       1,781,802         Derivative financial instruments       666,722       877,762         Other trading liabilities       391,650       372,762         Repurchase agreements and cash collateral on securities lent       614,733       942,396         Customer accounts (deposits)       10,956,136       11,190,552         Debt securities in issue       1,369,268       1,762,338         Liabilities arising on securitisation of other assets       2,374,599       2,486,186         Current taxation liabilities       10,956,788       21,379,752         Subordinated liabilities       12,24,687       1,333,148         Ordinary share capital       178       177         Pereptual preference share capital       178       177         Preseult preference share capital       178       177         Preseult preference share capital       178       177         Preseult preference share capital       176,711       <			
Investment property       61,715       11,500         Goodwill       427,011       456,646         Intangible assets       22,674,494       24,351,760         Liabilities       1,433,141       1,781,802         Derivative financial instruments       668,722       817,252         Other trading liabilities       391,650       372,762         Repurchase agreements and cash collateral on securities lent       614,733       942,396         Customer accounts (deposits)       10,956,136       11,100,582         Det securities in issue       1,369,288       1,762,338         Liabilities arising on securitisation of own originated loans and advances       449,079       477,870         Liabilities arising on securitisation of other assets       2,374,599       2,486,186         Other tading liabilities       10,956,136       11,383,148         Deferred taxation liabilities       68,502       77,851         Other tabilities       1,346,687       1,333,143         Subordinated liabilities       13,946,879       24,468,18         Other tabilities       1,324,687       1,333,148         Other tabilities       1,39,752       740,950       747,245         Current taxation liabilities       1,39,64,739       22,16,997       (52,			
Goodwill         427,011         466,646           Intargible assets         153,348         172,131           Liabilities         22,674,494         24,351,760           Deposits by banks         668,722         817,526           Other trading liabilities         391,650         392,650           Repurchase agreements and cash collateral on securities lent         614,733         942,396           Customer accounts (deposits)         10,956,136         17,623           Debt securities in issue         1,389,268         1,762,338           Liabilities arising on securitisation of own originated loans and advances         2,374,599         2,466,186           Customer accounts (deposits)         10,7271         87,291           Deferred taxation liabilities         107,271         87,291           Deferred taxation liabilities         107,271         87,331,48           Subordinated liabilities         10,267,788         21,379,752           740,0950         77,453         740,950         747,245           Subordinated liabilities         11,10,0210         151         151           Share premium         1,146,548         1,130,210         740,950         747,245           Cardinary share capital         178         1777         151			
Intangible assets       153,348       172,131         Liabilities       22,674,494       24,351,760         Deposits by banks       1,433,141       1,781,802         Derivative financial instruments       668,722       817,526         Other trading liabilities       391,650       372,762         Repurchase agreements and cash collateral on securities lent       614,733       942,396         Customer accounts (deposits)       10,956,136       11,190,582         Det securities in issue       1,369,268       1,762,338         Liabilities arising on securitisation of own originated loans and advances       449,079       477,870         Liabilities arising on securitisation of other assets       2,374,599       2,486,186         Current taxation liabilities       10,257,788       21,379,752         Deferend taxation liabilities       1,234,687       1,383,148         19,667,788       22,1379,752       740,950       747,245         Curdinary share capital       178       177         Perpetual preference share capital       178       177         Perpetual preference share capital       178       177         Prepetual preference share capital       151       151         Sharebolders' equity       2,680,907       (52,098)			
Liabilities         22,674,494         24,351,760           Deposits by banks         1,433,141         1,781,802           Derivative financial instruments         668,722         817,526           Other trading liabilities         391,650         372,762           Repurchase agreements and cash collateral on securities lent         664,733         942,396           Customer accounts (deposits)         10,956,136         11,190,582           Debt securities in issue         1,369,268         1,762,338           Liabilities arising on securitisation of own originated loans and advances         2,374,599         2,486,186           Current taxation liabilities         10,271         87,291           Deferred taxation liabilities         1,234,687         1,383,148           Ubordinated liabilities         1,234,687         1,383,148           Ubordinated liabilities         1,234,687         1,383,148           Ubordinated liabilities         1,146,648         1,02,109           Critinary share capital         177         74,09,50         747,245           Deferred taxation liabilities         1,146,648         1,02,109           Ordinary share capital         178         177           Perpetual preference share capital         178         177			· · · ·
Liabilities         1,433,141         1,781,802           Deposits by banks         1,433,141         1,781,802           Derivative financial instruments         668,722         817,526           Other trading liabilities         391,650         372,762           Repurchase agreements and cash collateral on securities lent         614,733         942,396           Customer accounts (deposits)         10.956,136         11,90,582           Debt securities in issue         1,369,268         1,762,338           Liabilities arising on securitisation of own originated loans and advances         449,079         477,870           Liabilities arising on securitisation of own originated loans and advances         107,271         87,291           Deferred taxation liabilities         107,271         87,293           Current taxation liabilities         1,234,687         1,331,48           Other liabilities         1,24,687         1,331,48           Other liabilities         1,24,687         1,331,48           Other liabilities         1,146,548         1,30,210           Uper setual preference share capital         1151         151           Share premium         1,146,548         1,302,10         103,202           Treasury shares         (56,997)         (52,998) <t< td=""><td>Intaligible assets</td><td> /</td><td></td></t<>	Intaligible assets	/	
Derivative financial instruments         668,722         817,526           Other trading liabilities         391,650         372,762           Repurchase agreements and cash collateral on securities lent         614,733         942,396           Customer accounts (deposits)         10,956,136         11,190,582           Debt securities in issue         1,369,268         1,762,338           Liabilities arising on securitisation of own originated loans and advances         2,374,599         2,486,186           Current taxation liabilities         107,271         87,291           Deferred taxation liabilities         668,502         77,851           Other liabilities         1,324,687         1,333,148           Other liabilities         1,234,687         1,333,148           Ordinary share capital         1,234,687         1,333,148           Prepetual preference share capital         151         151           Share premium         1,146,548         1,130,210           Treasury shares         (56,997)         (52,098)           Other reserves         3312,886         409,169           Retained income         686,279         572,600           Share premium         1,146,548         1,130,210           Tresary shares         2,060,209 <t< td=""><td>Liabilities</td><td></td><td>,,</td></t<>	Liabilities		,,
