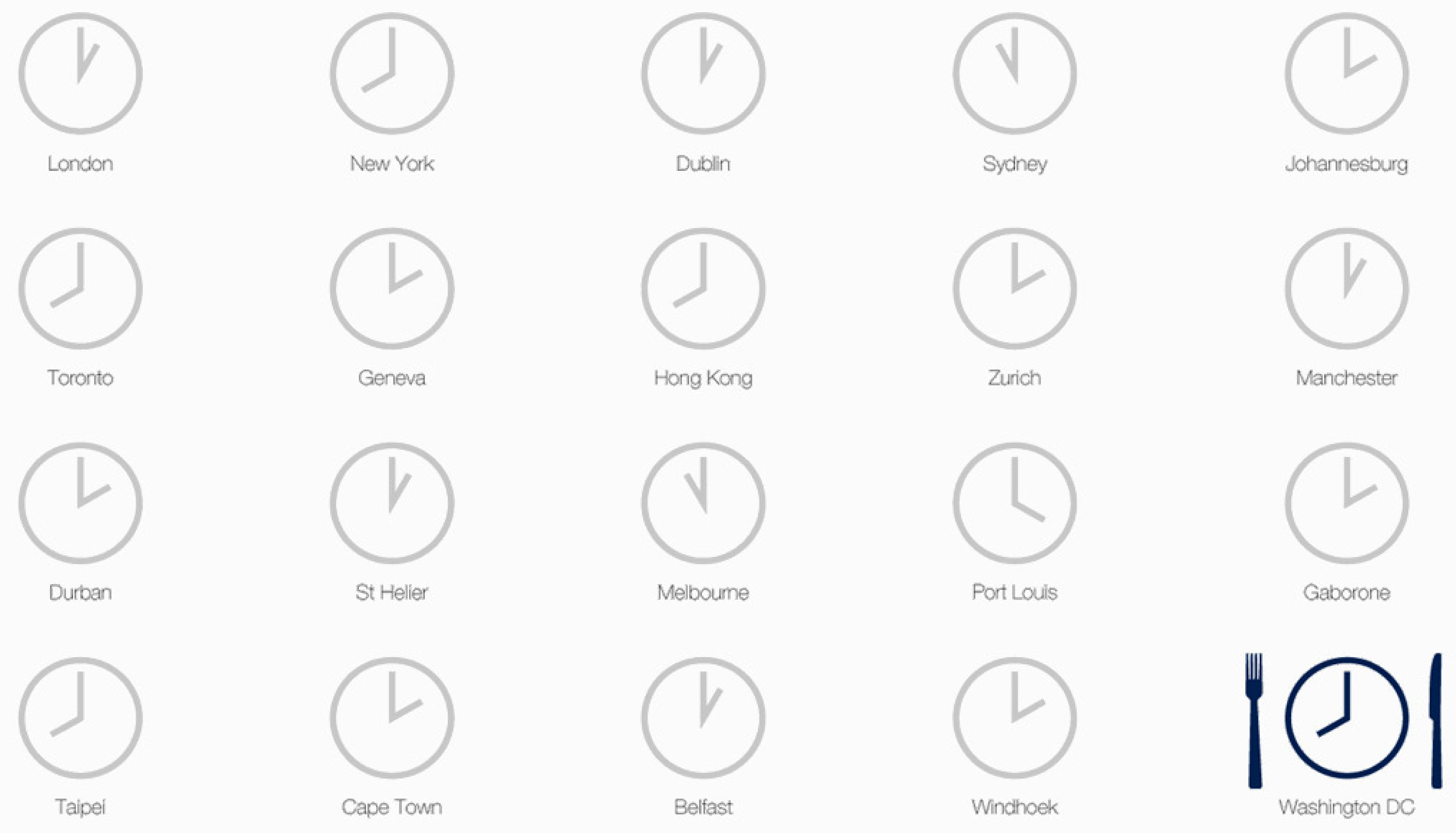


Out of the Ordinary™

Investec

Specialist Bank and
Asset Manager

Stephen Koseff, CEO of Investec group

IMF 2010

Overview of Investec

Mission statement

We strive to be a

distinctive specialist bank and asset manager

driven by commitment to
our core philosophies and values

Strategic positioning

- Specialised and focused
- Target client base
  - High income and High Net Worth Individuals
  - Entrepreneurial and Large Corporates
  - Government and Parastatals
- Strong entrepreneurial culture
- Balance risk and reward
- Sustainable business

Business model

Capital light and fiduciary

Capital intensive and proprietary

Asset Management

Specialist Banking

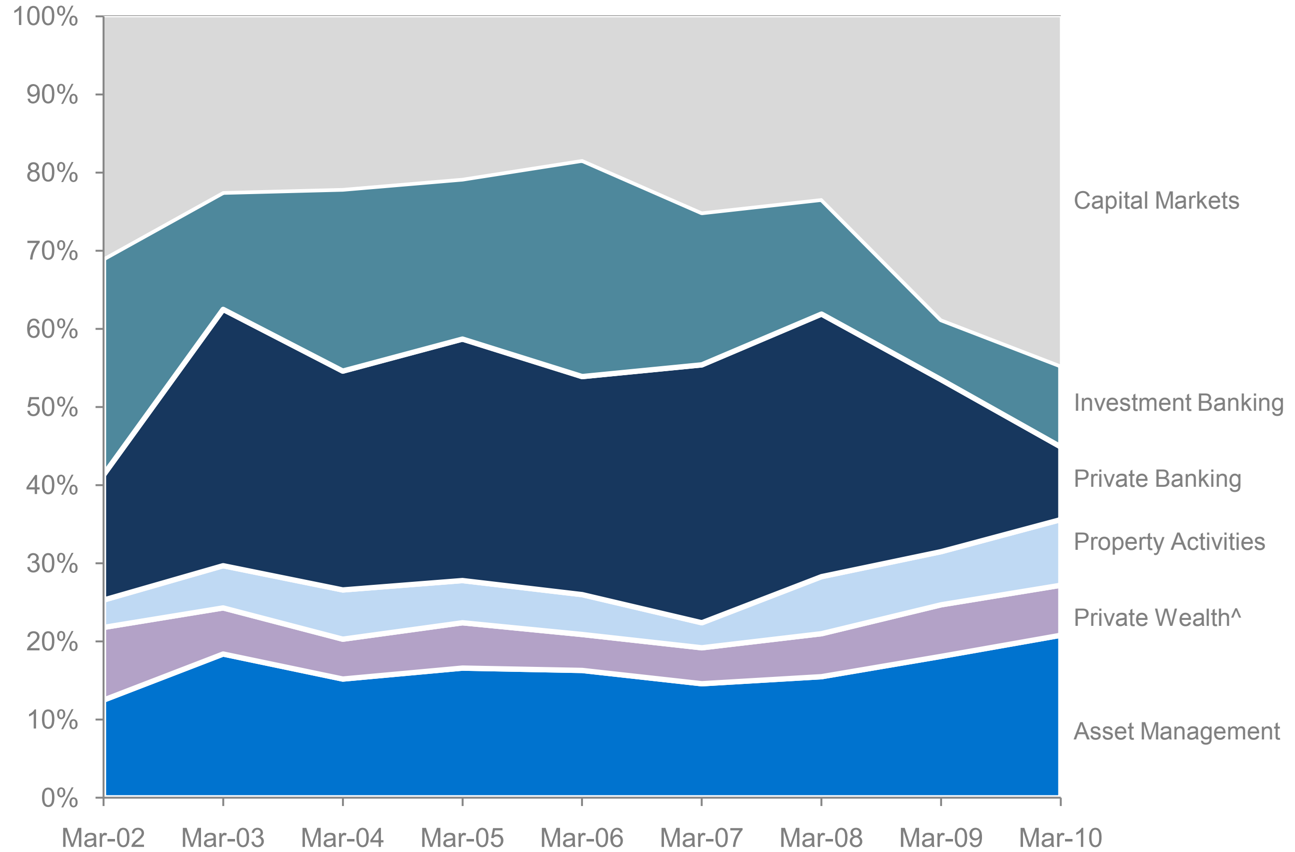
- **Asset Management**
- **Wealth Management**
- **Specialist funds**
- **Advisory**
- **Transactional banking**
- **Principal transactions**
- **Market making**
- **Structured transactions**
- **Lending**

- Build third party funds under management
- Clear differentiation of markets and products

- Grow loan portfolio
- Increase customer deposits
- Price risk appropriately

Balanced portfolio of businesses

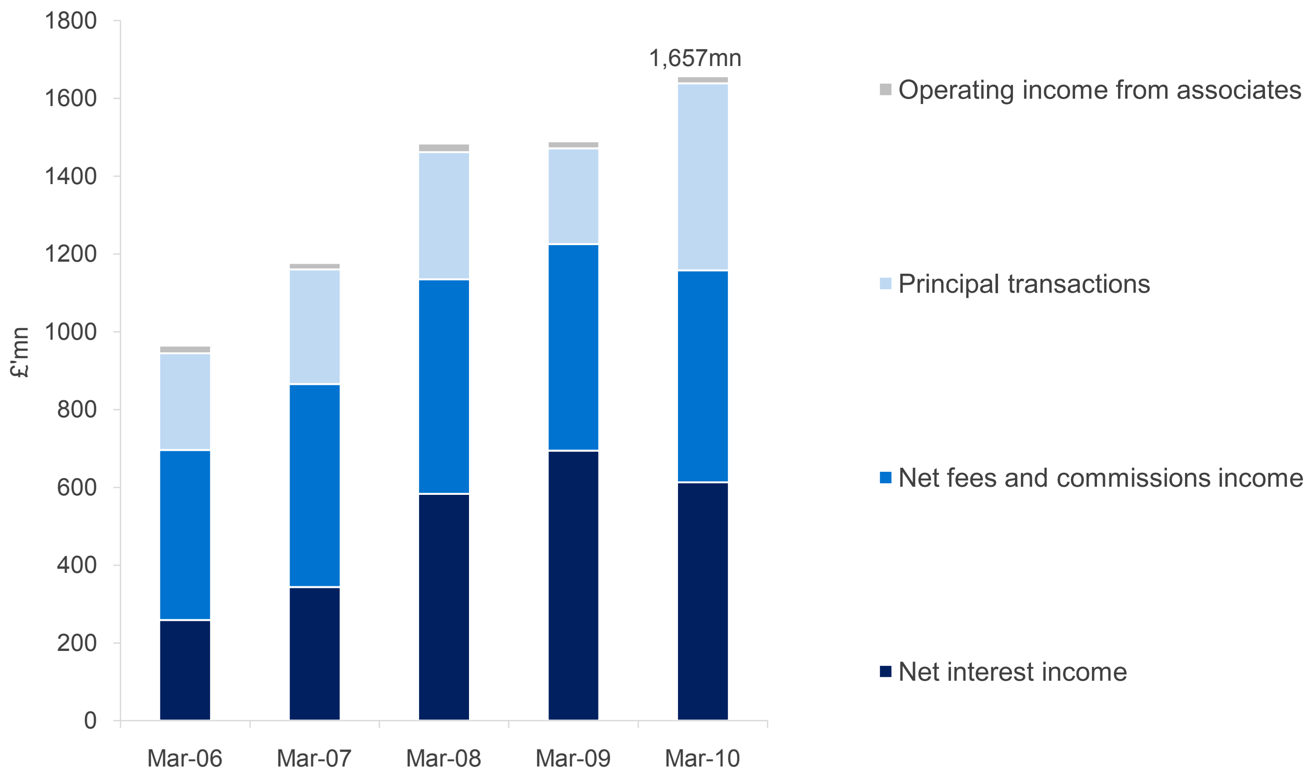
% contribution to operating profit* (excluding Group Services and Other Activities)



**Before goodwill, non-operating items, taxation and after minorities*
Prior to 2005 the numbers are reported in terms of UK GAAP and thereafter in terms of IFRS
^Formerly Private Client Portfolio Management and Stockbroking

