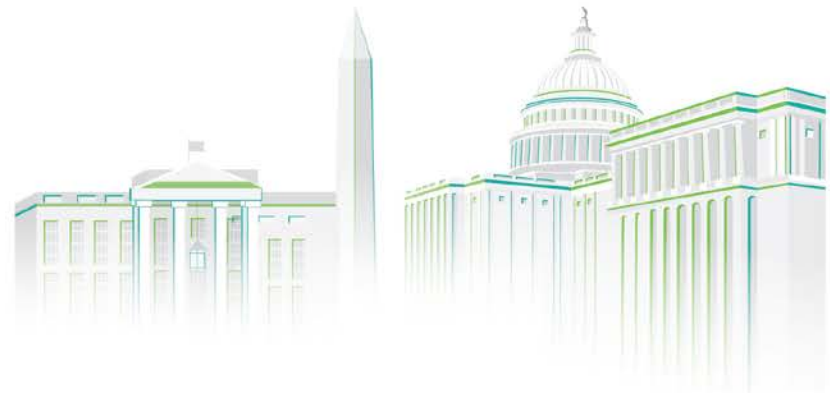




2014 The annual Investec
IMF breakfast

An overview of Investec





Summary

- Established in **1974**
- Today, efficient **integrated international business** platform employing over 8 300 people
- Three principal regions:
 - **Southern Africa**
 - **UK and Europe**
 - **Asia-Pacific**
- Three **core areas** of activity
- Listed on the **JSE** and **LSE** (a FTSE 250 company)
- Total **assets** of £47.1bn
- Total **equity** £4.0bn
- Total **FUM** £119.6bn (Aug-14)
- Market Cap £4.8bn (Current)

Mission

“We strive to be a **DISTINCTIVE SPECIALIST BANK AND ASSET MANAGER** driven by commitment to our core philosophies and values”

Purpose

To facilitate the **CREATION** of wealth and the **MANAGEMENT** of wealth

Target Market

Government, Institutions, Corporates, Charities and Trusts, Private Clients both High Net Worth and High Income

Strategy

To build **DIVERSIFIED REVENUE STREAMS** by providing appropriate **asset management, wealth management, specialist banking and advisory** services to our target client base in our core domestic markets and across geographies

Three distinct businesses focused on well defined target clients



Corporate / Institutional /
Government

ASSET MANAGEMENT

- Investment management services

SPECIALIST BANKING

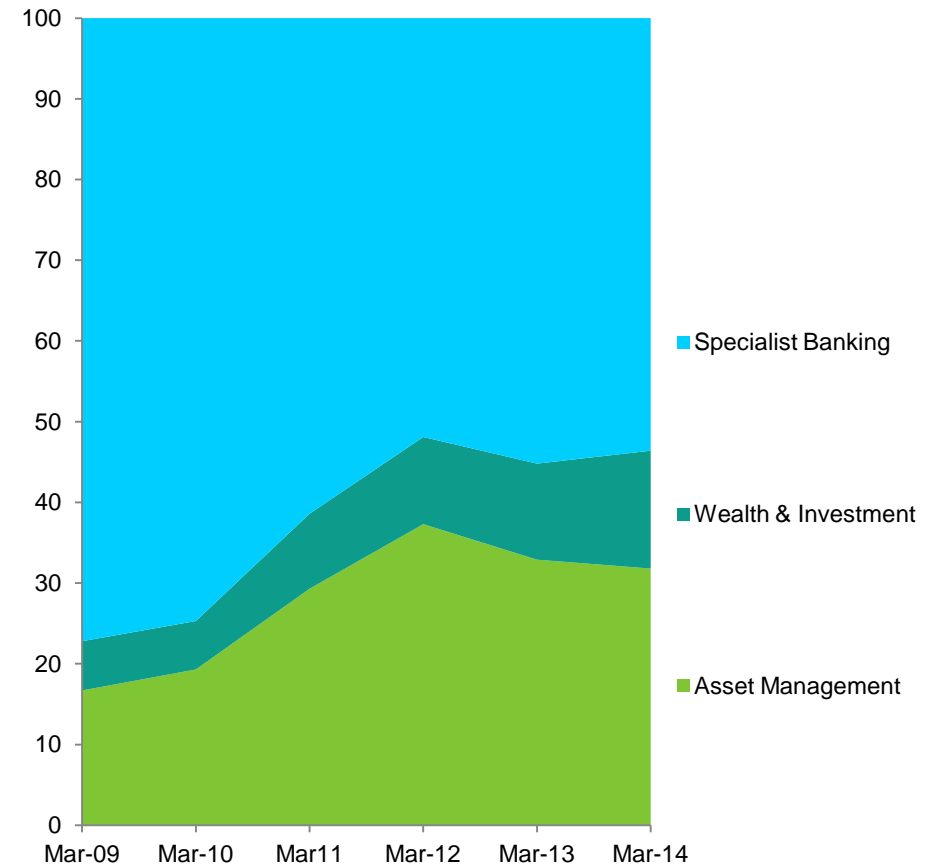
- Advisory
- Transactional banking
- Lending
- Treasury and trading
- Investment activities

