INVESTEC BANK LIMITED 2019

Preliminary condensed consolidated financial results for the year ended 31 March 2019

Investec

Condensed consolidated income statement

For the year to 31 March R'million	Reviewed 2019	Audited 2018
Interest income	33 611	31 687
Interest expense	(25 324)	(24 125)
Net interest income	**8 287**	**7 562**
Fee and commission income	2 662	2 458
Fee and commission expense	(401)	(213)
Investment income	360	530
Share of post taxation profit of associates	1 163	777
Trading income/(loss) arising from		
– customer flow	369	356
– balance sheet management and other trading liabilities	210	(26)
Other operating income	–	2
Total operating income before expected credit losses/impairment losses	**12 650**	**11 446**
Expected credit loss impairment charges*	(722)	–
Impairment losses on loans and advances*	–	(720)
Operating income	**11 928**	**10 726**
Operating costs	(6 547)	(6 100)
Operating profit before goodwill and acquired intangibles	**5 381**	**4 626**
Impairment of goodwill	(3)	–
Amortisation of acquired intangibles	(51)	(51)
Operating profit	**5 327**	**4 575**
Financial impact of acquisition of subsidiary	10	(100)
Profit before taxation	**5 337**	**4 475**
Taxation on operating profit before acquired intangibles	(391)	184
Taxation on acquired intangibles	14	14
Profit after taxation	**4 960**	**4 673**
Loss attributable to other non-controlling interests	3	–
Earnings attributable to shareholders	**4 963**	**4 673**

* *On adoption on IFRS 9, there is a move from an incurred loss model to an expected credit loss methodology.*

Calculation of headline earnings

For the year to 31 March R'million	Reviewed 2019	Audited 2018
Earnings attributable to shareholders	4 963	4 673
Dividend paid to perpetual preference shareholders and Additional Tier 1 security holders	(172)	(133)
Earnings attributable to ordinary shareholders	**4 791**	**4 540**
Headline adjustments, net of taxation^	(7)	(94)
Gain on realisation of available-for-sale assets recycled to the income statement	–	(94)
Impairment of goodwill	3	–
Financial impact of acquisition of subsidiary	(10)	–
Headline earnings attributable to ordinary shareholders	**4 784**	**4 446**

^ *These amounts are net of taxation of Rnil (2018: R36.6 million) with no impact on non-controlling interests in the current and prior year.*

Consolidated statement of total comprehensive income

For the year to 31 March R'million	Reviewed 2019	Audited 2018
Profit after taxation	4 960	4 673
Other comprehensive income:		
Items that may be reclassified to the income statement		
Fair value movements on cash flow hedges taken directly to other comprehensive income*	63	(99)
Fair value movements on available-for-sale assets taken directly to other comprehensive income^*	–	494
Gain on realisation of available-for-sale assets recycled through the income statement^*	–	(94)
Fair value movements on debt instruments at FVOCI taken directly to other comprehensive income^*	(119)	–
Gain on realisation of FVOCI recycled through the income statement^*	(89)	–
Foreign currency adjustments on translating foreign operations	903	(637)
Items that will never be reclassified to the income statement		
Fair value movements on equity instruments at FVOCI taken directly to other comprehensive income	(461)	–
Net gain attributable to own credit risk	2	–
Total comprehensive income	**5 259**	**4 337**
Total comprehensive income attributable to ordinary shareholders	5 090	4 204
Total comprehensive loss attributable to non-controlling interests	(3)	–
Total comprehensive income attributable to perpetual preference shareholders and other Additional Tier 1 security holders	172	133
Total comprehensive income	**5 259**	**4 337**

^ *On adoption of IFRS 9 on 1 April 2018, the fair value reserve was introduced replacing the available-for-sale reserve.*
* *These amounts are net of taxation of R472.1 million [2018: (R266.1 million)].*