Mix of revenue

Total operating income*

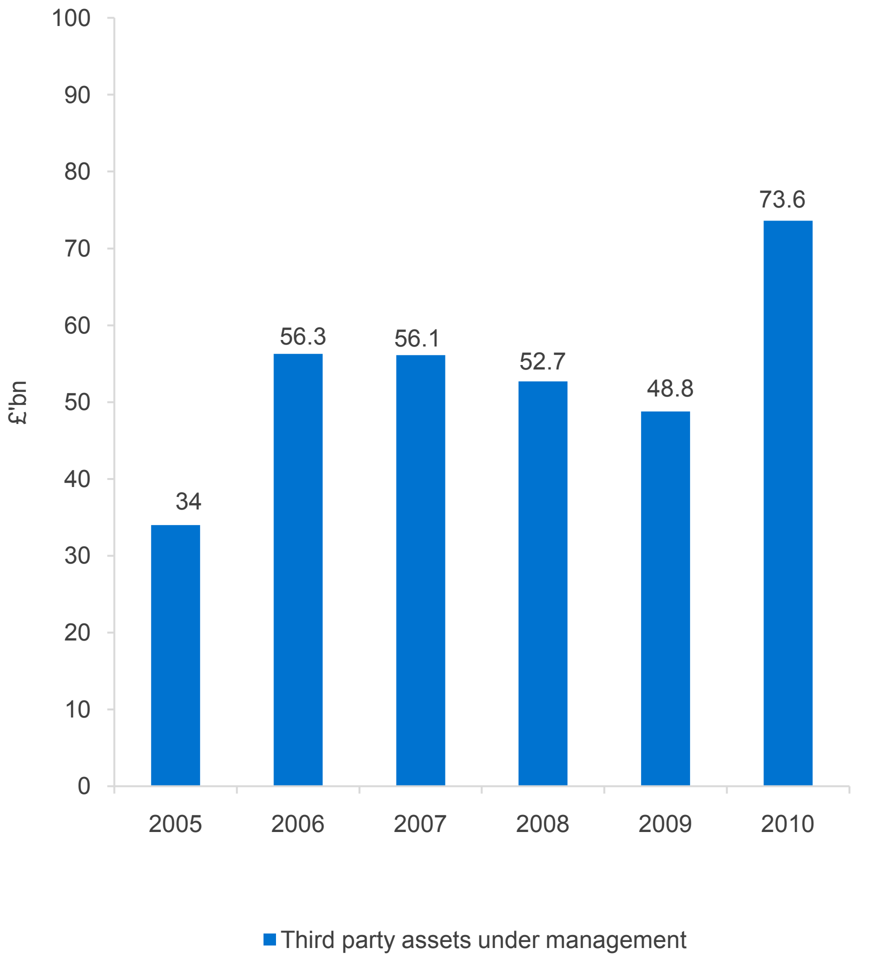


Mar-06	Mar-07	Mar-08	Mar-09	Mar-10	
57%	59%	65%	70%	60%	Recurring income as a % of total income

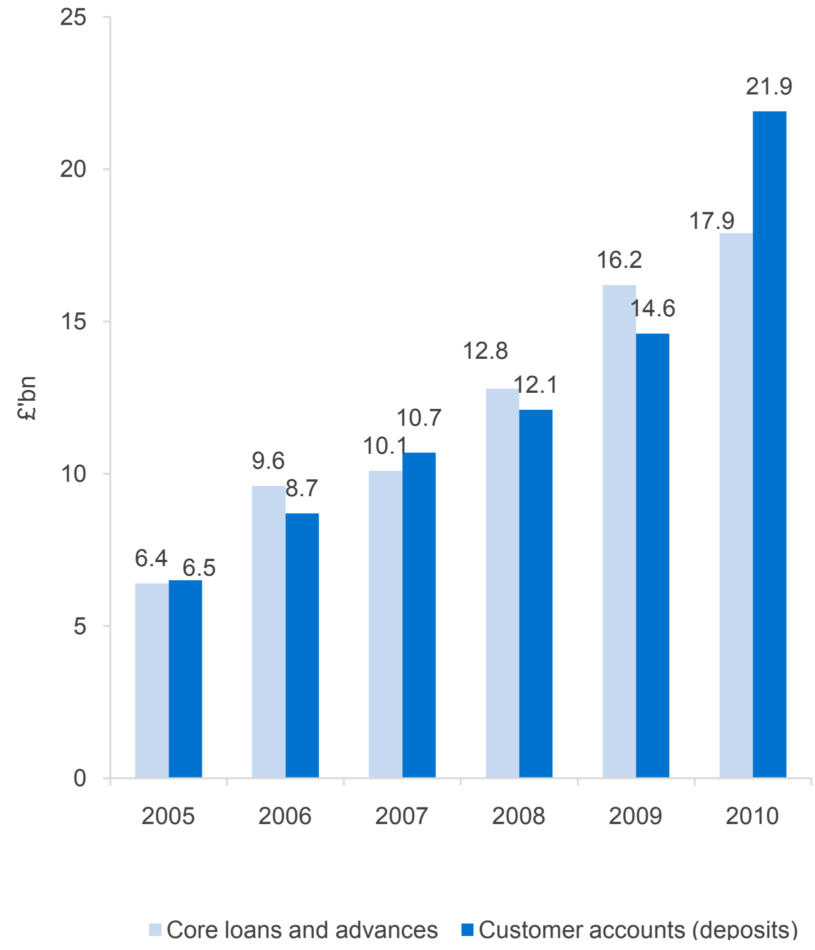
**Net of insurance claims*

Core earnings drivers

Third party assets under management

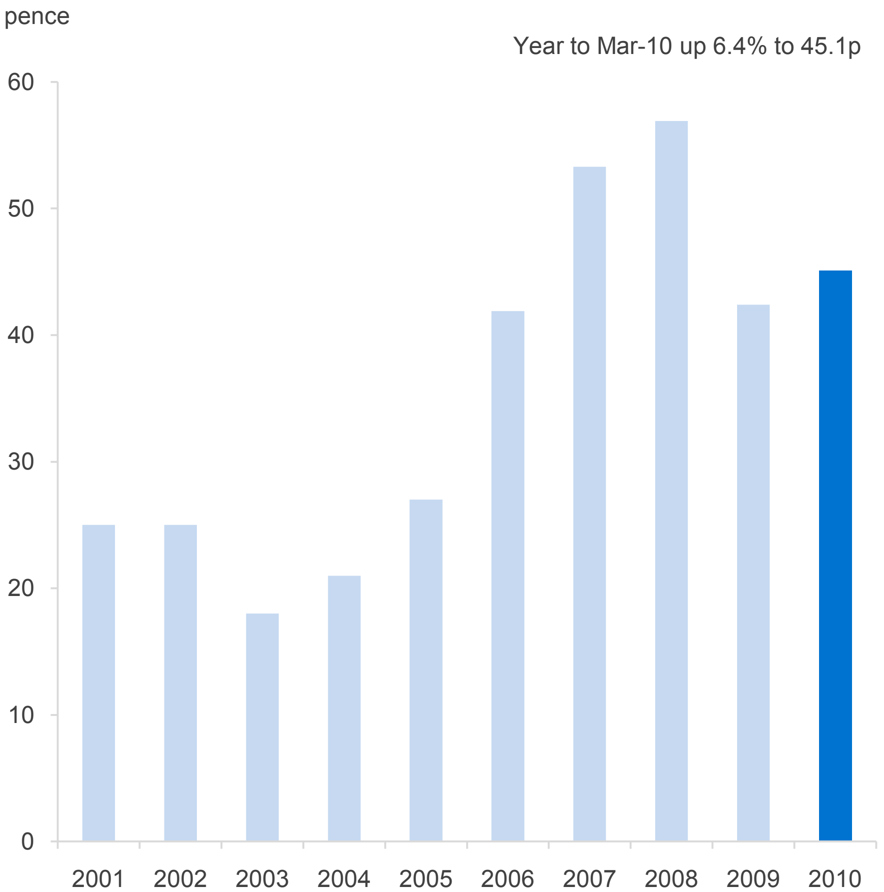


Customer accounts (deposits)

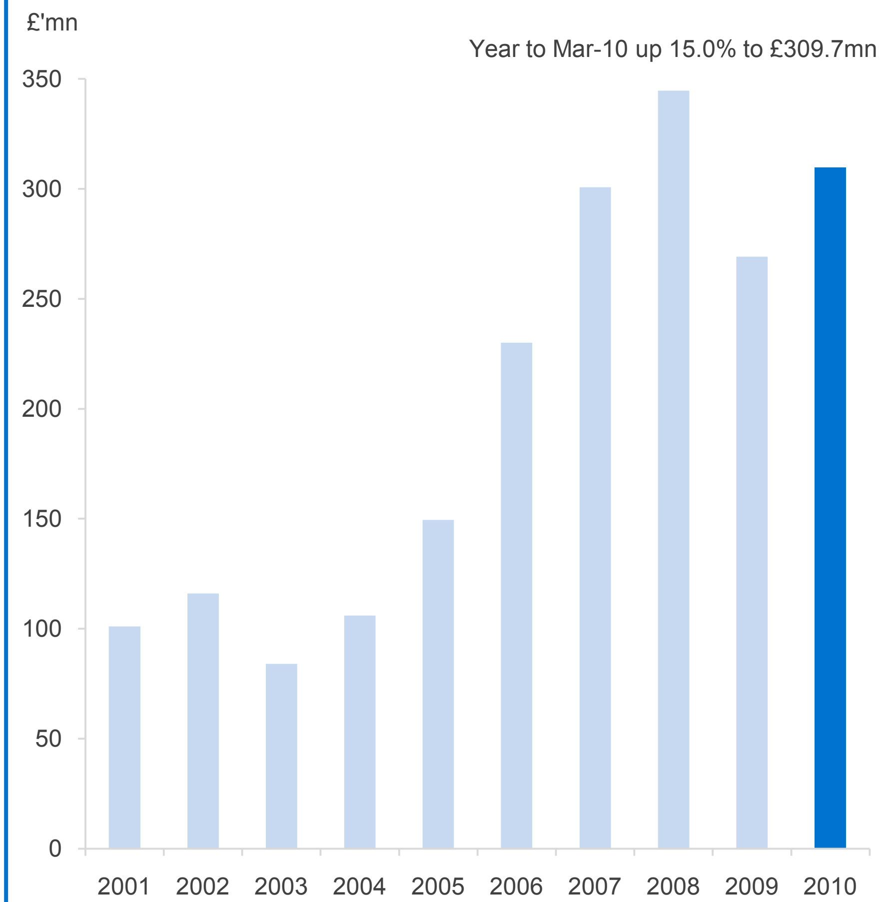


10 year track record

EPS before goodwill and non-operating items*



Attributable earnings before goodwill and non-operating items



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

**EPS numbers have been adjusted for the 5:1 share split that took place in September 2006.*

Investec DLC: Salient features

£'000	Mar-10	Mar-09	Mar-08
Operating profit before goodwill, non-operating items, taxation, impairments and after minorities	718 839	652 939	622 902
Operating profit before goodwill, non-operating items, taxation and after minorities	432 258	396 766	508 717
Core loans to customer deposits	76.2%	103.6%	98.4%
Credit loss ratio	1.16%	1.08%	0.51%
Gross defaults as a % of gross core loans and advances to customers	5.07%	4.27%	1.71%
Adjusted EPS* (pence)	45.1	42.4	56.9
Cost to income ratio	57.8%	55.9%	56.1%
Return on average adjusted shareholders equity (post-tax)	13.5%	14.8%	23.6%

Investec DLC: Capital and leverage

Capital

Update given to the market on 16 Sep 2010

	Expected capital adequacy ratios at 30 Sep-10	Tier 1 ratio
Investec Limited	15.8%	11.7%
Investec plc	15.9%	11.7 %

Gearing

	Aug-10	Mar-10	Sep-09
Core loans to capital ratio	4.8x	5.4x	5.8x
Total gearing	11.5x	12.5x	12.1x
Total gearing (excluding securitised assets)	10.7x	11.7x	11.2x

Overview of first half performance for 2011

Update given to the market on 16 Sep 2010

- We have continued to see strong growth from the asset management and investment platforms and these businesses have recorded strong inflows during the period

- Operating conditions within our banking and advisory businesses remain mixed with low levels of economic activity and a difficult trading environment persisting

- The balance sheet remains strong

- Operating profit* is expected to be marginally higher than the prior year

**Normalised operating profit refers to net profit before tax, goodwill and non-operating items but after adjusting for earnings attributable to minorities.*