Private Client
(High Net Worth / High Income)

WEALTH & INVESTMENT

- Investment management services
- Independent financial planning advice

Operating profit before tax*



*Before tax, goodwill, acquired intangibles, non-operating items and after other non-controlling interests

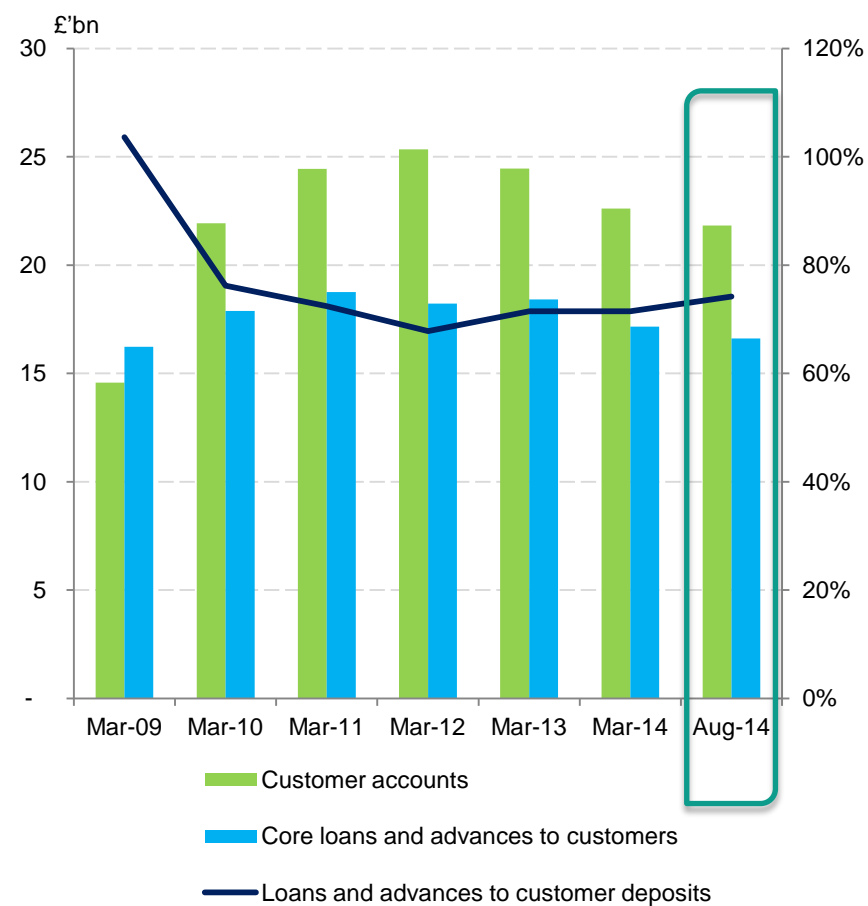
Key earnings drivers



Third party assets under management



Customer accounts (deposits) and loans



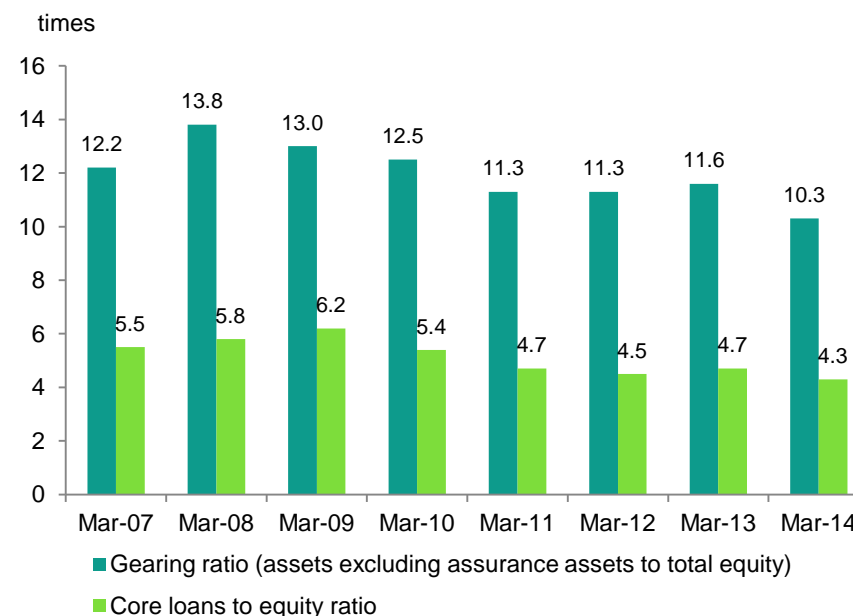
Stable capital and low leverage



Capital position