Condensed consolidated statement of changes in equity

Year to 31 March R'million	Reviewed 2019	Audited 2018
Balance at the beginning of the year	**38 415**	**35 165**
Adoption of IFRS 9	(894)	–
Total comprehensive income	5 259	4 337
Dividends paid to ordinary shareholders	(850)	(1 304)
Dividends declared to perpetual preference shareholders and other Additional Tier 1 security holders	(172)	(133)
Issue of other Additional Tier 1 securities in issue	110	350
Acquisition of subsidiary	(1)	–
Net equity movements of interest in associated undertaking	(109)	–
Other equity movements	2	–
Balance at the end of the year	**41 760**	**38 415**

Condensed consolidated cash flow statement

For the year to 31 March R'million	Reviewed 2019	Audited 2018
Cash inflow from operations	4 197	4 185
Increase in operating assets	(23 511)	(21 277)
Increase in operating liabilities	26 729	15 244
Net cash inflow/(outflow) from operating activities	7 415	(1 848)
Net cash outflow from investing activities	(2 589)	(267)
Net cash outflow from financing activities	(1 273)	(1 019)
Effects of exchange rate changes on cash and cash equivalents	1 175	(864)
Net increase/(decrease) in cash and cash equivalents	4 728	(3 998)
Cash and cash equivalents at the beginning of the year	26 026	30 024
Cash and cash equivalents at the end of the year	**30 754**	**26 026**

Cash and cash equivalents is defined as including: cash and balances at central banks, on demand loans and advances to banks and non-sovereign and non-bank cash placements (all of which have a maturity profile of less than three months).

For the year to 31 March R'million	Reviewed 2019	Audited 2018
Net cash (outflow)/inflow of subordinated liabilities	(361)	68
Dividends paid	(1 022)	(1 437)
Issue of other Additional Tier 1 securities	110	350
Net cash outflow from financing activities	**(1 273)**	**(1 019)**

Consolidated balance sheet

At R'million	Reviewed 31 March 2019	Audited 1 April 2018*	Audited 31 March 2018*
Assets			
Cash and balances at central banks	10 290	9 180	9 187
Loans and advances to banks	19 903	17 263	17 265
Non-sovereign and non-bank cash placements	12 192	9 972	9 993
Reverse repurchase agreements and cash collateral on securities borrowed	18 552	20 480	20 480
Sovereign debt securities	60 893	62 363	62 403
Bank debt securities	12 526	8 033	8 051
Other debt securities	13 553	10 357	10 342
Derivative financial instruments	7 700	12 564	12 586
Securities arising from trading activities	5 059	875	875
Investment portfolio	7 664	9 124	7 943
Loans and advances to customers	261 737	245 162	247 474
Own originated loans and advances to customers securitised	7 667	6 826	6 830
Other loans and advances	329	265	265
Other securitised assets	232	241	241
Interests in associated undertakings	6 251	6 288	6 288
Deferred taxation assets	1 514	933	586
Other assets	8 237	6 673	6 686
Property and equipment	2 563	2 494	2 494
Investment properties	1	1	1
Goodwill	171	171	171
Intangible assets	418	412	412
Loans to group companies	18 151	13 499	13 499
	475 603	**443 176**	**444 072**
Liabilities			
Deposits by banks	30 041	24 607	24 607
Derivative financial instruments	11 097	15 907	15 907
Other trading liabilities	4 468	2 305	2 305
Repurchase agreements and cash collateral on securities lent	15 234	8 395	8 395
Customer accounts (deposits)	341 710	321 861	321 893
Debt securities in issue	6 512	3 473	3 473
Liabilities arising on securitisation of own originated loans and advances	1 720	1 551	1 551
Current taxation liabilities	542	202	202
Deferred taxation liabilities	78	99	99
Other liabilities	6 263	6 874	6 844
Loans from group companies	2 260	7 007	7 007
	419 925	**392 281**	**392 283**
Subordinated liabilities	13 918	13 374	13 374
	433 843	**405 655**	**405 657**
Equity			
Ordinary share capital	32	32	32
Share premium	14 885	14 885	14 885
Other reserves	1 790	1 353	1 293
Retained income	24 597	20 901	21 855
Shareholders' equity excluding non-controlling interests	**41 304**	**37 171**	**38 065**
Other Additional Tier 1 securities in issue	460	350	350
Non-controlling interests	(4)	–	–
Total equity	**41 760**	**37 521**	**38 415**
Total liabilities and equity	**475 603**	**443 176**	**444 072**