Other trading liabilities         391,650         372,762           Repurchase agreements and cash collateral on securities lent         614,733         942,396           Customer accounts (deposits)         10,956,136         11,190,582           Debt securities in issue         1,369,268         1,762,338           Liabilities arising on securitisation of own originated loans and advances         449,079         477,870           Liabilities arising on securitisation of other assets         2,374,599         2,486,186           Current taxation liabilities         68,502         77,851           Deferred taxation liabilities         1,234,687         1,333,148           Uper taxation liabilities         1,234,687         1,333,148           Subordinated liabilities         1,246,687         1,333,148           Ordinary share capital         177         77,245           Perpetual preference share capital         178         177           Prepetual preference share capital         1,146,548         1,130,210           Treasury shares         312,886         409,169           Other reserves         312,886         409,169           Retained income         686,279         572,600           Share holders' equity excluding non-controlling interests         2,060,209         176,711 <td>Deposits by banks</td> <td>1,433,141</td> <td>1,781,802</td>	Deposits by banks	1,433,141	1,781,802
Repurchase agreements and cash collateral on securities lent         614,733         942,396           Customer accounts (deposits)         10,956,136         11,190,582           Debt securities in issue         1,369,268         1,762,338           Liabilities arising on securitisation of own originated loans and advances         2,374,599         2,486,186           Current taxation liabilities         2,374,599         2,486,186           Other liabilities         1,234,687         1,383,148           Uber liabilities         1,234,687         1,383,148           Ubordinated liabilities         1,246,873         22,126,997           Equity         740,950         747,245           Ordinary share capital         151         151           Share premium         1,146,548         1,130,210           Treasury shares         (56,997)         (52,098)           Other serves         312,886         409,169           Retained income         686,279         572,600           Shareholders' equity excluding non-controlling interests         2,089,045         2,060,209           Non-controlling interests         1165,319         166,106         10,392           Non-controlling interests in partially held subsidiaries         11,392         (4,552)           <	Derivative financial instruments	668,722	817,526
Customer accounts (deposits)       10,956,136       11,190,582         Debt securities in issue       1,369,268       1,762,338         Liabilities arising on securitisation of other assets       2,374,599       2,486,186         Current taxation liabilities       107,271       87,291         Deferred taxation liabilities       107,271       87,291         Other liabilities       12,346,87       1,334,487         Other liabilities       12,346,87       1,333,148         Other liabilities       740,950       747,245         Subordinated liabilities       740,950       747,245         Ordinary share capital       151       151         Share premium       11,146,548       1,130,210         Treasury shares       (56,97)       (52,098)         Other reserves       312,886       409,169         Shareholders' equity excluding non-controlling interests       2,060,209       572,600         Shareholders' equity excluding non-controlling interests       1164,554       165,319       169,106         Non-controlling interests in partially held subsidiaries       116,302       (4,552)       113,922       (4,552)         Total liabilities and equity       22,674,494       24,351,760       2,267,766       2,226,74,69   <	Other trading liabilities	391,650	372,762
Customer accounts (deposits)       10,956,136       11,190,582         Debt securities in issue       1,369,268       1,762,338         Liabilities arising on securitisation of other assets       2,374,599       2,486,186         Current taxation liabilities       107,271       87,291         Deferred taxation liabilities       107,271       87,291         Other liabilities       12,346,87       1,334,487         Other liabilities       12,346,87       1,333,148         Other liabilities       740,950       747,245         Subordinated liabilities       740,950       747,245         Ordinary share capital       151       151         Share premium       11,146,548       1,130,210         Treasury shares       (56,97)       (52,098)         Other reserves       312,886       409,169         Shareholders' equity excluding non-controlling interests       2,060,209       572,600         Shareholders' equity excluding non-controlling interests       1164,554       165,319       169,106         Non-controlling interests in partially held subsidiaries       116,302       (4,552)       113,922       (4,552)         Total liabilities and equity       22,674,494       24,351,760       2,267,766       2,226,74,69   <	Repurchase agreements and cash collateral on securities lent	614,733	942,396
Liabilities arising on securitisation of own originated loans and advances449,079477,870Liabilities arising on securitisation of other assets2,374,5992,486,186Current taxation liabilities107,27187,291Deferred taxation liabilities1,234,6871,383,148Other liabilities1,234,6871,383,148Subordinated liabilities740,950747,245Quidnary share capital1781777Perpetual preference share capital151151Treasury shares(56,997)(52,098)Other reserves312,886409,169Baredone686,279572,600Share premium1,146,5481,130,210Treasury shares(56,997)(52,098)Other reserves312,886409,169Baredone686,279572,600Share premium1,164,5481,130,210Treasury shares2,089,0452,060,209Non-controlling interests2,089,0452,060,209Non-controlling interests165,319169,106- Non-controlling interests in partially held subsidiaries11,392(4,552)Total liabilities and equity22,674,49424,351,760	Customer accounts (deposits)	10,956,136	11,190,582
Liabilities arising on securitisation of other assets       2,374,599       2,486,186         Current taxation liabilities       107,271       87,291         Deferred taxation liabilities       68,502       77,851         Other liabilities       1,234,687       1,383,148         19,667,788       22,174,599       2,486,186         Subordinated liabilities       740,950       747,245         20,408,738       22,126,997         Equity       740,950       747,245         Ordinary share capital       178       177         Perpetual preference share capital       151       151         Share premium       1,146,548       1,130,210         Treasury shares       (56,997)       (52,098)         Other reserves       312,886       409,169         Retained income       686,279       572,600         Shareholders' equity excluding non-controlling interests       2,089,045       2,002,09         Non-controlling interests in partially held subsidiaries       165,319       169,106         - Non-controlling interests in partially held subsidiaries       11,392       (4,552)         Total equity       2,677,4,494       24,351,760	Debt securities in issue	1,369,268	1,762,338
Current taxation liabilities         107,271         87,291           Deferred taxation liabilities         68,502         77,851           Other liabilities         1,234,687         1,383,148           19,667,788         21,379,752           Subordinated liabilities         740,950         747,245           Ordinary share capital         178         177           Perpetual preference share capital         151         151           Share premium         1,146,548         1,130,210           Treasury shares         (56,997)         (52,098)           Other reserves         312,886         409,169           Retained income         686,279         572,600           Shareholders' equity excluding non-controlling interests         2,089,045         2,060,209           Non-controlling interests         165,319         169,106           - Non-controlling interests in partially held subsidiaries         11,392         (4,552)           Total liabilities and equity         2,267,4694         24,351,760	Liabilities arising on securitisation of own originated loans and advances	449,079	477,870
Deferred taxation liabilities         68,502         77,851           Other liabilities         1,234,687         1,383,148           Subordinated liabilities         19,667,788         21,379,752           Subordinated liabilities         740,950         747,245           Condinary share capital         178         177           Perpetual preference share capital         151         151           Share premium         1,146,548         1,130,210           Other reserves         312,886         409,169           Retained income         686,279         572,600           Share holders' equity excluding non-controlling interests         20,609,209         176,711           Non-controlling interests         165,319         169,106           - Perpetual preferred securities issued by subsidiaries         11,392         (4,552)           Total equity         2,265,756         2,224,763	Liabilities arising on securitisation of other assets	2,374,599	2,486,186