	Expected 30 Sep 2014	31 Mar 2014	30 Sep 2013	31 Mar 2013
Investec plc				
Total	16.0%	15.3%	16.7%	16.7%
Core Tier 1	9.3%	8.8%	9.1%	8.8%
Tier 1	11.2%	10.5%	11.2%	11.0%
Leverage	7.6%	7.4%	7.7%	na
Investec Ltd				
Total	15.1%	14.9%	15.4%	15.5%
Core Tier 1	9.5%	9.4%	9.5%	8.9%
Tier 1	11.2%	11.0%	11.2%	10.8%
Leverage	7.3%	7.2%	7.5%	na

Gearing ratios



Resulting in a balanced business model

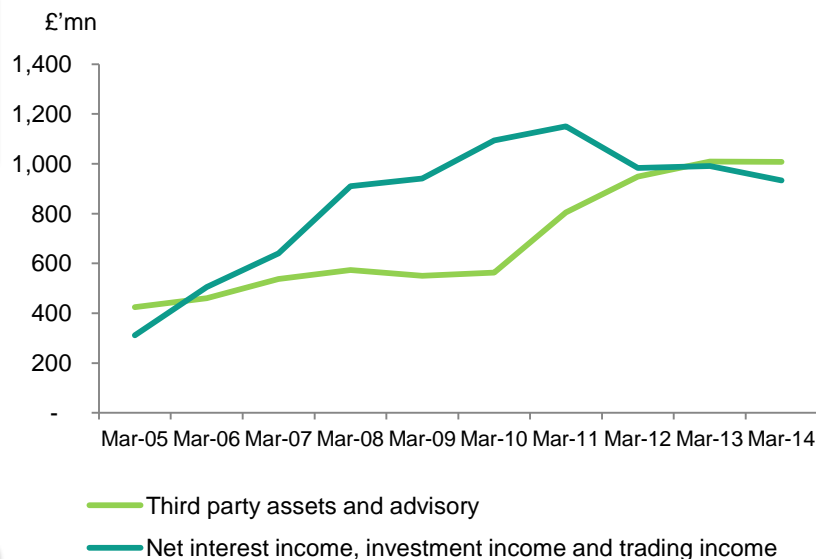


BUSINESS MODEL - 2014

Third party assets and advisory
£1 008mn

Net annuity fees and commissions
of £720mn
(37% of total)