* *The 1 April 2018 balance sheet has been presented on an IFRS 9 basis and the comparative as at 31 March 2018 on an IAS 39 basis.*

Liquidity coverage ratio disclosure

The objective of the liquidity coverage ratio (LCR) is to promote the short-term resilience of the liquidity risk profile of banks by ensuring that they have sufficient high quality liquid assets to survive a significant stress scenario lasting 30 calendar days.

In accordance with the provisions of section 6(6) of the South African Banks Act 1990 (Act No. 94 of 1990), banks are directed to comply with the relevant LCR disclosure requirements. This disclosure Template LIQ1 is in accordance with Pillar 3 of the Basel III liquidity accord, as specified by BCBS d400 (2017) and Directive 01/2018.

The following table sets out the LCR for the group and bank:

	Investec Bank Limited Solo – Total weighted value	Investec Bank Limited Consolidated Group – Total weighted value
High quality liquid assets (HQLA) (R'million)	81 086	82 331
Net cash outflows (R'million)	59 881	57 018
Actual LCR (%)	**135.6**	**144.6**
Required LCR (%)	100.0	100.0

The values in the table are calculated as the simple average of 90 calendar daily values over the period 1 January 2019 to 31 March 2019 for Investec Bank Limited (IBL) bank solo. Investec Bank Limited consolidated group use daily values for IBL bank solo, while those for other group entities use the average of January, February, March 2019 month-end values.

Net stable funding ratio disclosure

The objective of the net stable funding ratio (NSFR) is to promote the resilience in the banking sector by requiring banks to maintain a stable funding profile in relation to the composition of their assets and off-balance sheet activities on an ongoing structural basis.

In accordance with the provisions of section 6(6) of the South African Banks Act 1990 (Act No. 94 of 1990), banks are directed to comply with the relevant NSFR disclosure requirements. This disclosure Template LIQ2 is in accordance with Pillar 3 of the Basel III liquidity accord, as specified by Directive 11/2015 and Directive 01/2018.

The following table sets out the NSFR for the group and bank:

	Investec Bank Limited Solo – Total weighted value	Investec Bank Limited Consolidated Group – Total weighted value
Available stable funding (ASF) (R'million)	303 165	315 194
Required stable funding (RSF) (R'million)	262 357	269 824
Actual NSFR (%)	**115.6**	**116.8**
Required NSFR (%)	100.0	100.0

Commentary

These reviewed year-end condensed consolidated financial results are published to provide information to holders of Investec Bank Limited's listed non-redeemable, non-cumulative, non-participating preference shares.

Overview of results

Investec Bank Limited, a subsidiary of Investec Limited, posted an increase in headline earnings attributable to ordinary shareholders of 7.6% to R4 784 million (2018: R4 446 million).

The balance sheet remains sound with a capital adequacy ratio of 15.8% (1 April 2018: 15.4%), a common equity tier one ratio of 11.2% (1 April 2018: 10.7%) and a leverage ratio of 7.7% (1 April 2018: 7.6%). Investec Bank Limited has received regulatory permission to adopt the Foundation Internal Ratings Based (FIRB) approach, effective 1 April 2019, resulting in a *pro-forma* CET1 ratio of 12.5% had the FIRB approach been applied as of 31 March 2019.

For full information on the Investec Group results, refer to the combined results of Investec plc and Investec Limited on the group's website http://www.investec.com.

Financial Review

Unless the context indicates otherwise, all comparatives referred to in the financial review relate to the year ended 31 March 2018.