Deferred taxation liabilities         68,502         77,851           Other liabilities         1,234,687         1,383,148           Subordinated liabilities         19,667,788         21,379,752           Subordinated liabilities         740,950         747,245           Condinary share capital         178         177           Perpetual preference share capital         151         151           Share premium         1,146,548         1,130,210           Other reserves         312,886         409,169           Retained income         686,279         572,600           Share holders' equity excluding non-controlling interests         20,609,209         176,711           Non-controlling interests         165,319         169,106           - Perpetual preferred securities issued by subsidiaries         11,392         (4,552)           Total equity         2,265,756         2,224,763	Current taxation liabilities		
Other liabilities         1,234,687         1,383,148           Subordinated liabilities         19,667,788         21,379,752           Subordinated liabilities         740,950         747,245           20,408,738         22,126,997           Equity         178         177           Ordinary share capital         178         177           Perpetual preference share capital         151         151           Share premium         1,146,548         1,130,210           Treasury shares         (56,997)         (52,098)           Other reserves         312,886         409,169           Retained income         686,279         572,600           Shareholders' equity excluding non-controlling interests         2,089,045         2,060,209           Non-controlling interests         165,319         169,106           - Perpetual preferred securities issued by subsidiaries         11,392         (4,552)           Total equity         2,265,756         2,224,763	Deferred taxation liabilities		77,851
Subordinated liabilities         19,667,788         21,379,752           Subordinated liabilities         740,950         747,245           20,408,738         22,126,997           Equity         178         177           Ordinary share capital         178         177           Perpetual preference share capital         151         151           Share premium         1,146,548         1,130,210           Treasury shares         (56,997)         (52,098)           Other reserves         312,886         409,169           Retained income         686,279         572,600           Shareholders' equity excluding non-controlling interests         2,089,045         2,060,209           Non-controlling interests         165,319         169,106           - Non-controlling interests in partially held subsidiaries         11,392         (4,552)           Total equity         2,265,756         2,224,763           Total liabilities and equity         22,674,494         24,351,760	Other liabilities		
Subordinated liabilities         740,950         747,245           20,408,738         22,126,997           Equity         178         177           Ordinary share capital         178         177           Perpetual preference share capital         151         151           Share premium         1,146,548         1,130,210           Treasury shares         (56,997)         (52,098)           Other reserves         312,886         409,169           Retained income         686,279         572,600           Shareholders' equity excluding non-controlling interests         2,089,045         2,060,209           Non-controlling interests         1165,319         169,106           - Non-controlling interests in partially held subsidiaries         11,392         (4,552)           Total equity         2,265,756         2,224,763			
EquityImage: Constraint of the system of the sy	Subordinated liabilities		
Ordinary share capital       178       177         Perpetual preference share capital       151       151         Share premium       1,146,548       1,130,210         Treasury shares       (56,997)       (52,098)         Other reserves       312,886       409,169         Retained income       686,279       572,600         Shareholders' equity excluding non-controlling interests       2,089,045       2,060,209         Non-controlling interests       11,392       (4,554         - Perpetual preferred securities issued by subsidiaries       11,392       (4,552)         Total equity       2,267,4,494       24,351,760		20,408,738	22,126,997
Ordinary share capital       178       177         Perpetual preference share capital       151       151         Share premium       1,146,548       1,130,210         Treasury shares       (56,997)       (52,098)         Other reserves       312,886       409,169         Retained income       686,279       572,600         Shareholders' equity excluding non-controlling interests       2,089,045       2,060,209         Non-controlling interests       11,392       (4,554         - Perpetual preferred securities issued by subsidiaries       11,392       (4,552)         Total equity       2,267,4,494       24,351,760			
Perpetual preference share capital       151       151         Share premium       1,146,548       1,130,210         Treasury shares       (56,997)       (52,098)         Other reserves       312,886       409,169         Retained income       686,279       572,600         Shareholders' equity excluding non-controlling interests       2,089,045       2,060,209         Non-controlling interests       176,711       164,554         - Perpetual preferred securities issued by subsidiaries       165,319       169,106         - Non-controlling interests in partially held subsidiaries       11,392       (4,552)         Total equity       2,267,4694       24,351,760		178	177
Share premium       1,146,548       1,130,210         Treasury shares       (56,997)       (52,098)         Other reserves       312,886       409,169         Retained income       686,279       572,600         Shareholders' equity excluding non-controlling interests       2,089,045       2,060,209         Non-controlling interests       11,146,548       1,130,210         - Perpetual preferred securities issued by subsidiaries       165,319       169,106         - Non-controlling interests in partially held subsidiaries       11,392       (4,552)         Total equity       2,265,756       2,224,763			
Treasury shares       (56,997)       (52,098)         Other reserves       312,886       409,169         Retained income       686,279       572,600         Shareholders' equity excluding non-controlling interests       2,089,045       2,060,209         Non-controlling interests       176,711       164,554         - Perpetual preferred securities issued by subsidiaries       165,319       169,106         - Non-controlling interests in partially held subsidiaries       11,392       (4,552)         Total equity       2,265,756       2,224,763			
Other reserves       312,886       409,169         Retained income       686,279       572,600         Shareholders' equity excluding non-controlling interests <b>2,089,045 2,060,209</b> Non-controlling interests       176,711       164,554         - Perpetual preferred securities issued by subsidiaries       165,319       169,106         - Non-controlling interests in partially held subsidiaries       11,392       (4,552)         Total equity <b>2,265,756 2,224,763</b>			
Retained income686,279572,600Shareholders' equity excluding non-controlling interests <b>2,089,0452,060,209</b> Non-controlling interests176,711164,554- Perpetual preferred securities issued by subsidiaries165,319169,106- Non-controlling interests in partially held subsidiaries11,392(4,552)Total equity <b>2,265,7562,224,763</b> Total liabilities and equity			
Shareholders' equity excluding non-controlling interests2,089,0452,060,209Non-controlling interests176,711164,554- Perpetual preferred securities issued by subsidiaries165,319169,106- Non-controlling interests in partially held subsidiaries11,392(4,552)Total equity2,265,7562,224,763Total liabilities and equity24,351,760			· · · ·
Non-controlling interests176,711164,554- Perpetual preferred securities issued by subsidiaries165,319169,106- Non-controlling interests in partially held subsidiaries11,392(4,552)Total equity2,265,7562,224,763Total liabilities and equity22,674,49424,351,760			
- Perpetual preferred securities issued by subsidiaries       165,319       169,106         - Non-controlling interests in partially held subsidiaries       11,392       (4,552)         Total equity       2,265,756       2,224,763         Total liabilities and equity       22,674,494       24,351,760			
- Non-controlling interests in partially held subsidiaries 11,392 (4,552) Total equity Total liabilities and equity 22,674,494 24,351,760	0		
Total equity         2,265,756         2,224,763           Total liabilities and equity         22,674,494         24,351,760			
Total liabilities and equity 22,674,494 24,351,760			
	row odawi	2,200,730	2,227,703
	Total liabilities and equity	22,674,494	24,351,760