An overview of the South African (SA) economy

SA left recession mid 2009 and growth continues to strengthen

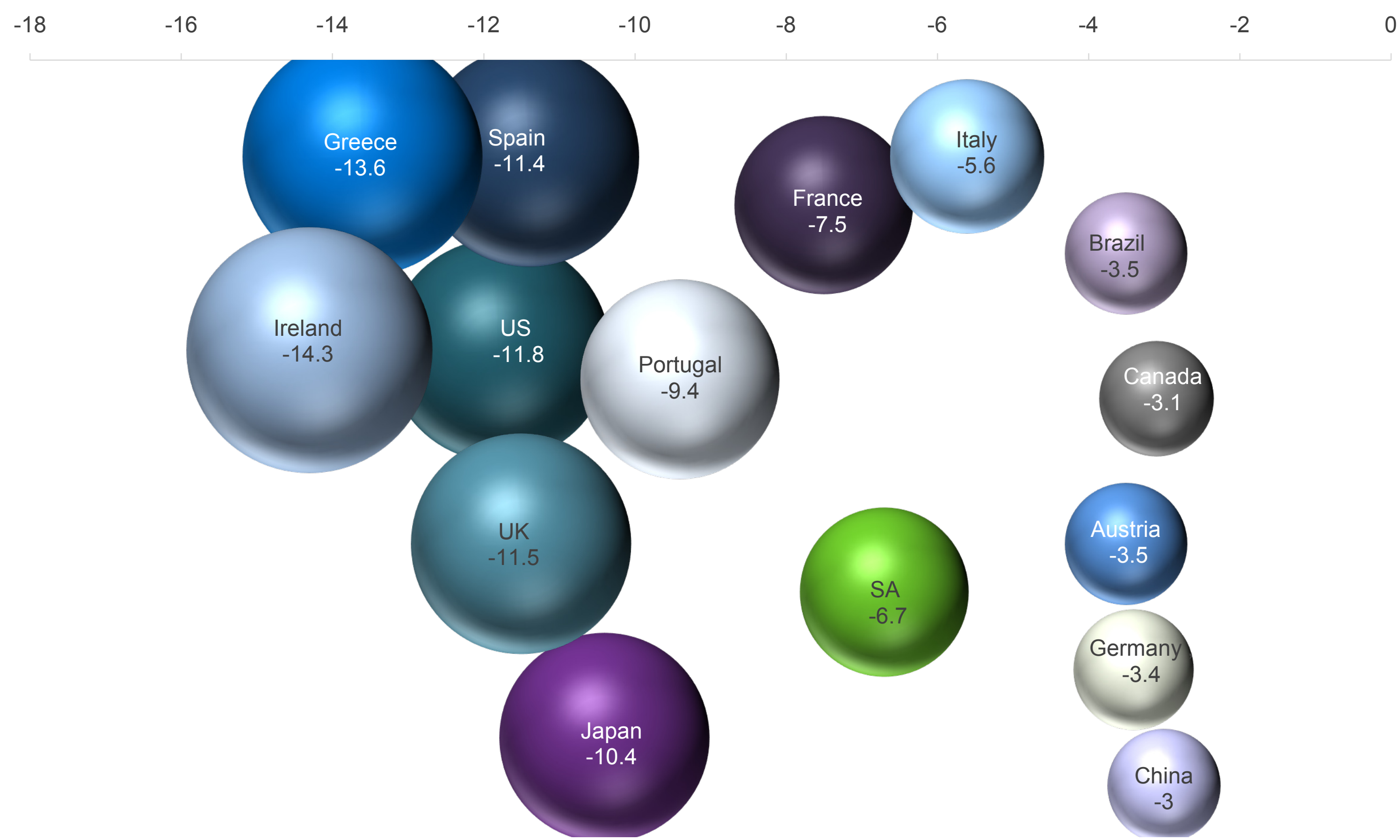
- SA's financial system has not experienced the same issues as the global financial community due to the fact that it never had a banking crisis.

- Instead, SA experienced a traditional recession in 2009, brought about by high interest rates and the collapse of global demand. The economy is now in the process of recovery and growth should reach 2.8% this year.

- SA is well structured for growth from a financial point of view, but needs demand from the world economy to pick-up. As a resource driven country, SA is also benefiting from Asia's demand.

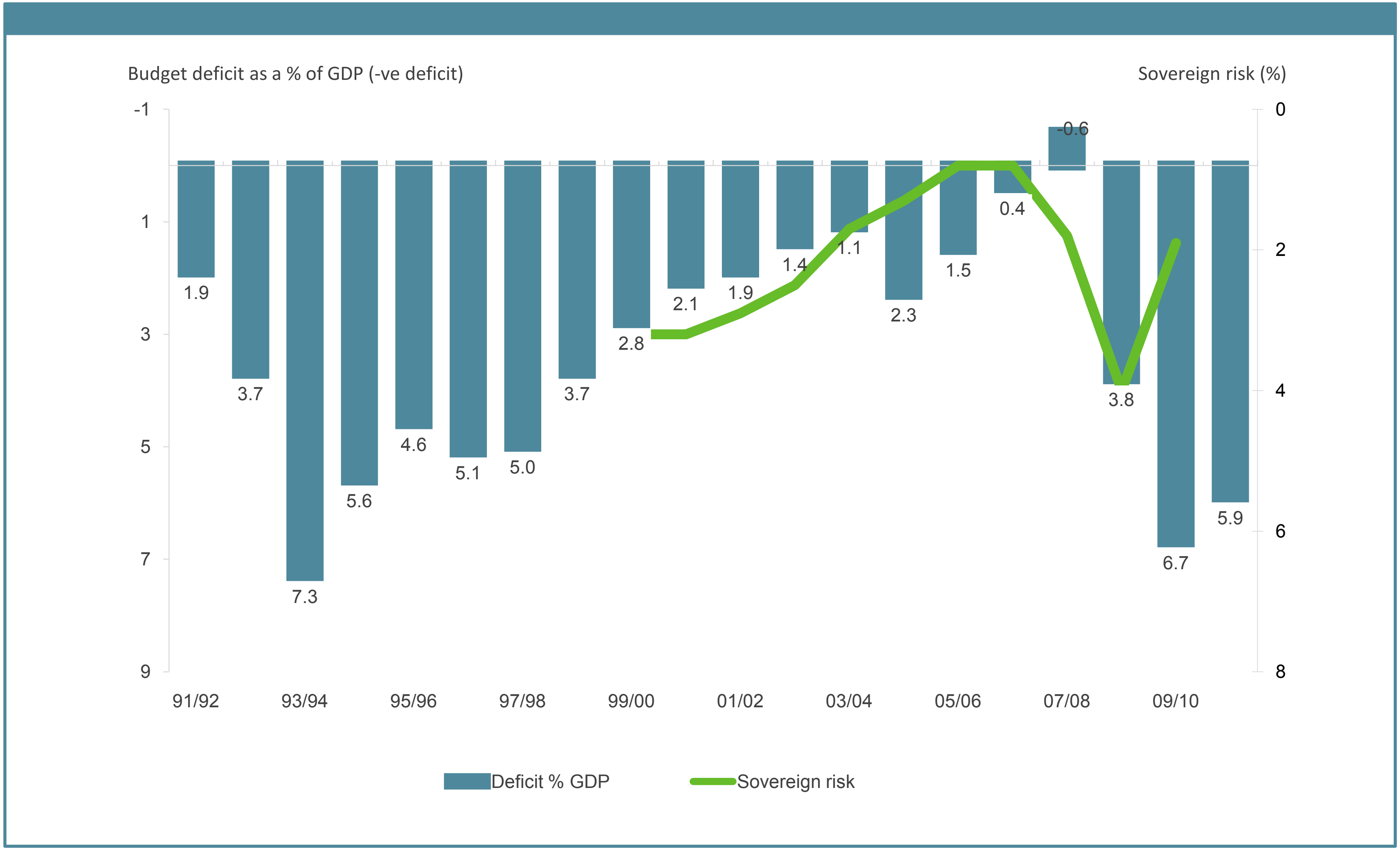
SA's comparatively low fiscal deficit is likely to contract this year, as advanced economies' deficits expand.

Budget deficits as % of GDP



Source: Standard and Poors

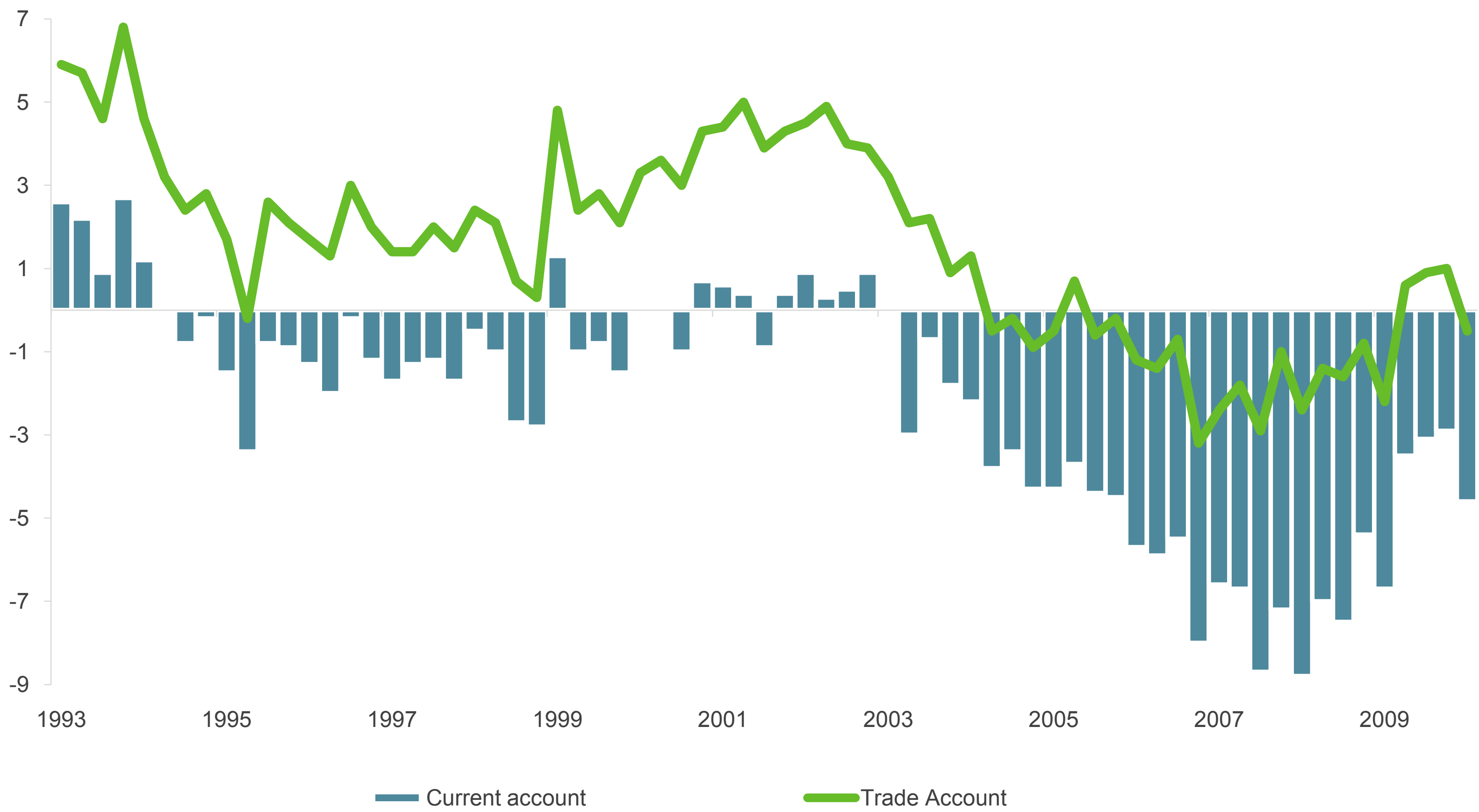
SA's government forecasts a deficit of 6.2% of GDP, but indications are it will be below this.



Source: SARB, I-net Bridge

Capital inflows, attracted by SA's comparatively high interest rates, are amply financing the modest trade and current account deficits.