Other fees and other income
of £288mn
(15% of total)



Net interest, investment and trading income
£933mn

Net interest income of £652mn
(34% of total)

Investment income of £166mn
(8% of total)

Trading income of £115mn
(6% of total)

Capital light

(2008: 40%)

52%

Capital intensive

48% (2008: 60%)

Investec DLC: Salient features



	31 Mar 2014	31 Mar 2013	% Change
Operating profit* before tax (£'000)	451 817	426 278	6.0%
Core loans to customer deposits	72.0%	71.5%	-
Credit loss ratio	0.68%	0.84%	-
Adjusted EPS* (pence)	38.0	36.1	5.3%
Cost to income ratio	67.5%	65.7%	-
Return on average adjusted shareholders equity (post-tax)	10.1%	9.4%	-

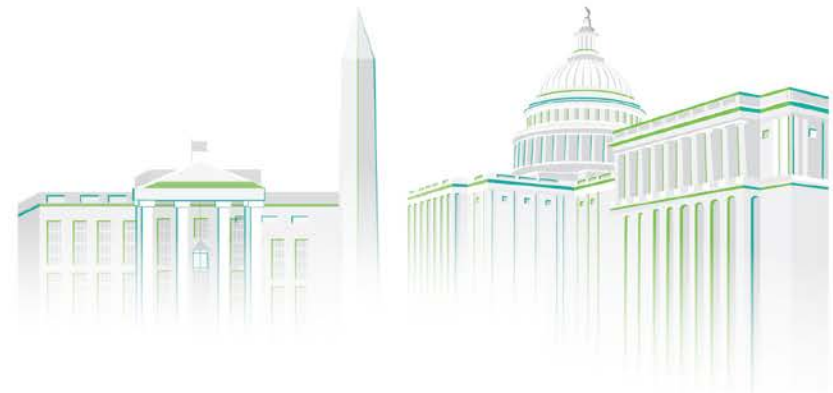
*Before goodwill, acquired intangibles, non-operating items and taxation

Update given to the market on 19 September 2014



- Over the past year we have focused on **simplifying** and **reshaping** our specialist banking business with a view to improving returns and have successfully restructured and/or sold certain businesses
 - Sale of the **Trust** businesses
 - Sale of the **Australian Professional Finance** and **Asset Finance** and **Leasing** businesses and deposit book to Bank of Queensland Limited at a premium to tangible net asset value – effective 31 Jul 2014
 - Sale of the **UK Kensington** business to funds managed by Blackstone Tactical Opportunities Advisors L.L.C and TPG Special Situations Partners – still subject to approval
 - Sale of the **Start mortgage business** in Ireland to an affiliate of Lone Star – still subject to approval
- These transactions upon completion are expected to:
 - **Bolster CET1 capital ratio** in Investec plc from 8.8% to c.11.1%
 - Significantly **improve leverage ratio** in Investec plc from 7.4% to c. 8.9%
 - **Reduce legacy assets** in the UK by c. £1.5bn
 - **Reduce total assets** by c. £6bn
- Whilst there are still some legacy assets remaining, the actions we have taken to simplify our business has allowed the **focus to shift to growing and building our franchise** in our core areas of activity and **improving returns to shareholders**.