Total liabilities and equity \*Restated.



# Condensed consolidated statement of changes in equity Unaudited

£'000	Year to 31 March 2014	Year to 31 March 2013*
Balance at the beginning of the period as previously presented	2,224,763	2,235,552
Impact of adoption of new accounting standards	-	(25,199)
Balance at the beginning of the period as presented	2,224,763	2,210,353
Profit after taxation	94,063	54,966
Fair value movements on cash flow hedges taken directly to other comprehensive income	2,793	(1,657)
(Gains)/losses on available-for-sale assets recycled through the income statement	(2,896)	407
Fair value movements on available-for-sale assets taken directly to other comprehensive income	1,239	(1,704)
Foreign currency adjustments on translating foreign operations	(45,682)	7,899
Remeaurement of net defined pension asset	(5,870)	(7,078)
Total comprehensive income for the year	43,647	52,833
Share-based payment adjustments	36,740	34,164
Dividends paid to ordinary shareholders	(53,200)	(45,001)
Dividends paid to perpetual preference shareholders	(3,395)	(3,696)
Dividends paid to perpetual preferred securities	(12,021)	(11,353)
Dividends paid to non-controlling interests	(1,794)	-
Issue of ordinary shares	16,339	22,561
Movement of treasury shares	(57,635)	(31,504)
Gain on transfer of non-controlling interests	72,582	-
Movement of non-controlling interests on disposals and acquisitions	(270)	(3,594)
Balance at the end of the year	2,265,756	2,224,763
*Restated.		



# Segmental information - business analysis

#### Unaudited

For the year to 31 March 2014

£'000	Asset Management	Wealth & Investment	Specialist Banking	Total group
Net interest income	277	7,987	348,470	356,734
Fee and commission income	340,316	219,434	206,925	766,675
Fee and commission expense	(95,354)	(2,020)	(34,730)	(132,104)
Investment income	-	1,875	97,224	99,099
Trading income arising from				
- customer flow	-	389	76,654	77,043
- balance sheet management and other trading activities	(2,314)	(72)	(6,922)	(9,308)
Other operating income	(129)	1,232	14,910	16,013
Total operating income before impairment losses on loans and advances	242,796	228,825	702,531	1,174,152
Impairment losses on loans and advances		-	(126,911)	(126,911)
Operating income	242,796	228,825	575,620	1,047,241
Operating costs	(175,211)	(182,759)	(531,552)	(889,522)
Depreciation on operating leased assets	-	-	(6,044)	(6,044)
Operating profit before goodwill and acquired intangibles	67,585	46,066	38,024	151,675
Operating loss attributable to other non-controlling interests	-	-	2,720	2,720
Operating profit before goodwill, acquired intangibles and after non- controlling interests	67,585	46,066	40,744	154,395
Profit attributable to Asset Management non-controlling interest	(5,535)	-	-	(5,535)
Operating profit before goodwill, acquired intangibles and after non- controlling interests	62,050	46,066	40,744	148,860
Cost to income ratio	72.2%	79.9%	76.3%	76.2%
Total assets (£'million)	335	931	21,408	22,674

#### For the year to 31 March 2013\*

	Asset	Wealth &	Specialist	
£'000	Management	Investment	Banking	Total group
Net interest income	492	10,293	349,926	360,711
Fee and commission income	309,933	195,275	248,690	753,898
Fee and commission expense	(92,667)	(11,772)	(25,959)	(130,398)
Investment income	-	555	70,196	70,751
Trading income arising from - customer flow	-	361	57,742	58,103
- balance sheet management and other trading activities	(199)	4	18,210	18,015
Other operating income	4,476	774	31,340	36,590
Total operating income before impairment losses on loans and advances	222,035	195,490	750,145	1,167,670
Impairment losses on loans and advances	-	-	(189,036)	(189,036)
Operating income	222,035	195,490	561,109	978,634
Operating costs	(162,694)	(161,581)	(524,227)	(848,502)
Depreciation on operating leased assets	-	-	(16,072)	(16,072)
Operating profit before goodwill and acquired intangibles	59,341	33,909	20,810	114,060
Operating income attributable to non-controlling interests	-	-	(397)	(397)
Operating profit before goodwill, acquired intangibles and after other non-		22.000	20,442	440.000
controlling interests	59,341	33,909	20,413	113,663
Cost to income ratio	73.3%	82.7%	71.4%	73.7%
Total assets (£'million)	5 <sup>366</sup>	870	23,116	24,352



#### Segmental information - geographic analysis

#### Unaudited

For the year to 31 March 2014

£'000	UK and Other	Australia	Total group
Net interest income	285,219	71,515	356,734
Fee and commission income Fee and commission expense Investment income	732,339 (125,019) 99,540	34,336 (7,085) (441)	766,675 (132,104) 99,099
<ul> <li>customer flow</li> <li>balance sheet management and other trading activities</li> <li>Other operating income</li> </ul>	66,377 (6,529) 15,745	10,666 (2,779) 268	77,043 (9,308) 16,013
Total operating income before impairment losses on loans and advances	1,067,672	106,480	1,174,152
Impairment losses on loans and advances	(104,792)	(22,119)	(126,911)
Operating income	962,880	84,361	1,047,241
Operating costs Depreciation on operating lease assets	(791,305) (6,044)	(98,217)	(889,522)
Operating profit before goodwill and acquired intangibles	165,531	(13,856)	(6,044) <b>151,675</b>
Operating income attributable to other non-controlling interests Operating profit before goodwill, acquired intangibles and after other non-	2,720	-	2,720
controlling interests	168,251	(13,856)	154,395
Profit attributable to Asset Management non-controlling interest	(5,535)	-	(5,535)
Operating profit before goodwill, acquired intangibles and after non- controlling interests	162,716	(13,856)	148,860
Impairment of goodwill Amortisation of acquired intangibles	- (13,393)	(11,233)	(11,233) (13,393)
Costs arising from integration of acquired subsidiaries	(3,241)	(15,678)	(18,919)
Net gain on dispoal of subsidiaries	9,653	-	9,653
Earnings attributable to shareholders before taxation	155,735	(40,767)	114,968
Taxation on operating profit before goodwill	(31,163)	154	(31,009)
Taxation on acquired intangibles and acquisition/disposal of group operations Earnings attributable to shareholders	7,289 131,861	(40,613)	7,289 <b>91.248</b>
Cost to income ratio	74.5%	92.2%	76.2%
Total assets (£'million)	20,232	2,443	22,674