% GDP

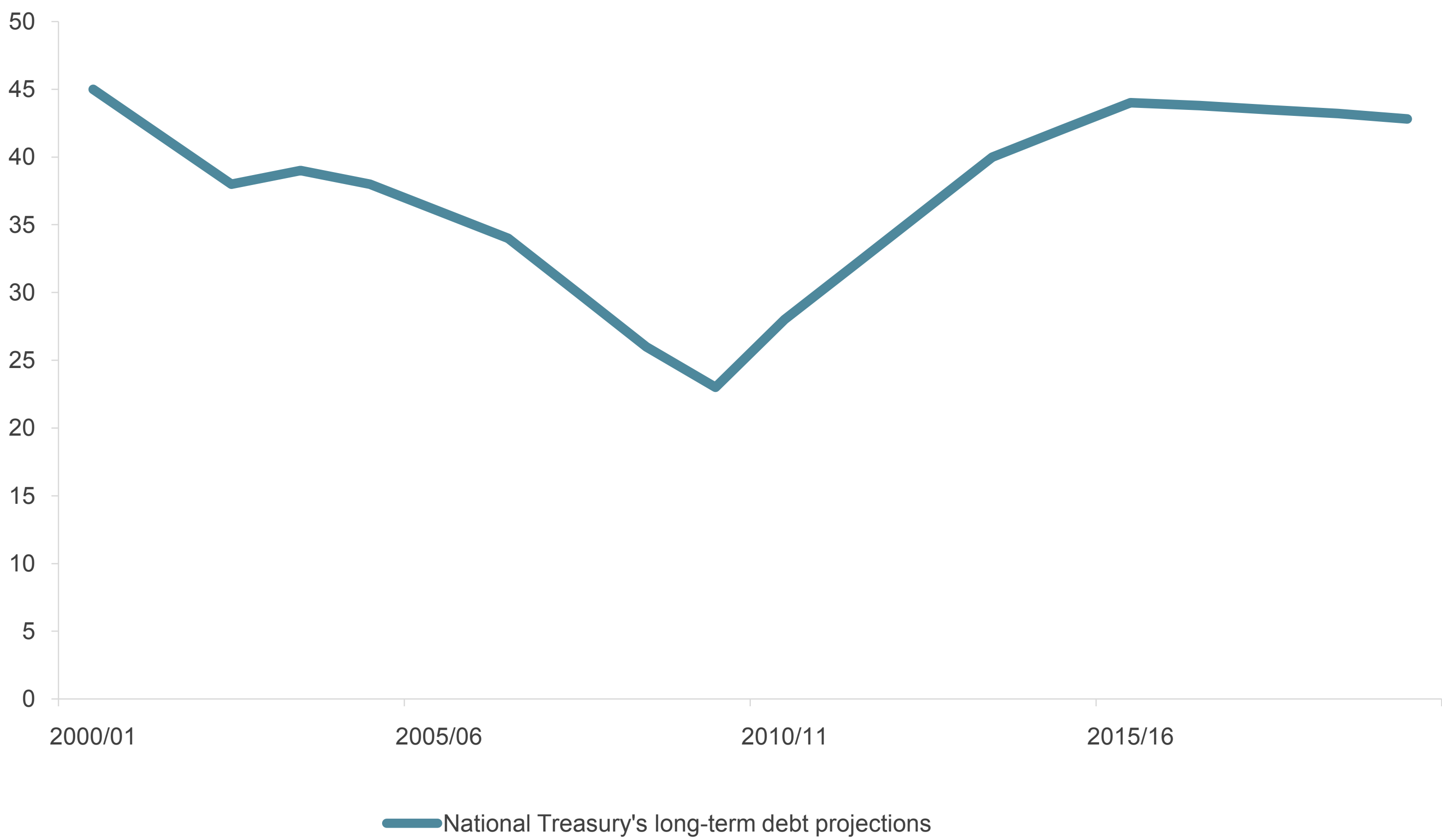


Source: SARB

Government borrowing is set to rise substantially over the medium-term, which is sustainable …

Net debt % GDP

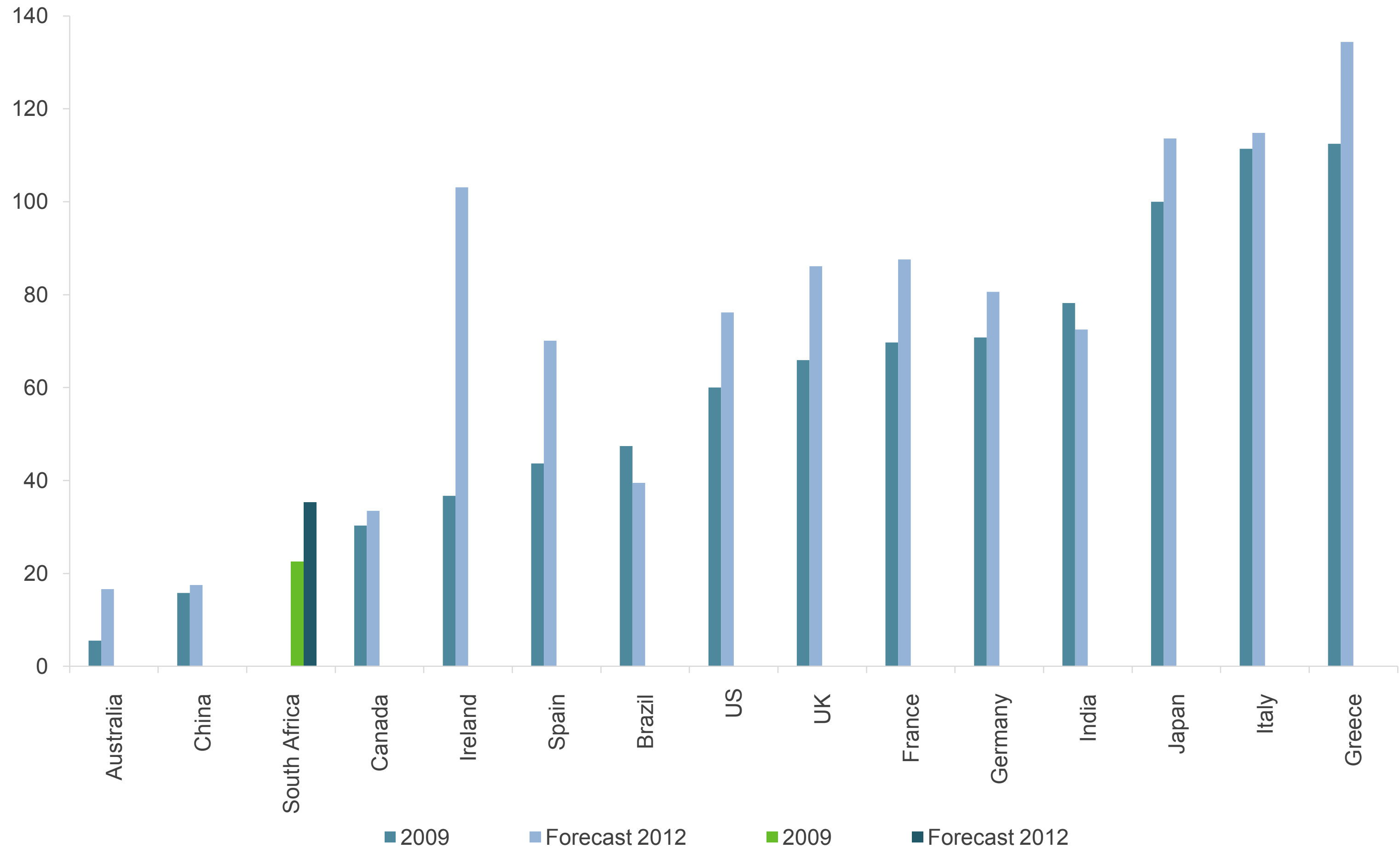
Net debt is total (gross) debt less government's financial assets (cash, deposits, loans, holdings of traded equities etc)