An overview of the South African (SA) economy



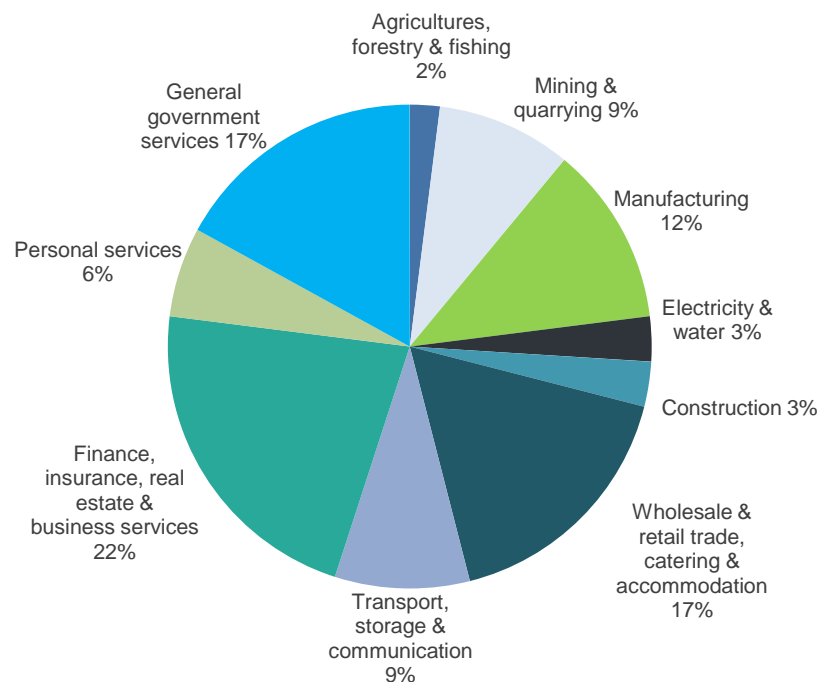
Snapshot of SA



SA in context

- Population: **53.0mn**
- Real GDP: US\$ **308.7bn** (R3,312.3bn)

Contribution to SA's GDP



Rating agency and market views

MOODY'S

Long-term Foreign
Currency Debt
Baa1
Negative

Long-term Domestic
Currency Debt
Baa1
Negative

**STANDARD
& POOR'S**
RATINGS SERVICES

Long-term Foreign
Currency Debt
BBB-
Stable

Long-term Domestic
Currency Debt
BBB+
Stable

FitchRatings

Long-term Foreign
Currency Debt
BBB
Negative

Long-term Domestic
Currency Debt
BBB+
Negative



**THE
WORLD
BANK**

- SA ranked as an upper middle income economy
- SA ranked as **30th** largest economy in the world
- SA ranked as **2nd** largest economy in Africa



- SA ranked **10th** in Protecting Investors
- SA ranked **41st** in Ease of Doing Business (out of 189 countries in IFC's Survey)