#### For the year to 31 March 2013\*

£'000	UK and Other	Australia	Total group
Net interest income	291,623	69,088	360,711
Fee and commission income Fee and commission expense Investment income Trading income arising from	694,467 (125,872) 70,213	59,431 (4,526) 538	753,898 (130,398) 70,751
<ul> <li>- customer flow</li> <li>- balance sheet management and other trading activities</li> <li>Other operating income</li> </ul>	51,157 18,579 34,781	6,946 (564) 1,809	58,103 18,015 36,590
Total operating income before impairment losses on loans and advances	1,034,948	132,722	1,167,670
Impairment losses on loans and advances	(171,187)	(17,849)	(189,036)
Operating income	863,761	114,873	978,634
Operating costs Depreciation on operating lease assets	(737,030) (16,072)	(111,472)	(848,502) (16,072)
Operating profit before goodwill and acquired intangibles	110,659	3,401	114,060
Operating income attributable to other non-controlling interests Operating profit before goodwill, acquired intangibles and after other non-	(397)	-	(397)
controlling interests	110,262	3,401	113,663
Impairment of goodwill	(13,409)	-	(13,409)
Amortisation of acquired intangibles Costs arising from integration of acquired subsidiaries	(13,313) (13,119)	-	(13,313) (13,119)
Net gain on dispoal of subsidiaries Non-operational costs arising from acquisition of subsidiary	(1,369)	-	- (1,369)
Earnings attributable to shareholders before taxation	69,052	3,401	72,453
Taxation on operating profit before goodwill Taxation on acquired intangibles and acquisition/disposal of group operations	(25,291) 5,977	1,430 -	(23,861) 5,977
Earnings attributable to shareholders	49,738	4,831	54,569
Cost to income ratio Total assets (£'million)	72.3% 21,106	6 84.0% 3,246	73.7% 24,352



For the year to 31 March 2014								
	Asset Management	Wealth & Investment		pecialist Banking			Total group	
£'000	UK and Other	UK and Other	UK and Other	Australia	Total	UK and Other	Australia	Total
Net interest income	277	7,987	276,955	71,515	348,470	285,219	71,515	356,734
Fee and commission income Fee and commission expense Investment income	340,316 (95,354) -	219,434 (2,020) 1,875	172,589 (27,645) 97,665	34,336 (7,085) (441)	206,925 (34,730) 97,224	732,339 (125,019) 99,540	34,336 (7,085) (441)	766,675 (132,104) 99,099
Trading income arising from - customer flow - balance sheet management and other trading activitie Other operating income Total operating income before impairment losses on loans	- (2,314) (129)	389 (72) 1,232	65,988 (4,143) 14,642	10,666 (2,779) 268	76,654 (6,922) 14,910	66,377 (6,529) 15,745	10,666 (2,779) 268	77,043 (9,308) 16,013
and advances	242,796	228,825	596,051	106,480	702,531	1,067,672	106,480	1,174,152
Impairment losses on loans and advance	(0)	-	(104,792)	(22,119)	(126,911)	(104,792)	(22,119)	(126,911)
Operating income	242,796	228,825	491,259	84,361	575,620	962,880	84,361	1,047,241
Operating costs Depreciation on operating leased assets	(175,211) -	(182,759)	(433,335) (6,044)	(98,217)	(531,552) (6,044)	(791,305) (6,044)	(98,217)	(889,522) (6,044)
Operating profit before goodwill and acquired intangibles	67,585	46,066	51,880	(13,856)	38,024	165,531	(13,856)	151,675
Operating income attributable to other non-controlling interests	(0)	-	2,720	-	2,720	2,720		2,720
Operating profit before goodwill, acquired intangibles and after other non-controlling interests Operating income attributable to Asset Management non	67,585	46,066	54,600	(13,856)	40,744	168,251	(13,856)	154,395
controlling interests	(5,535)	-	-	-	-	(5,535)		(5,535)
Operating profit before goodwill, acquired intangibles and after non-controlling interests	62,050	46,066	54,600	(13,856)	40,744	162,716	(13,856)	148,860
Selected returns and key statistics Cost to income ratio Total assets (£'million)	72.2% 335	79.9% <b>931</b>	73.4% 18,965	92.2% 2,443	76.3% 21,408	74.5% <b>20,231</b>	92.2% <b>2,443</b>	76.2% <b>22,674</b>

#### For the year to 31 March 2013\*

-	Asset Management	Wealth & Investment	Si	pecialist Banking			Total group	
£'000	UK and Other	UK and Other	UK and Other	Australia	Total	UK and Other	Australia	Total
Net interest income	492	10,293	280,838	69,088	349,926	291,623	69,088	360,711
Fee and commission income	309,933	195,275	189,259	59,431	248,690	694,467	59,431	753,898
Fee and commission expense	(92,667)	(11,772)	(21,433)	(4,526)	(25,959)	(125,872)	(4,526)	(130,398)
Investment income	-	555	69,658	538	70,196	70,213	538	70,751
Trading income arising from								
- customer flow	-	361	50,796	6,946	57,742	51,157	6,946	58,103
<ul> <li>balance sheet management and other trading activitie</li> </ul>	(199)	4	18,774	(564)	18,210	18,579	(564)	18,015
Other operating income	4,476	774	29,531	1,809	31,340	34,781	1,809	36,590
Total operating income before impairment losses on loans								
and advances	222,035	195,490	617,423	132,722	750,145	1,034,948	132,722	1,167,670
Impairment losses on loans and advance	-	-	(171.187)	(17,849)	(189.036)	(171.187)	(17.849)	(189,036)
Operating income	222,035	195,490	446,236	114,873	561,109	863,761	114,873	978,634
Operating costs Depreciation on operating leased asset:	(162,694)	(161,581) -	(412,755) (16,072)	(111,472)	(524,227) (16,072)	(737,030) (16,072)	(111,472) (0)	(848,502) (16,072)
Operating profit before goodwill and acquired intangibles	59,341	33,909	17,409	3,401	20,810	110,659	3,401	114,060
Operating income attributable to non-controlling interests	-	-	(397)	-	(397)	(397)	-	(397)
Operating profit before goodwill, acquired intangibles and after non-controlling interests	59,341	33,909	17,012	3,401	20,413	110,262	3,401	113,663
Selected returns and key statistics Cost to income ratio	73.3% 366	82.7% 870	68.6%	84.0%	71.4%	72.3%	84.0% 3.246	73.7%
Total assets (£'million) *Restated.	300	870	19,870	3,246	23,116	21,106	3,246	24,352