Source: National Treasury

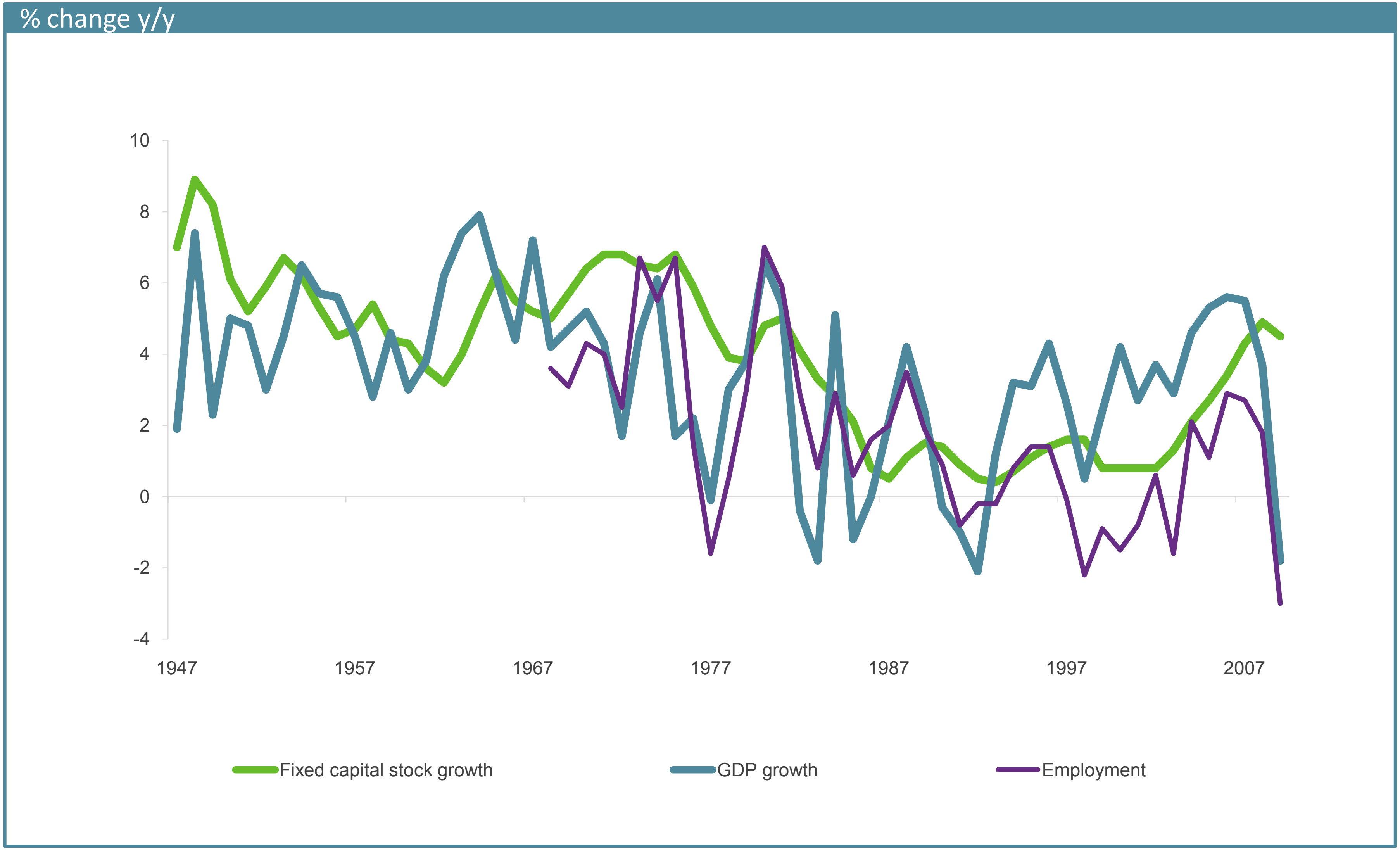
… due to very low current debt levels …

Government debt as % of GDP



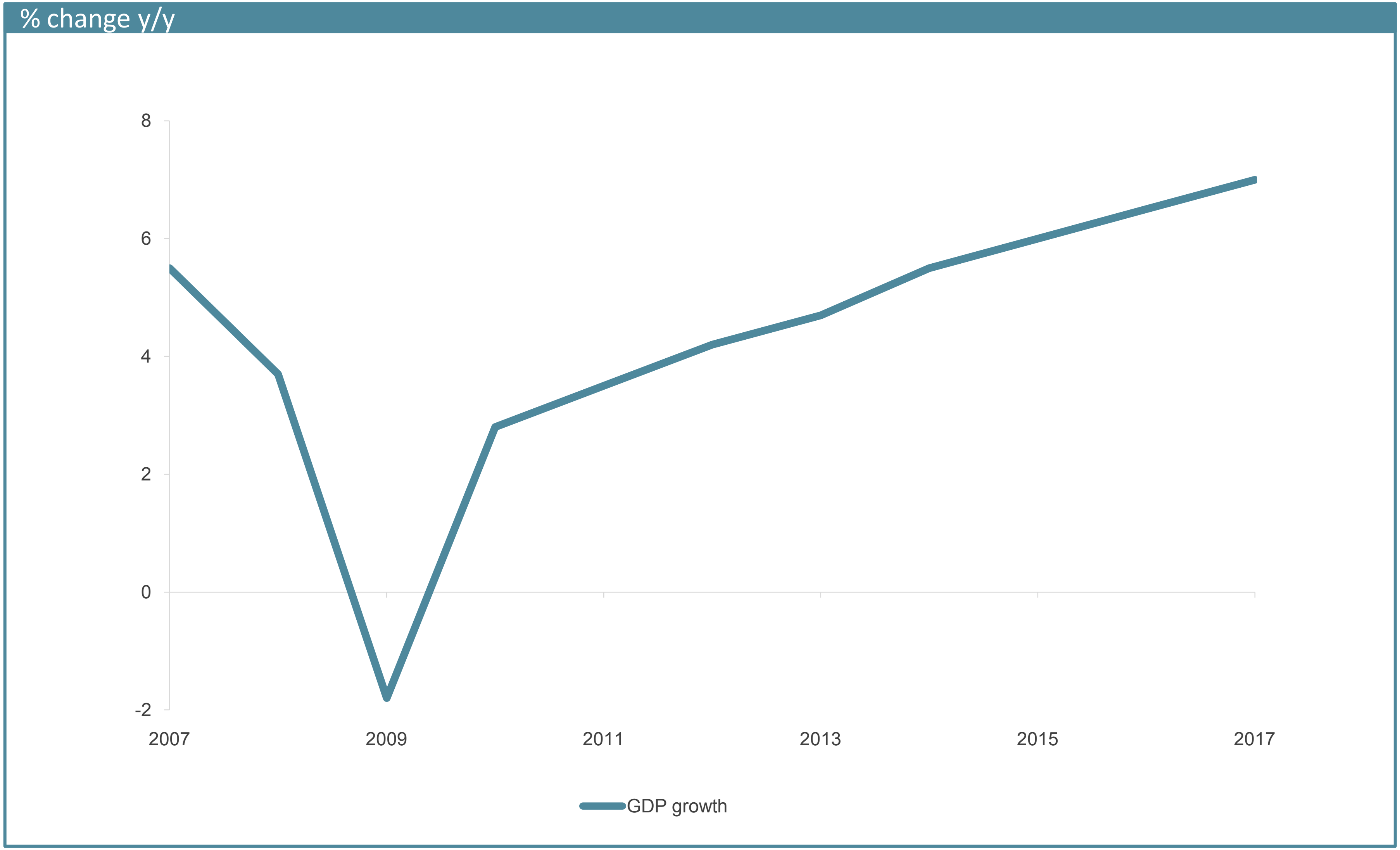
Source: Standard and Poors

… enabling SA to fund investment in infrastructure and human capital that could result in growth of 6-7%.



Source: SARB

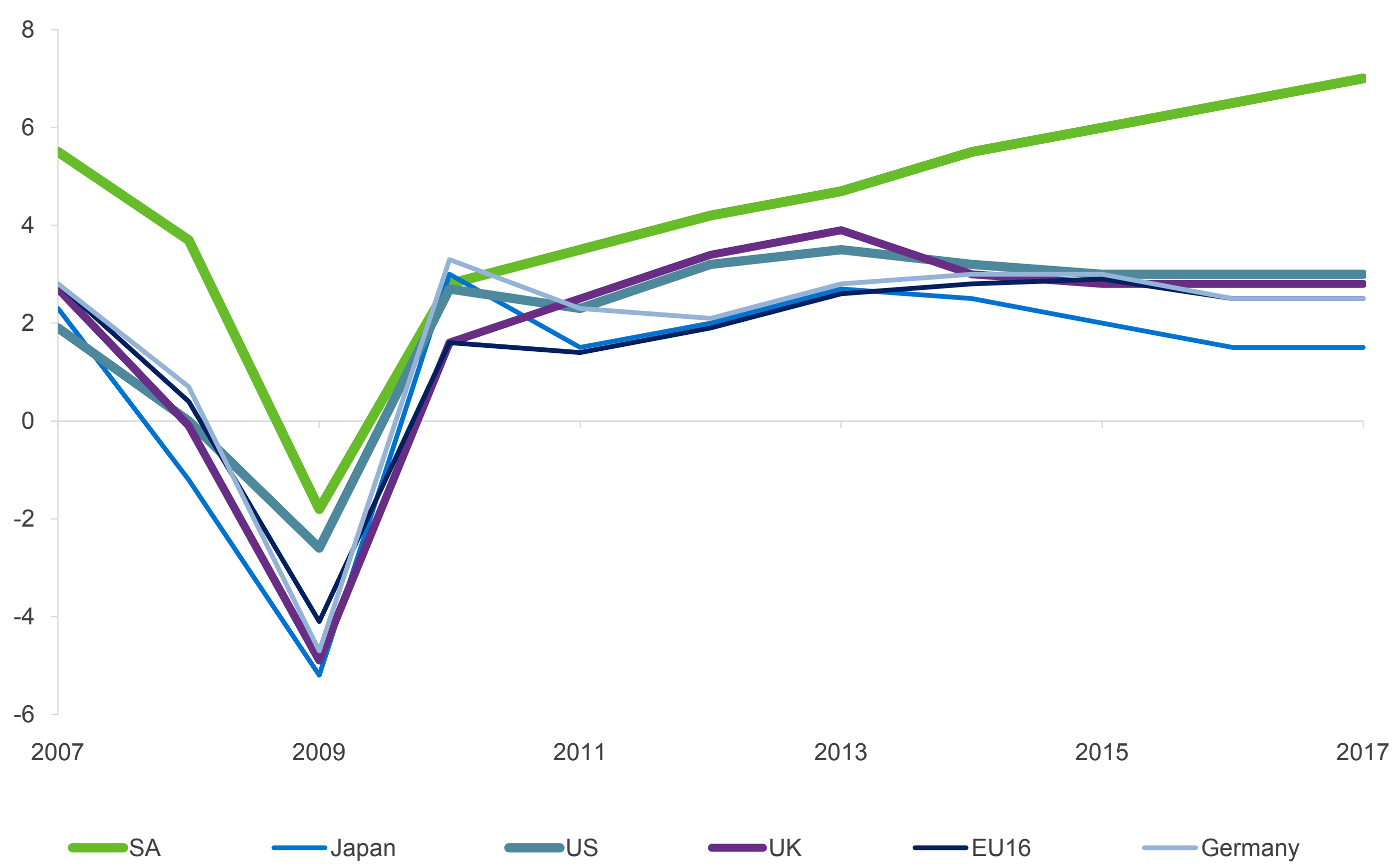
This will place SA on a much firmer long-term growth path ..



Source: SARB, Investec Group Economics

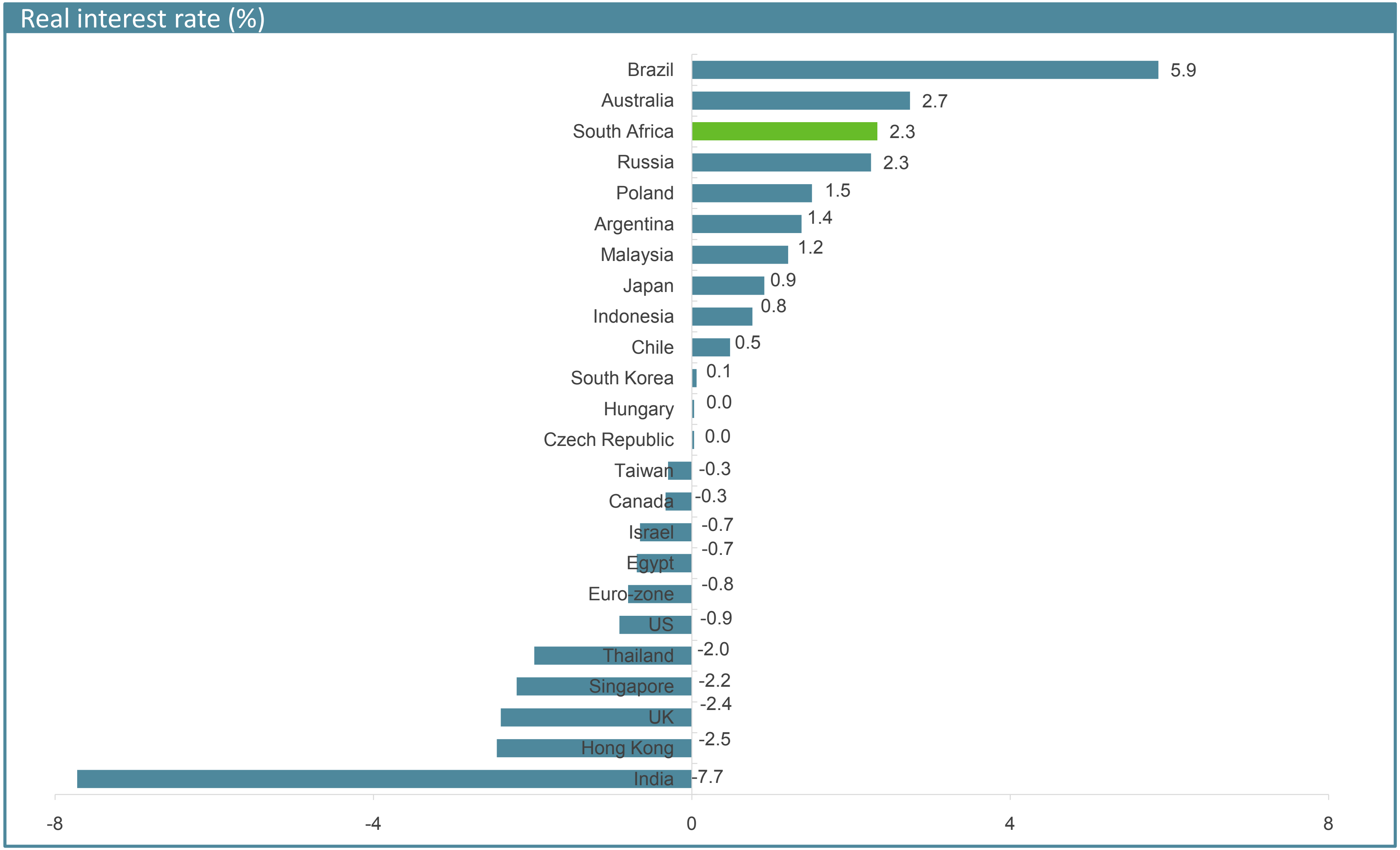
… than most advanced economies whose high debt levels means higher taxes and austerity measures.

Real growth, % change y/y



Source: Standard and Poors

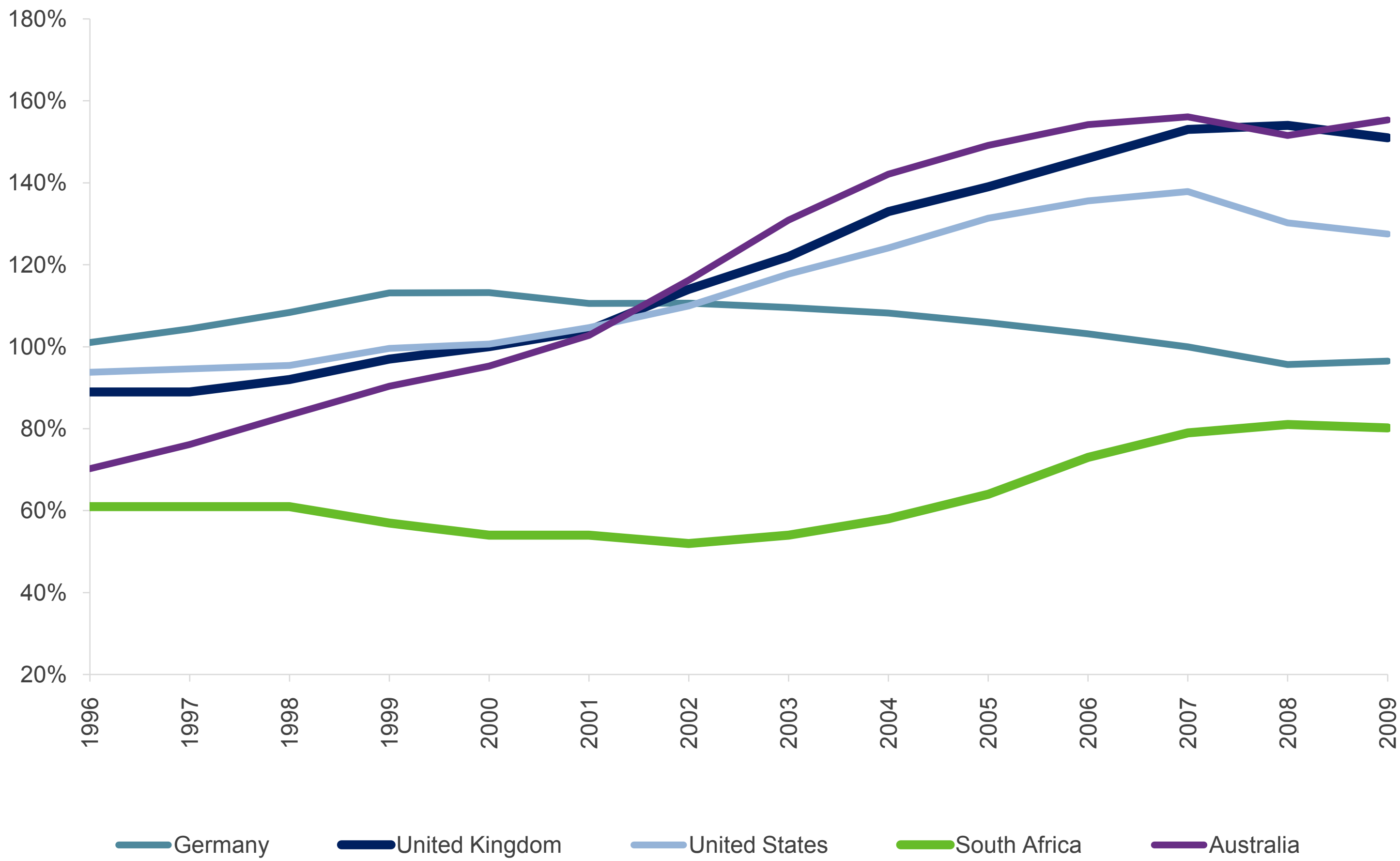
The sovereign debt crisis prolonged SA's lower interest rates - but comparatively our real interest rates are still high.