- SA ranked **53rd** of 148 countries in WEF competitiveness index

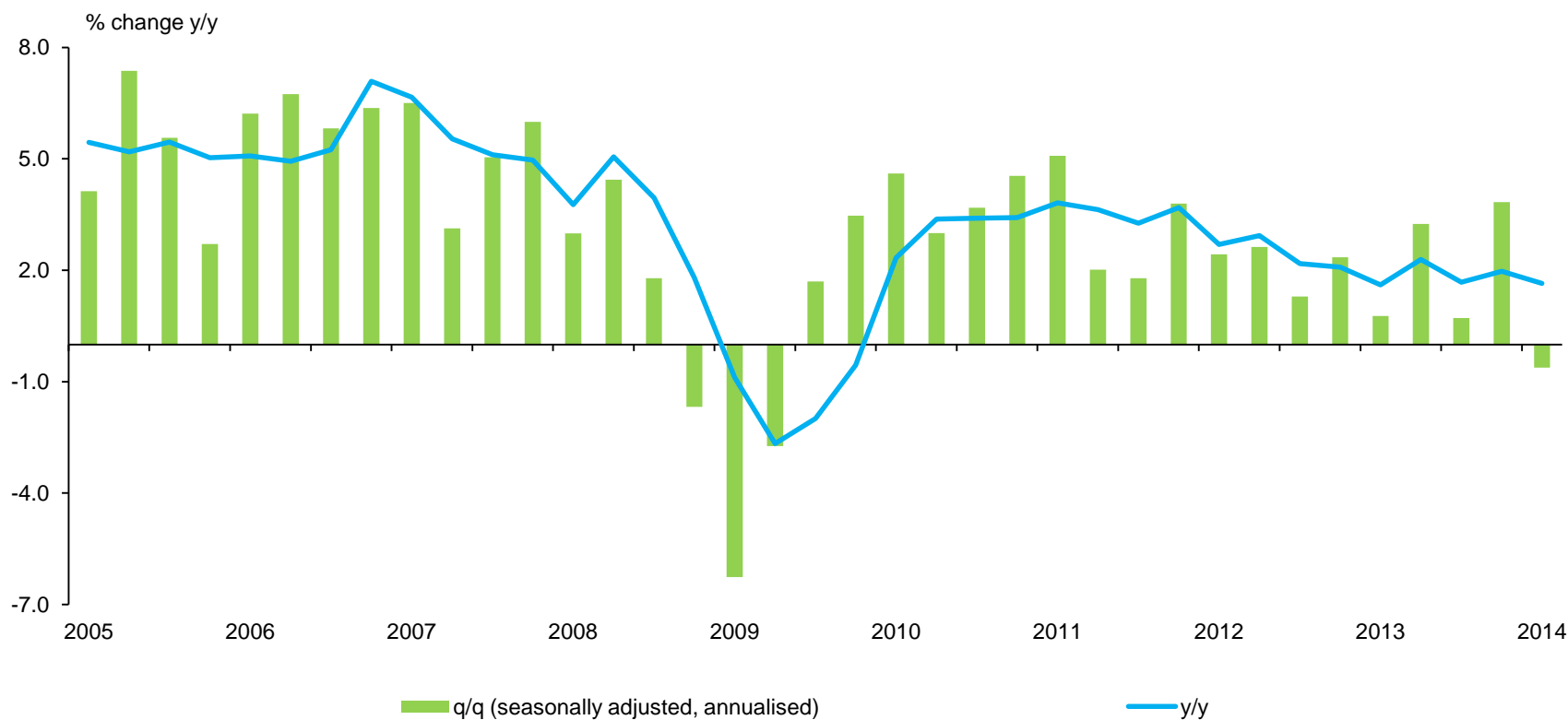
Its been a difficult year for SA

Slow economic growth



- Economic growth dropped to **1.9%** in 2013 and is expected to be **1.5%** in 2014.

Gross domestic product growth



Its been a difficult year for SA

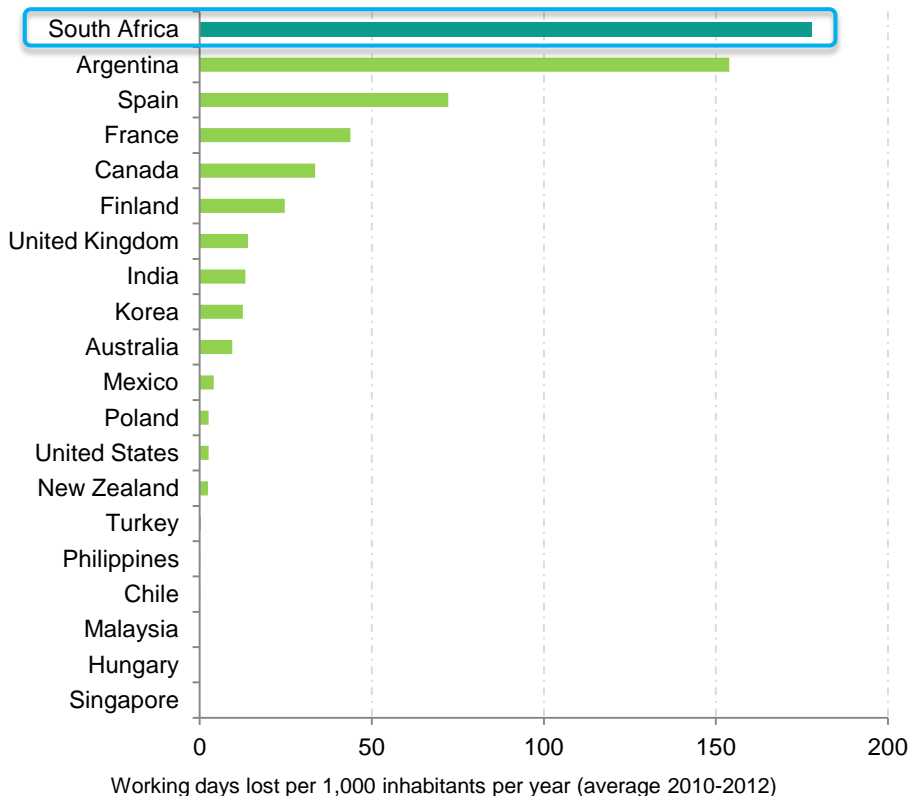
Exacerbated by the prolonged strike action and inadequate energy supply