#### Net interest income

### Unaudited

For the year to 31 March 2014

	UK & Other		Austra	alia	Total group	
£'000	Balance sheet value	Interest Received	Balance sheet value	Interest Received	Balance sheet value	Interest Received
Cash, near cash and bank debt and sovereign debt						
securities	5,276,525	44,571	592,762	17,336	5,869,287	61,907
Core loans and advances	6,492,336	382,124	1,729,929	160,356	8,222,265	542,480
Private Client	3,777,504	165,077	1,369,078	102,331	5,146,582	267,408
Corporate, institutional and other clients	2,714,832	217,047	360,851	58,025	3,075,683	275,072
Other debt securities and other loans and advances	1,868,182	73,514	33,755	1,084	1,901,937	74,598
Other interest earning assets	2,798,158	124,783	-	-	2,798,158	124,783
Total interest earning assets	16,435,201	624,992	2,356,446	178,776	18,791,647	803,768

#### For the year to 31 March 2014

UK & Other		Australia		Total group	
Balance sheet value	Interest Paid	Balance sheet value	Interest Paid	Balance sheet value	Interest Paid
3,311,525	64,931	105,617	11,611	3,417,142	76,542
9,424,256	160,248	1,531,880	62,210	10,956,136	222,458
2,374,594	50,145	449,084	30,621	2,823,678	80,766
668,008	64,449	72,942	2,819	740,950	67,268
15,778,383	339,773	2,159,523	107,261	17,937,906	447,034
	Balance sheet value 3,311,525 9,424,256 2,374,594 668,008	Balance sheet value         Interest Paid           3,311,525         64,931           9,424,256         160,248           2,374,594         50,145           668,008         64,449	Balance sheet value         Interest Paid         Balance sheet value           3,311,525         64,931         105,617           9,424,256         160,248         1,531,880           2,374,594         50,145         449,084           668,008         64,449         72,942	Balance sheet value         Interest Paid         Balance sheet value         Interest Paid           3,311,525         64,931         105,617         11,611           9,424,256         160,248         1,531,880         62,210           2,374,594         50,145         449,084         30,621           668,008         64,449         72,942         2,819	Balance sheet value         Interest Paid         Balance sheet value         Balance sheet value         Balance sheet value           3,311,525         64,931         105,617         11,611         3,417,142           9,424,256         160,248         1,531,880         62,210         10,956,136           2,374,594         50,145         449,084         30,621         2,823,678           668,008         64,449         72,942         2,819         740,950

285,219

71,515

356,734

Net interest income

#### For the year to 31 March 2013\*

	UK & Other		Austra	alia	Total group	
	Balance sheet	Interest	Balance sheet	Interest	Balance sheet	Interest
£'000	value	Received	value	Received	value	Received
Cash, near cash and bank debt and sovereign debt						
securities	5,637,080	47,511	707,398	16,076	6,344,478	63,587
Core loans and advances	6,045,068	357,343	2,205,046	180,301	8,250,114	537,644
Private Client	3,024,629	162,618	1,402,295	112,566	4,426,924	275,184
Corporate, institutional and other clients	3,020,439	194,725	802,751	67,735	3,823,190	262,460
Other debt securities and other loans and advances	2,199,344	144,171	22,506	18,205	2,221,850	162,376
Other interest earning assets	3,106,741	161,623	-	-	3,106,741	161,623
Total interest earning assets	16,988,233	710,648	2,934,950	214,582	19,923,183	925,230

#### For the year to 31 March 2013\*

	UK & Other		Australia		Total group	
	Balance sheet		Balance sheet		Balance sheet	
£'000	value	Interest Paid	value	Interest Paid	value	Interest Paid
Deposits by banks and other debt related securities	4,015,847	74,012	470,689	32,436	4,486,536	106,448
Customer accounts	9,497,762	219,180	1,692,820	79,411	11,190,582	298,591
Other interest bearing liabilities	2,486,153	63,119	477,903	30,486	2,964,056	93,605
Subordinated liabilities	664,625	62,714	82,620	3,161	747,245	65,875
Total interest bearing liabilities	16,664,387	419,025	2,724,032	145,494	19,388,419	564,519
Net interest income		291,623		69,088		360,711



#### Net fees and commissions

Unaudited

£'000	31 March 2014	31 March 2013	variance	% change
Asset Management	244,962	217,266	27,696	13%
Wealth & Investment	217,414	183,503	33,911	18%
Specialist Banking	172,195	222,731	(50,536)	-23%
Net fees and commissions	634,571	623,500	11,071	2%

#### Net fees and commissions

Year to 31 March 2014 £'000	UK and Europe	Australia	Total group
Asset management and wealth management businesses net fee and			
commission income	462,376	-	462,376
Funds management fees/fees for assets under management	497,863	-	497,863
Private client transactional fees	61,887	-	61,887
Fee and commission expense	(97,374)	-	(97,374)
Specialist Banking net fee and commission income	144,944	27,251	172,195
Corporate and institutional transactional and advisory services	158,041	19,013	177,054
Private client transactional fees	14,548	15,323	29,871
Fee and commission expense	(27,645)	(7,085)	(34,730)
Net fees and commissions	607,320	27,251	634,571
Annuity fees (net of fees payable)	443,583	17,844	461,427
Deal fees	163,737	9,407	173,144