Source: StatsSA, Economist

SA's household debt levels are also low in comparison to advanced economies.

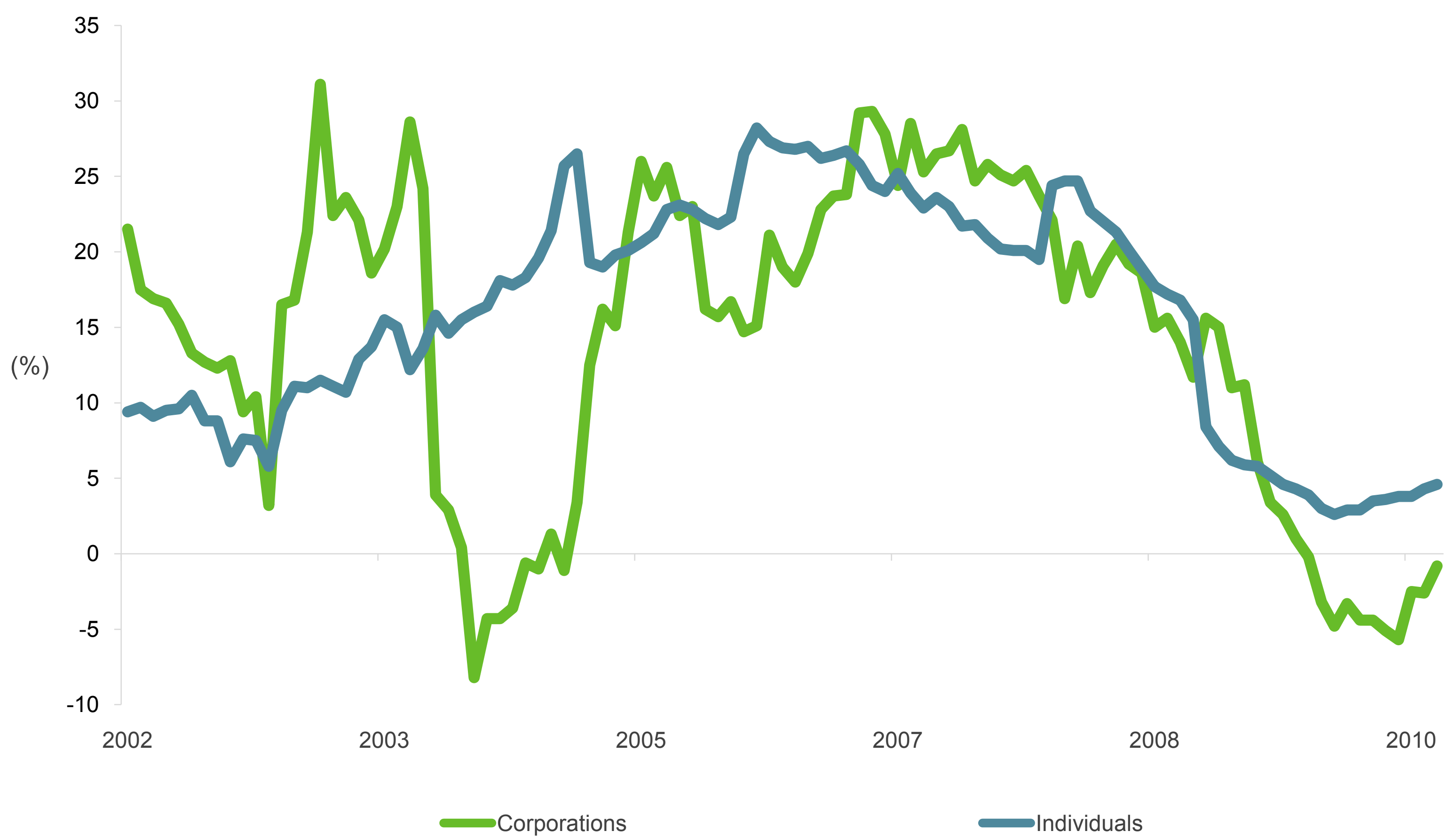
Household debt / disposable income



Source: OECD

Borrowing is negligible improving the health of private sector balance sheets.

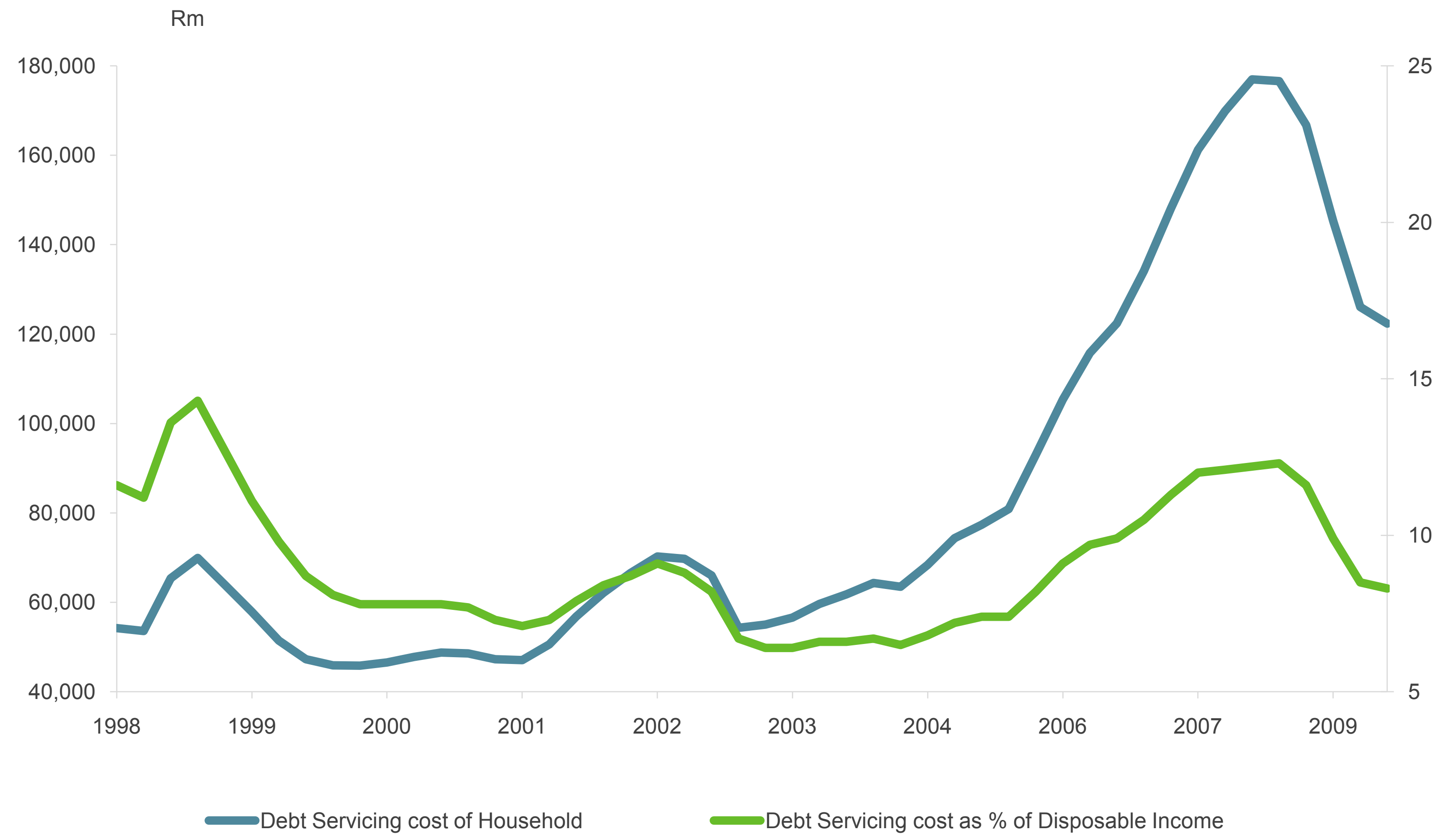
Private sector credit extension, y/y



Source: SARB

Debt servicing costs are falling due both to a moderation in debt levels and lower interest rates.