Salient operational features for the year under review include:

Total operating income before expected credit loss impairment charges increased by 10.5% to R12 650 million (2018: R11 446 million). The components of operating income are analysed further below:

- Net interest income increased 9.6% to R8 287 million (2018: R7 562 million) supported by higher net margins and continued lending activity from our private client base
- Net fee and commission income increased 0.7% to R2 261 million (2018: R2 245 million). Good growth and activity levels from our private client base and Investec For Business was offset by lower investment banking and corporate client activity levels
- Investment income decreased 32.1% to R360 million (2018: R530 million) impacted by a weaker performance from the listed and unlisted investment portfolio
- Share of post taxation profit of associates of R1 163 million (2018: R777 million) reflects earnings in relation to the bank's investment in the IEP Group. The increase is largely driven by a realisation within the IEP Group
- Total trading income increased significantly amounting to R579 million (2018: R330 million), primarily reflecting translation gains on foreign currency equity investments (partially offsetting the related weaker investment income performance).

Expected credit loss (ECL) impairment charges increased marginally by 0.3% to R722 million (2018: R720 million under the IAS 39 incurred loss model), however, the credit loss ratio reduced to 0.27% (2018: 0.28%), remaining at the lower end of its long term average trend. Stage 3 assets (net of ECL impairment charges) as a percentage of net core loans subject to ECL remained 0.7% (1 April 2018: 0.7%).

The cost to income ratio improved to 51.7% (2018: 53.5%). Operating costs increased 7.3% to R6 547 million (2018: R6 100 million) impacted by the prior-year rental provision release.

As a result of the foregoing factors operating profit (before amortisation of acquired intangibles and impairment of goodwill) increased by 16.3% to R5 381 (2018: R4 626 million). The increase in profit before tax was partially offset by a higher tax charge resulting in overall profit after taxation increasing by 6.1% to R4 960 million (2018: R4 673 million).

Basis of preparation

The condensed consolidated financial statements are prepared in accordance with the requirements of the JSE Limited Listings Requirements for preliminary reports and the requirements of the Companies Act of South Africa. The Listings Requirements require preliminary reports to be prepared in accordance with the framework concepts and the measurement and recognition requirements of International Financial Reporting Standards (IFRS) and the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by Financial Reporting Standards Council and to also, as a minimum, contain the information required by IAS 34 Interim Financial Reporting.

The accounting policies applied in the preparation of the condensed consolidated financial statements are in terms of IFRS and are consistent with those applied in the previous consolidated annual financial statements except as noted below.

The group has adopted the following new standards and amendments to standards, including any consequential amendments to other standards: IFRS 9 Financial Instruments and IFRS 15 Revenue from contracts with customers.

The financial results have been prepared under the supervision of Nishlan Samujh, the group Finance Director. The annual financial statements for the year ended 31 March 2019 will be posted to stakeholders on 28 June 2019. These annual financial statements will be available on the group's website on the same date.

On behalf of the Board of Investec Bank Limited

Khumo Shuenyane
Chairman

Richard Wainwright
Chief Executive Officer

15 May 2019

Review conclusion

The condensed consolidated financial statements for the year ended 31 March 2019 have been reviewed by KPMG Inc. and Ernst & Young Inc., who expressed an unmodified review conclusion. A copy of the auditors' review report is available for inspection at the company's registered office together with the financial statements identified in the auditors' report.

The auditors' report does not necessarily report on all of the information contained in these financial results. Shareholders are therefore advised that in order to obtain a full understanding of the nature of the auditors' engagement, they should obtain a copy of the auditors' report together with the accompanying financial information from the issuer's registered office.

Net fee and commission income

For the year to 31 March R'million	2019	2018
Corporate and institutional transactional and advisory services	1 542	1 656
Private client transactional fees	1 120	802
Fee and commission income	2 662	2 458
Fee and commission expense	(401)	(213)
Net fee and commission income	**2 261**	**2 245**
Annuity fees (net of fees payable)	1 616	1 616
Deal fees	645	629

All revenue generated from fee and commission income arises from contracts with customers.