Year to 31 March 2013* £'000	UK and Europe	Australia	Total group
Asset management and wealth management businesses net fee and			
commission income	400,769	-	400,769
Funds management fees/fees for assets under management	451,084	-	451,084
Private client transactional fees	54,124	-	54,124
Fee and commission expense	(104,439)	-	(104,439)
Specialist Banking net fee and commission income	167,826	54,905	222,731
Corporate and institutional transactional and advisory services	168,286	49,850	218,136
Private client transactional fees	20,973	9,581	30,554
Fee and commission expense	(21,433)	(4,526)	(25,959)
Net fees and commissions	568,595	54,905	623,500
Annuity fees (net of fees payable)	392,722	26,138	418,860
Deal fees	175,873	28,767	204,640



#### Investment income

Unaudited For the year to 31 March 2014

£'000	UK and Other	Australia	Total group
Realised	52,958	1,028	53,986
Unrealised	36,339	(1,348)	34,991
Dividend income	9,702	1,183	10,885
Funding and other net related costs/income	541	(1,304)	(763)
Investment income	99,540	(441)	99,099

#### Investment income for the year to 31 March 2014

٤'000	Investment portfolio (listed and unlisted equities)^	Debt securities (sovereign, bank and other)	Other asset categories	Total
Realised	36,614	11,457	4,887	52,958
Unrealised	50,479	(12,836)	(1,304)	36,339
Dividend income	9,509	-	193	9,702
Funding and other net related income	-	-	541	541
Investment income: UK and Other	96,602	(1,379)	4,317	99,540

Investment income for the year to 31 March 2014

Investment income for the year to 31 March 2014	Investment portfolio (listed and unlisted equities)	Debt securities (sovereign, bank and other)	Other asset categories	Total
Realised	1,208	-	(180)	1,028
Unrealised	1,579	-	(2,927)	(1,348)
Dividend income	1,183	-	-	1,183
Funding and other net related costs	-	-	(1,304)	(1,304)
Investment income: Australia	3,970	-	(4,411)	(441)
Investment income: Total	100,572	(1,379)	(94)	99,099

Investment income for the year to 31 March 2013\*

£'000	UK and Other	Australia	Total group
Realised	33,534	1,752	35,286
Unrealised	32,235	(1,654)	30,581
Dividend income	2,999	240	3,239
Funding and other net related income	1,445	200	1,645
Investment income	70,213	538	70,751

Investment income for the year to 31 March 2013\*

Investment income for the year to 31 March 2013" £'000	Investment portfolio (listed and unlisted equities)	Debt securities (sovereign, bank and other)	Other asset categories	Total
Realised	917	26,264	6,353	33,534
Unrealised	28,247	5,617	(1,629)	32,235
Dividend income	2,999	-	-	2,999
Funding and other net related income	-	-	1,445	1,445
Investment income: UK and Other	32,162	31,881	6,169	70,213

#### Investment income for the year to 31 March 2013

Investment income for the year to 31 March 2013 £'000	Investment portfolio (listed and unlisted equities)	Debt securities (sovereign, bank and other)	Other asset categories	Total
Realised	64	1,617	71	1,752
Unrealised	(2,716)	-	1,062	(1,654)
Dividend income	240	-	-	240
Funding and other net related income	-	-	200	200
Investment income: Australia	(2,412)	1,617	1,333	538
Investment income: Total *Restated	29,751	33,498	7,502	70,751

^ Including embedded derivatives (warrants and profit shares)



# Investec plc silo (excluding the results of Investec Limited) An analysis of our core loans and advances, asset quality and impairments

### **Risk management**

#### Unaudited

£'000	31 March 2014	31 March 2013*
Loans and advances to customers as per the balance sheet	7,774,627	7,758,920
Add: own originated loans and advances securitised as per the balance sheet	447,638	491,194
Net core loans and advances to customers	8 222 265	8 250 114

The tables below provides information with respect to the asset quality of our core loans and advances

		1
£'000	31 March 2014	31 March 2013
Gross core loans and advances to customers	8,415,568	8,443,303
Total impairments	(193,303)	(193,189)
Portfolio impairments	(16,437)	(6,696)
Specific impairments	(176,866)	(186,493)
Net core loans and advances to customers	8,222,265	8,250,114
Average gross core loans and advances to customers	8,429,436	8,172,039
	7 040 047	7 704 005
Current loans and advances to customers Past due loans and advances to customers (1 - 60 days)	7,819,617 124,033	7,781,265 131,349
Special mention loans and advances to customers	14,941	27,967
Default loans and advances to customers	456,977	502,722
Gross core loans and advances to customers	8,415,568	8,443,303
Current loans and advances to customers	7,819,617	7,781,265
Default loans that are current and not impaired	43,508	8,005
Gross core loans and advances to customers that are past due but not impaired	147,216	177,934
Gross core loans and advances to customers that are impaired	405,227	476,099
Gross core loans and advances to customers	8,415,568	8,443,303
Total income statement charge for core loans and advances	(83,231)	(94,751)
Gross default loans and advances to customers	456,977	502,722
Portfolio impairments	(16,437)	(6,696)
Specific impairments	(176,866)	(186,493)
Defaults net of impairments	263,674	309,533
Collateral and other credit enhancements	297,114	356,321
Net default loans and advances to customers (limited to zero)	-	-
Ratios:		
Total impairments as a % of gross core loans and advances to customers	2.30%	2.29%
Total impairments as a % of gross default loans	42.30%	38.43%
Gross defaults as a % of gross core loans and advances to customers	5.43%	5.95%
Defaults (net of impairments) as a % of net core loans and advances to customers	3.21%	3.75%
Net defaults as a % of gross core loans and advances to customers	-	-
Credit loss ratio (i.e. income statement impairments charge as a % of average gross loans		
and advances	0.99%	1.16%