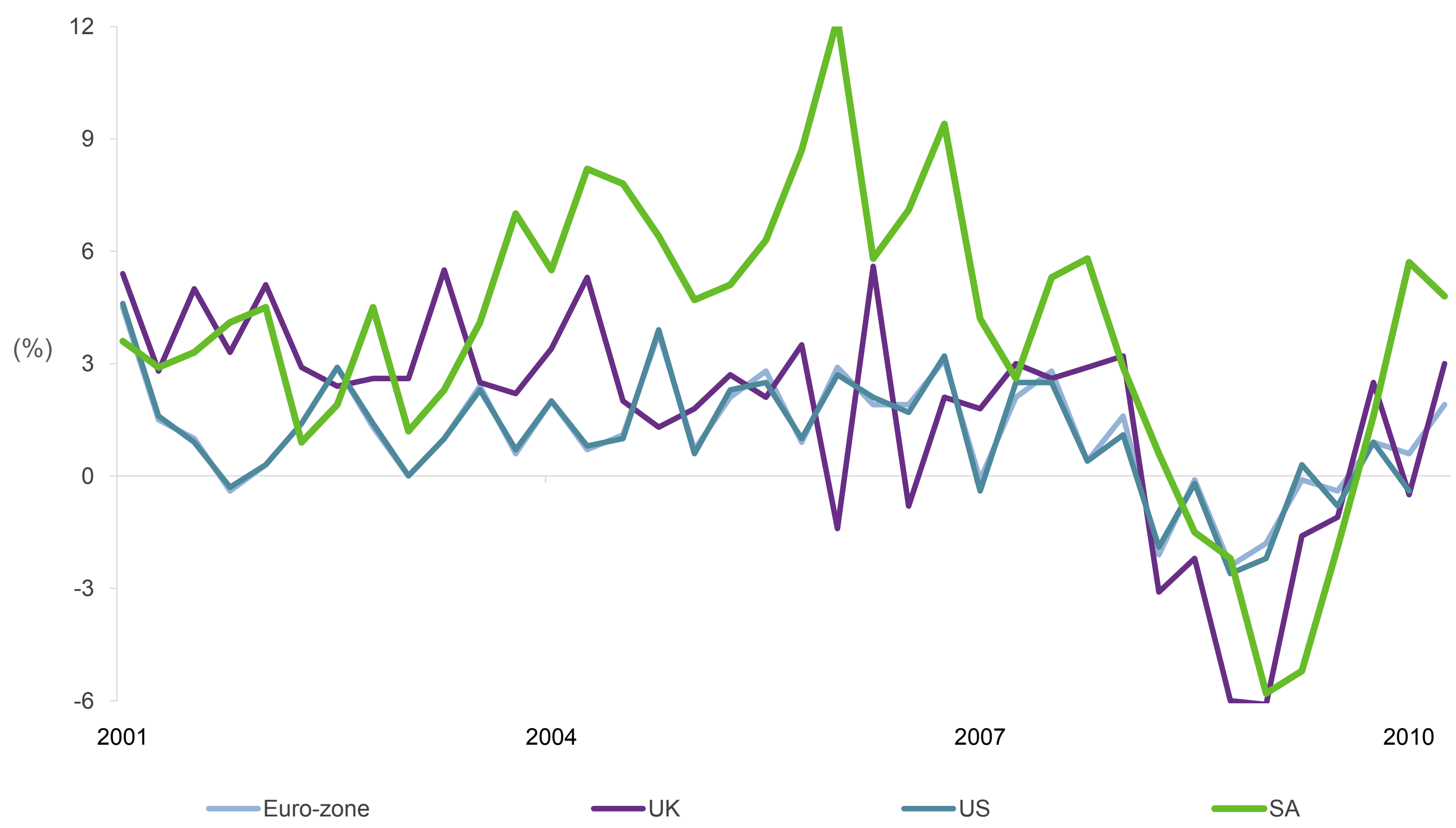
% disposable income



Source: SARB

Private sector spending is noticeably stronger …

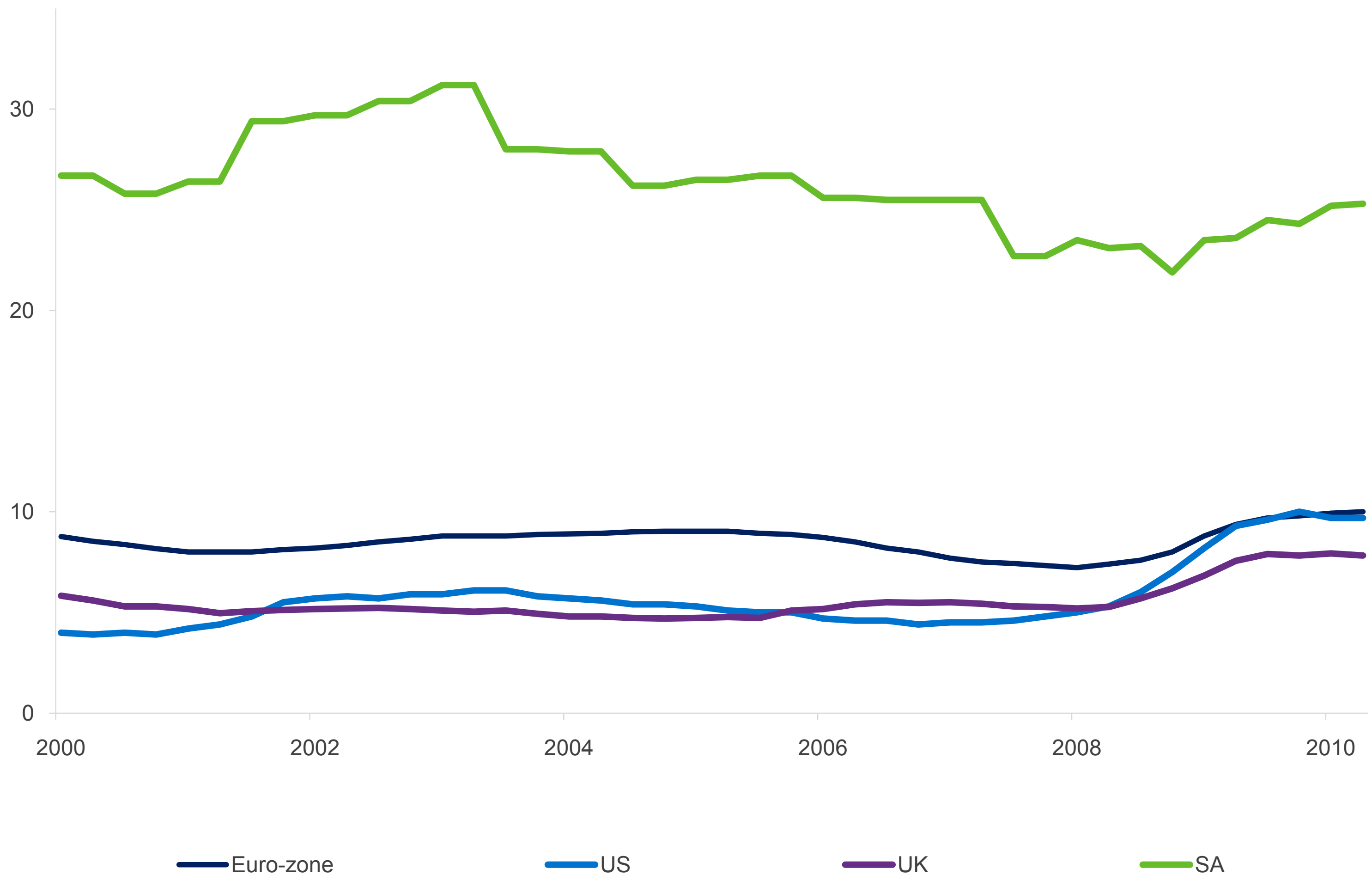
Household consumption expenditure , q/q seasonally adjusted



Source: SARB, Bloombergs

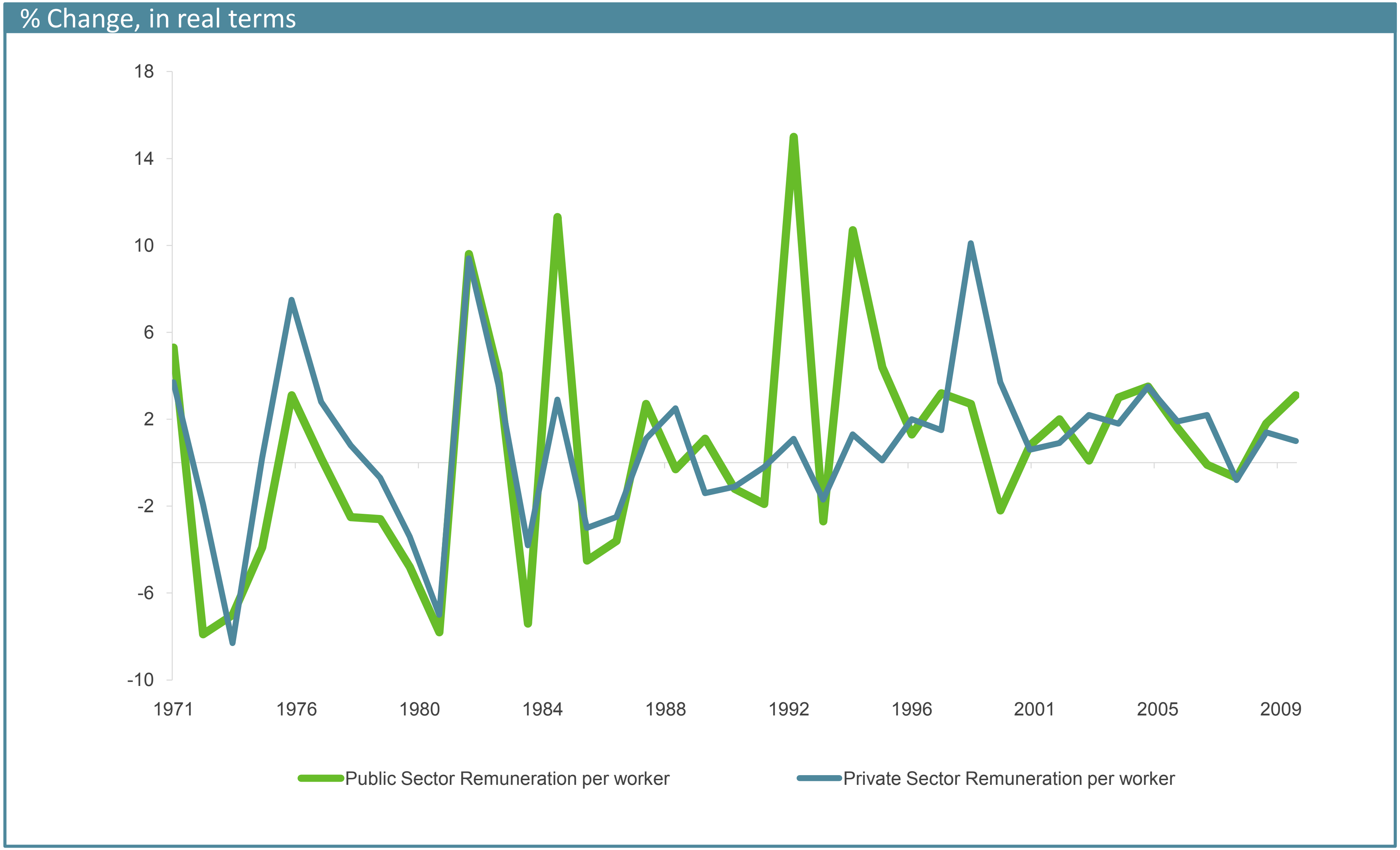
… despite the rise in the already high unemployment rate …

Unemployment rate %



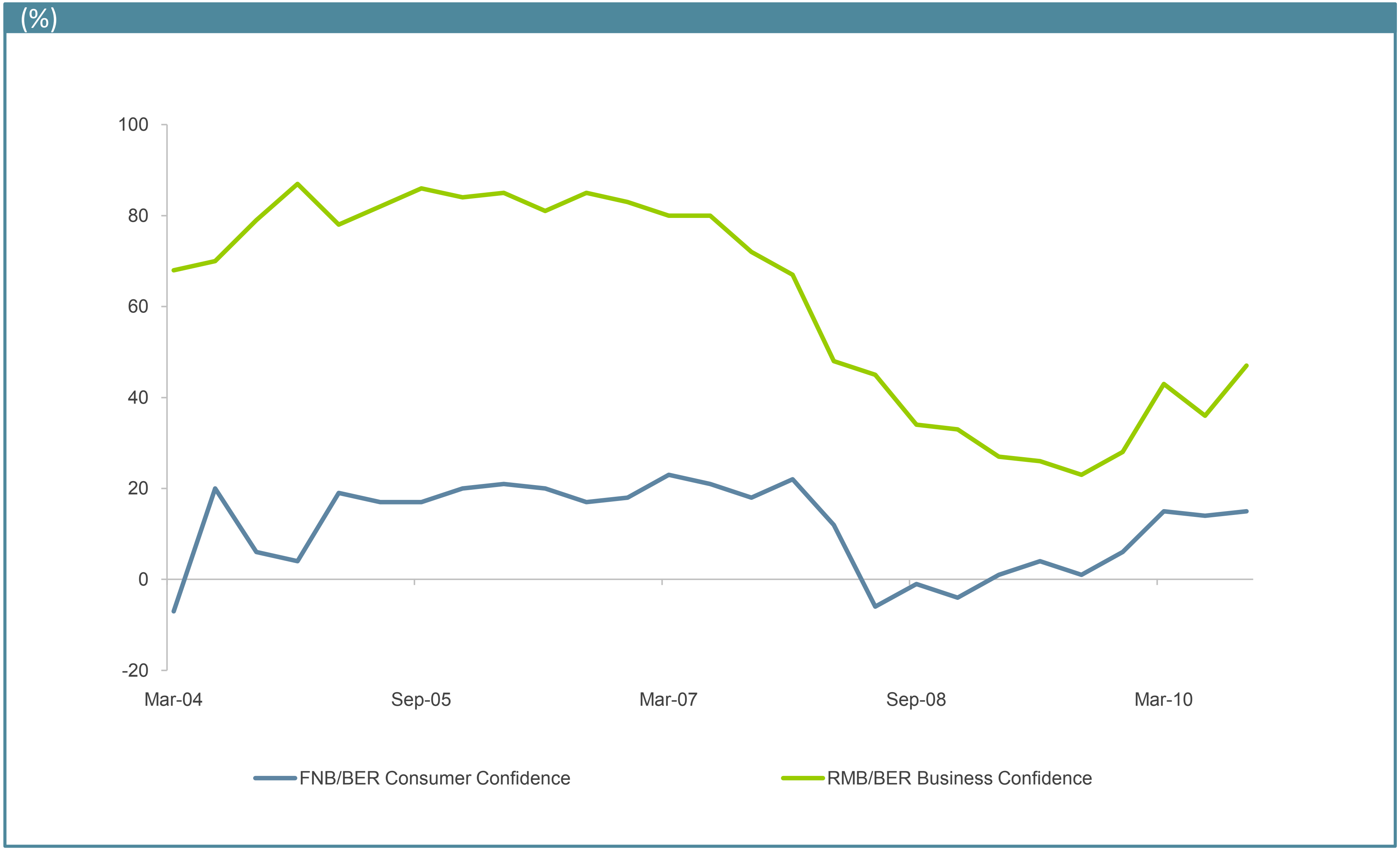
Source: StatsSA, Bloombergs

… as salary and wage increases are running well above inflation.