Analysis of financial assets and liabilities by measurement category

At 31 March 2019 R'million	Total instruments at fair value	Financial instruments at amortised cost	Non-financial instruments or scoped out of IFRS 9	Total
Assets				
Cash and balances at central banks	–	10 290	–	10 290
Loans and advances to banks	–	19 903	–	19 903
Non-sovereign and non-bank cash placements	610	11 582	–	12 192
Reverse repurchase agreements and cash collateral on securities borrowed	9 870	8 682	–	18 552
Sovereign debt securities	55 604	5 289	–	60 893
Bank debt securities	5 527	6 999	–	12 526
Other debt securities	8 656	4 897	–	13 553
Derivative financial instruments	7 700	–	–	7 700
Securities arising from trading activities	5 059	–	–	5 059
Investment portfolio	7 664	–	–	7 664
Loans and advances to customers	16 008	245 729	–	261 737
Own originated loans and advances to customers securitised	–	7 667	–	7 667
Other loans and advances	–	329	–	329
Other securitised assets	–	232	–	232
Interests in associated undertakings	–	–	6 251	6 251
Deferred taxation assets	–	–	1 514	1 514
Other assets	440	4 326	3 471	8 237
Property and equipment	–	–	2 563	2 563
Investment properties	–	–	1	1
Goodwill	–	–	171	171
Intangible assets	–	–	418	418
Loans to group companies	115	18 036	–	18 151
	117 253	**343 961**	**14 389**	**475 603**
Liabilities				
Deposits by banks	–	30 041	–	30 041
Derivative financial instruments	11 097	–	–	11 097
Other trading liabilities	4 468	–	–	4 468
Repurchase agreements and cash collateral on securities lent	7 742	7 492	–	15 234
Customer accounts (deposits)	44 606	297 104	–	341 710
Debt securities in issue	2 856	3 656	–	6 512
Liabilities arising on securitisation of own originated loans and advances	–	1 720	–	1 720
Current taxation liabilities	–	–	542	542
Deferred taxation liabilities	–	–	78	78
Other liabilities	828	2 193	3 242	6 263
Loans from group companies	–	2 260	–	2 260
	71 597	**344 466**	**3 862**	**419 925**
Subordinated liabilities	–	13 918	–	13 918
	71 597	**358 384**	**3 862**	**433 843**

Financial instruments carried at fair value

The table below analyses recurring fair value measurements for financial assets and financial liabilities. These fair value measurements are categorised into different levels in the fair value hierarchy based on the inputs to the valuation technique used.

The different levels are identified as follows:

Level 1 – quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2 – inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

		Fair value category		
At 31 March 2019 R'million	**Total instruments at fair value**	Level 1	Level 2	Level 3
Assets				
Non-sovereign and non-bank cash placements	610	–	610	–
Reverse repurchase agreements and cash collateral on securities borrowed	9 870	–	9 870	–
Sovereign debt securities	55 604	55 604	–	–
Bank debt securities	5 527	2 727	2 800	–
Other debt securities	8 656	4 186	4 470	–
Derivative financial instruments	7 700	–	7 700	–
Securities arising from trading activities	5 059	4 974	85	–
Investment portfolio	7 664	4 091	354	3 219
Loans and advances to customers	16 008	–	15 341	667
Other assets	440	440	–	–
Loans to group companies	115	–	115	–
	117 253	**72 022**	**41 345**	**3 886**
Liabilities				
Derivative financial instruments	11 097	–	11 097	–
Other trading liabilities	4 468	2 282	2 186	–
Repurchase agreements and cash collateral on securities lent	7 742	–	7 742	–
Customer accounts (deposits)	44 606	–	44 606	–
Debt securities in issue	2 856	–	2 856	–
Other liabilities	828	–	828	–
	71 597	**2 282**	**69 315**	**–**
Net financial assets/(liabilities) at fair value	**45 656**	**69 740**	**(27 970)**	**3 886**

Transfers between level 1 and level 2

There were no significant transfers between level 1 and level 2 in the current year.