#### Investec plc silo (excluding the results of Investec Limited)

#### An analysis of our core loans and advances to customers and asset quality by geography

### Risk management

	UK and	Other	Aust	tralia	Tota	al
£'000	31 March 2014	31 March 2013	31 March 2014	31 March 2013	31 March 2014	31 March 2013
Gross core loans and advances to customers	6 674 403	6 220 630	1 741 165	2 222 673	8 415 568	8 443 303
Total impairments	(182 066)	(175 562)	(11 237)	(17 627)	(193 303)	(193 189
Portfolio impairments		(175 562) (5 000)		(17 627)	(193 303)	(193 189
	(15 045)		(1 392)	· · · ·		(
Specific impairments	(167 021)	(170 562)	(9 845)	(15 931)	(176 866)	(186 493
Net core loans and advances to customers	6 492 337	6 045 068	1 729 928	2 205 046	8 222 265	8 250 114
% of total	79.0%	73.3%	21.0%	26.7%	100.0%	100.0%
% change since 31 March 2013	7.4%		(21.5%)*		(1.0%)	
Average gross core loans and advances to customers	6 447 517	6 080 421	1 981 919	2 091 618	8 429 436	8 172 039
Current loans and advances to customers	6 127 664	5 641 905	1 691 953	2 139 360	7 819 617	7 781 265
Past due loans and advances to customers (1-60 days)	106 417	113 724	17 616	17 625	124 033	131 349
Special mention loans and advances to customers	14 011	26 972	930	995	14 941	27 967
Default loans and advances to customers	426 311	438 029	30 666	64 693	456 977	502 722
Gross core loans and advances to customers	6 674 403	6 220 630	1 741 165	2 222 673	8 415 568	8 443 303
Current loans and advances to customers	6 127 664	5 641 905	1 691 953	2 139 360	7 819 617	7 781 265
Default loans that are current and not impaired	43 508	8 005			43 508	8 005
Gross core loans and advances to customers that are past due but not	10 000	0 000			10 000	0.00
impaired	121 402	146 039	25 814	31 895	147 216	177 934
Gross core loans and advances to customers that are impaired	381 829	424 681	23 398	51 418	405 227	476 099
Gross core loans and advances to customers	6 674 403	6 220 630	1 741 165	2 222 673	8 415 568	8 443 303
Total income statement charge on core loans and advances	(61 112)	(76 902)	(22 119)	(17 849)	(83 231)	(94 751
Gross default loans and advances to customers	426 311	438 029	30 666	64 693	456 977	502 722
Specific impairments	(167 021)	(170 562)	(9 845)	(15 931)	(176 866)	(186 493
Portfolio impairments	(15 045)	(5 000)	(1 392)	(16 551) (1 696)	(16 437)	(100 435)
Defaults net of impairments	244 245	262 467	19 429	47 066	263 674	309 533
Collateral and other credit enhancements	262 862	306 490	34 252	49 831	203 074	356 32
Net default loans and advances to customers (limited to zero)	- 202 002	- 306 490	- 54 252	49 031	- 297 114	330 32
Total impairments as a % of gross core loans and advances to customers	2.73%	2.82%	0.65%	0.79%	2.30%	2.29%
Total impairments as a % of gross default loans	42.71%	40.08%	36.64%	27.25%	42.30%	38.43%
Gross defaults as a % of gross core loans and advances to customers Defaults (net of impairments) as a % of net core loans and advances to customers	6.39%	7.04%	1.76%	2.91%	5.43%	5.95%
Net defaults as a % of gross core loans and advances to customers	3.76% -	4.34% -	1.12%	2.13%	3.21%	3.75%
Credit loss ratio (i.e. income statement impairment charge as a % of average gross core loans and advances)	0.95%	1.26%	1.12%	0.85%	0.99%	1.16%

\* Impacted by the depreciation of the Australian Dollar against the Pound Sterling.Neutral currency Australian book declined by 3.2%



# Investec plc silo (excluding the results of Investec Limited) Capital structure and capital adequacy Unaudited

£'million	31 March 2014*	31 March 2013**
Fier 1 capital Shareholders' equity	1,840	1,842
Shareholders' equity per balance sheet	2,089	2,060
Perpetual preference share capital and share premium	(150)	(150
Deconsolidation of special purpose entities <b>Non-controlling interests</b>	(99)	(68
Non-controlling interests per balance sheet	177	(5
Non-controlling interests transferred to tier 1	(165)	(169
Non-controlling interests in deconsolidated subsidiaries	-	(*
Surplus non-controlling interest disallowed in CET1 Regulatory adjustments to the accounting basis	(8)	(31
Unrealised losses on available-for-sale debt securities	-	(0
Defined benefit pension fund adjustment	(20)	(22
Unrealised gains on available-for-sale equities	(7) (12)	(1
Additional value adjustments Cash flow hedging reserve	(12)	(10
Deductions	(608)	(60)
Goodwill and intangible assets net of deferred tax	(558)	(59
Deferred tax assets that rely on future profitability excluding those arising from temporary differences	(38)	
Securitisation positions	(30)	(.
Connected funding of a capital nature	(8)	
Common equity tier 1 capital/core tier 1 capital	1,204	1,20
Additional tier 1 capital	234	29
Additional tier 1 instruments	295	29
Phase out of non-qualifying additional tier 1 instruments	(61)	
Deductions	-	(-
Unconsolidated investments	- 4 429	(-
otal tier 1 capital	1,438	1,50
ier 2 capital	662	84
Unrealised gains on available-for-sale equities Collective impairment allowances		12
Tier 2 instruments	686	71
Non-qualifying surplus capital attributable to non-controlling interests	(24)	
Deductions	-	(
Unconsolidated investments	-	(
Securitisation positions otal tier 2 capital	- 662	(
	002	00
otal capital deductions	-	(5
Investments that are not material holdings or qualifying holdings	-	(5
Connected lending of a capital nature otal regulatory capital	- 2,100	(2,27
	2,100	2,21
Risk-weighted assets	13,711	13,70
Capital ratios		
Common equity tier 1 ratio	8.8%	8.8
Tier 1 ratio	10.5%	11.0' 16.7'
		10.7
Total capital ratio	15.3%	
Capital requirements	15.3% <b>1,097</b>	1,09
Capital requirements Tredit risk - prescribed standardised exposure classes	<b>1,097</b> 830	84
Capital requirements credit risk - prescribed standardised exposure classes Corporates	<b>1,097</b> 830 298	84 27
capital requirements bredit risk - prescribed standardised exposure classes Corporates Secured on real estate property	<b>1,097</b> 830 298 161	84 27 23
Capital requirements Credit risk - prescribed standardised exposure classes Corporates	<b>1,097</b> 830 298	
tapital requirements redit risk - prescribed standardised exposure classes Corporates Secured on real estate property Retail Institutions Other exposure classes	<b>1,097</b> 830 298 161 102 41 218	84 27 23 10 3 18
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\* The 2014 capital calculation is based on Basel III capital requirements currently applicable in the UK, whilst comparative information is disclosed on a Basel II basis. The capital adequacy disclosures follow Investec's normal basis of presentation and this does not include the deduction of foreseeable dividends when calculating CET1 as now required under the Capital Requirements Regulation and European Banking Authority technical standards. The impact of the final proposed ordinary and preference dividends totalling £61 million on the group's CET1 ratio would be around 50bps.
\*\* Restated to reflect the implementation of IFRS 10 and the reclassification of short-term claims on insitutions and corporates.

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# The full set of annual financial statements will be available on 30 June 2014