Source: SARB

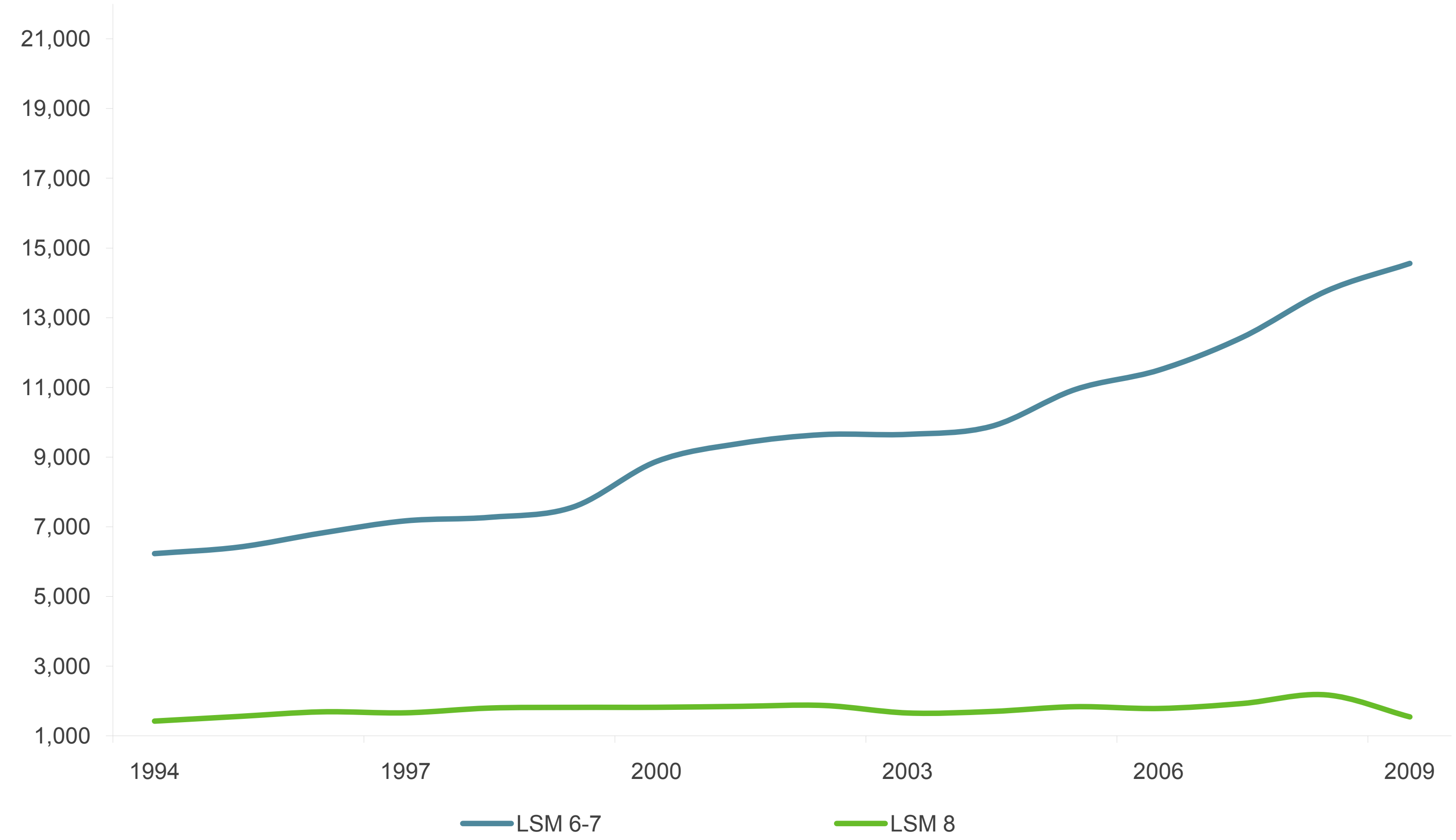
Confidence is improving.



Source: BER

SA's middle class continues to grow rapidly, despite the recession.

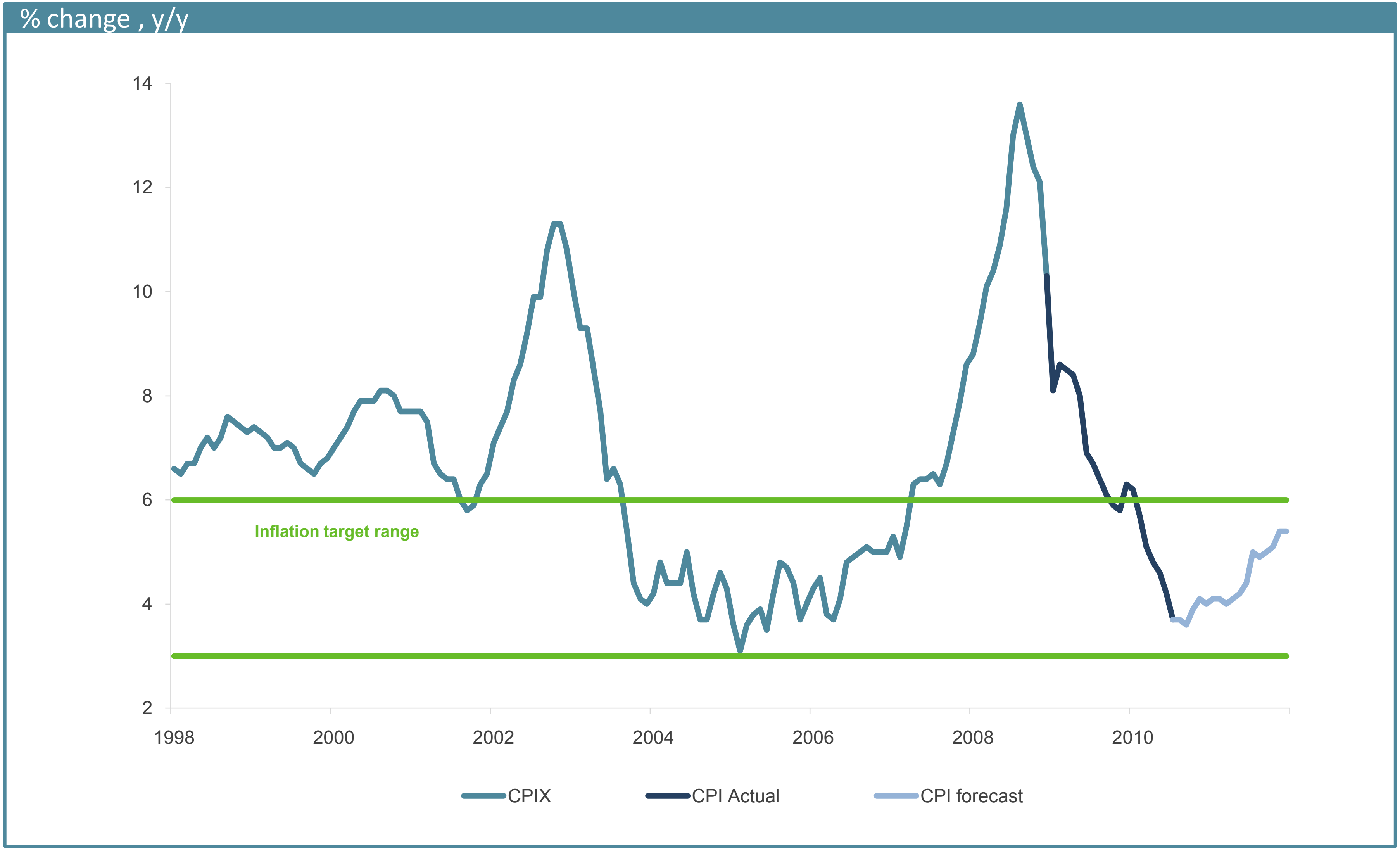
Thousands of individuals – survey results



Definition of LSM: Living standard measure - focuses on household utilities rather than income or demographics

Source: SAARF

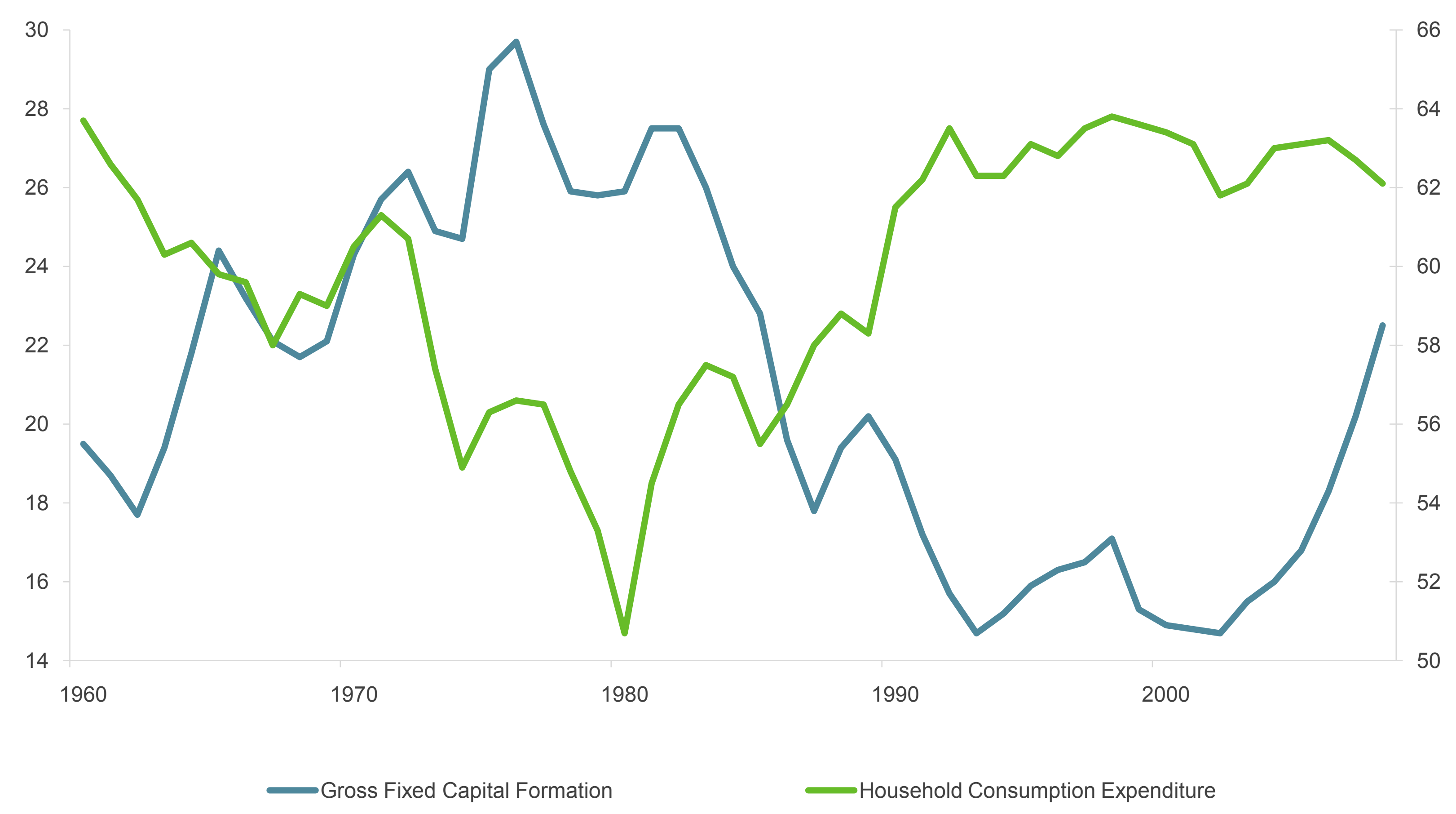
Inflation is currently subdued.



Source: StatsSA, Investec Group Economics

Fixed investment as a % of GDP continues to pick-up significantly …

% of GDP



Source: SARB

… and international demand for SA's goods is rising.

Growth in exports, y/y %

Source: SARS

Conclusion

- The stimulus led recovery in the US, along with Asia's rapid rebound in growth, has caused SA's recovery to proceed better than initially expected.
- Revenue collections are up on last year and expenditure lower than expected. The budget deficit may be somewhat lower than previously estimated.
- Government and parastatal fixed investment continues to improve, although infrastructure challenges will likely constrain growth at 6-7%.
- The private sector is becoming financially healthier, spending on the back of rising real incomes, not credit, and the middle class is growing strongly.
- SA ranks* very high in the quality of its financial markets, the soundness of its banking system as well as the efficacy of corporate boards and its auditing and reporting standards.
- The current weak activity is a temporary blip in the country's long-term path to stronger growth and improved job creation. We expect economic growth of 2.8% y/y this year and 3.6% y/y in 2011, rising to 4.2% in 2012 as the domestic economy returns to trend.

Source: Global Competitiveness Report 2010-2011 World Economic Forum