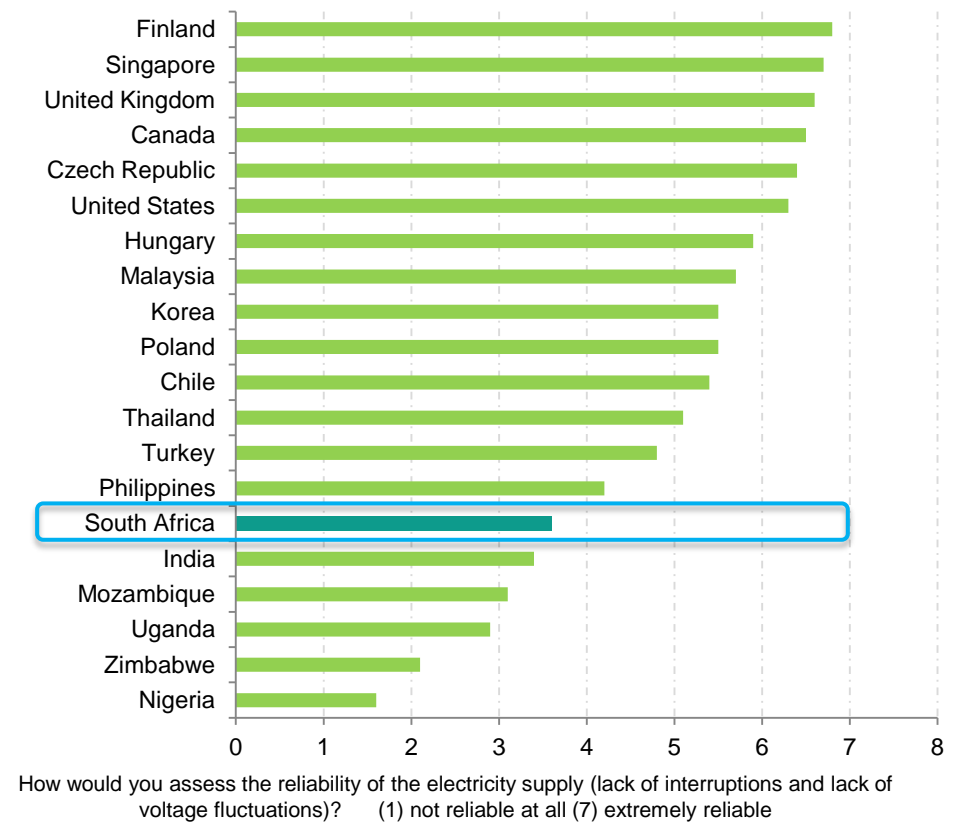
- “On the home front, economic activity contracted in the first quarter of 2014, mainly driven by production losses in the mining and manufacturing sectors... Unlike in preceding years, the slowdown in domestic economic activity has been largely driven by local developments.”