Level 3 instruments

R'million	Investment portfolio	Loans and advances to customers	Other level 3 assets	**Total**
Balance at 31 March 2018	1 961	–	22	**1 983**
Adoption of IFRS 9	1 108	604	(22)	1 690
Balance at 1 April 2018	**3 069**	**604**	**–**	**3 673**
Total losses included in the income statement	(758)	–	–	(758)
Purchases	1 062	–	–	1 062
Sales	(370)	–	–	(370)
Settlements	(4)	–	–	(4)
Transfers into level 3	220	63	–	283
Balance at 31 March 2019	**3 219**	**667**	**–**	**3 886**

During the year R282.9 million of level 2 instruments have been transferred into level 3 as a result of inputs to valuation models becoming unobservable in the market.

The group transfers between levels within the fair value hierarchy when the significance of the unobservable inputs change or if the valuation methods change.

The following table quantifies the gains or (losses) included in the income statement recognised on level 3 financial instruments:

For the year to 31 March 2019 R'million	**Total**	Realised	Unrealised
Total gains or (losses) included in the income statement for the year			
Investment income	(758)	49	(807)
	(758)	**49**	**(807)**

Sensitivity of fair values to reasonably possible alternative assumptions by level 3 instrument type

The fair value of financial instruments in level 3 are measured using valuation techniques that incorporate assumptions that are not evidenced by prices from observable market data. The following table shows the sensitivity of these fair values to reasonably possible alternative assumptions, determined at a transactional level:

At 31 March 2019	Level 3 balance sheet value R'million	Valuation method	Significant unobservable input changed	Range which unobservable input has been changed	Potential impact on the income statement: Favourable changes R'million	Potential impact on the income statement: Unfavourable changes R'million
Assets						
Investment portfolio	3 219				585	(578)
		Price earnings	EBITDA	*	272	(264)
		Discounted cash flow	Precious and industrial metals prices	(10%)/6%	41	(41)
		Discounted cash flow	Cash flows	(50%)/50%	167	(167)
		Other	Various	**	90	(82)
		Net asset value	Underlying asset value	^	15	(24)
Loans and advances to customers	667				308	(308)
		Discounted cash flow	Cash flows	(50%)/50%	302	(302)
		Price earnings	EBITDA	*	6	(6)
Total	**3 886**				**893**	**(886)**

* *The EBITDA and cash flows have been stressed on an investment-by-investment basis in order to obtain favourable and unfavourable valuations.*

** *The valuation sensitivity for the certain equity investments has been assessed by adjusting various inputs such as expected cash flows, discount rates and earnings multiples rather than a single input. It is deemed appropriate to reflect the outcome on a portfolio basis for the purposes of this analysis as the sensitivity of the investments cannot be determined through the adjustment of a single input.*

^ *Underlying asset values are calculated by reference to a tangible asset.*

In determining the value of level 3 financial instruments, the following are the principal inputs that can require judgement:

Price-earnings multiple

The price earnings ratio is an equity valuation multiple. It is a key driver in the valuation of unlisted investments.

EBITDA

The company's earnings before interest, taxes, depreciation and amortisation. This is the main input into a price earnings multiple valuation method.

Precious and industrial metals

The price of property and precious and industrial metals is a key driver of future cash flows on these investments.

Cash flows

Cash flows relate to the future cash flows which can be expected from the instrument and requires judgement

Underlying asset value

In instances where cash flows have links to referenced assets, the underlying asset value is used to determine the fair value.
The underlying asset valuation is derived using observable market prices sourced from broker quotes, specialist valuers or other reliable pricing sources.

Measurement of financial assets and liabilities at level 2

The table below sets out information about the valuation techniques used at the end of the reporting period in measuring financial instruments categorised as level 2 in the fair value hierarchy:

	Valuation basis/techniques	Main inputs
Assets		
Non-sovereign and non-bank cash placements	Discounted cash flow model	Yield curve
Reverse repurchase agreements and cash collateral on securities borrowed	Discounted cash flow model	Yield curve
Bank debt securities	Discounted cash flow model	Yield curve
Other debt securities	Discounted cash flow model	Yield curve
Derivative financial instruments	Discounted cash flow model	Yield curve
	Black-Scholes	Volatilities
Securities arising from trading activities	Discounted cash flow model	Yield curve
Investment portfolio	Adjusted quoted price	Liquidity adjustment
Loans and advances to customers	Discounted cash flow model	Yield curve
Loans to group companies	Discounted cash flow model	Yield curve
Liabilities		
Derivative financial instruments	Discounted cash flow model	Yield curve
	Black-Scholes	Volatilities
Other trading liabilities	Discounted cash flow model	Yield curve
Repurchase agreements and cash collateral on securities lent	Discounted cash flow model	Yield curve
Customer accounts (deposits)	Discounted cash flow model	Yield curve
Debt securities in issue	Discounted cash flow model	Yield curve
Other liabilities	Discounted cash flow model	Yield curve

Fair value of financial assets and liabilities at amortised cost

The following table sets out the fair value of financial instruments held at amortised cost where the carrying value is not a reasonable approximation of fair value:

At 31 March 2019 **R'million**	**Carrying amount**	Fair value
Assets		
Reverse repurchase agreements and cash collateral on securities borrowed	8 682	8 684
Sovereign debt securities	5 289	5 097
Bank debt securities	6 999	6 992
Other debt securities	4 897	4 871
Loans and advances to customers	245 729	245 739
Liabilities		
Deposits by banks	30 041	30 544
Repurchase agreements and cash collateral on securities lent	7 492	7 447
Customer accounts (deposits)	297 104	297 692
Debt securities in issue	3 656	3 677
Subordinated liabilities	13 918	15 496

Investec Bank Limited
Incorporated in the Republic of South Africa
Registration number: 1969/004763/06
Share code: INLP
ISIN: ZAE000048393

Preference share dividend announcement

Non-redeemable non-cumulative non-participating preference shares ("preference shares")

Declaration of dividend number 32

Notice is hereby given that preference dividend number 32 has been declared by the Board from income reserves for the period 01 October 2018 to 31 March 2019 amounting to a gross preference dividend of 422.87121 cents per preference 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, 07 June 2019.

The relevant dates for the payment of dividend number 32 are as follows:

Last day to trade cum-dividend	Tuesday, 04 June 2019
Shares commence trading *ex*-dividend	Wednesday, 05 June 2019
Record date	Friday, 07 June 2019
Payment date	Tuesday, 18 June 2019

Share certificates may not be dematerialised or rematerialised between Wednesday, 05 June 2019 and Friday, 07 June 2019, both dates inclusive.

Additional information to take note of:

- Investec Bank Limited tax reference number: 9675/053/71/5
- The issued preference share capital of Investec Bank Limited is 15 447 630 preference shares
- The dividend paid by Investec Bank Limited is subject to South African Dividend Tax (Dividend Tax) of 20% (subject to any available exemptions as legislated)
- The net dividend amounts to 338.29697 cents per preference share for shareholders liable to pay the Dividend Tax and 422.87121 cents per preference share for preference shareholders exempt from paying the Dividend Tax.

By order of the board

N van Wyk
Company Secretary

15 May 2019

Investec Bank Limited
(Registration number 1969/004763/06)
Share code: INLP ISIN: ZAE000048393

Registered office
100 Grayston Drive
Sandown, Sandton, 2196

Transfer secretaries
Computershare Investor Services (Pty) Ltd
Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196

Company Secretary
N van Wyk

Sponsor:
Investec Bank Limited

Directors
KL Shuenyane (Chairman)
DM Lawrence (Deputy Chairman)
RJ Wainwright^ (Chief Executive Officer)
SC Spencer (Finance Director)^
ZBM Bassa, D Friedland, PA Hourquebie
PRS Thomas, F Titi^

^Executive
B Tapnack resigned effective 15 May 2018
KL Shuenyane was appointed as chairman on 15 May 2018
F Titi was appointed as an executive director on 15 May 2018 (previously non-executive chairman)
SE Abrahams retired effective 8 August 2018
GR Burger retired effective 12 December 2018
PA Hourquebie was appointed as an non-executive director on 12 December 2018
S Koseff resigned effective 30 January 2019
B Kantor resigned effective 30 January 2019
NA Samujh resigned effective 14 May 2019
SC Spencer was appointed on 14 May 2019