Finance Minister Nhlanhla Nene, June 2014

Industrial disputes



Quality of electricity supply



Its been a difficult year for SA

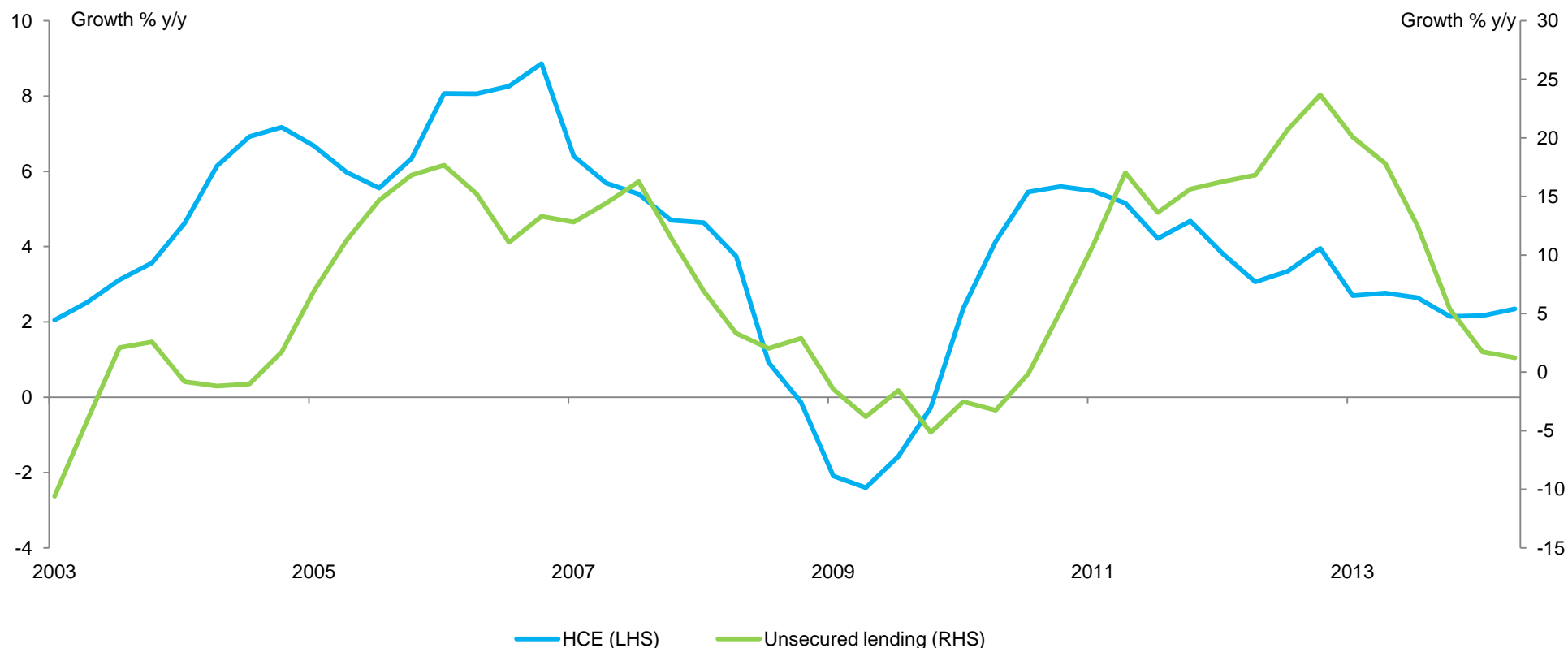
Impacting consumer spending and unsecured lending



- “Consumption expenditure for households also continued its moderating trend... reflects continued sluggish growth in mortgage credit extension and tighter credit criteria for unsecured lending in particular.”

Gill Marcus Governor of the SA Reserve Bank, Monetary Policy Statement, September 2014

Household consumption expenditure (HCE) and unsecured lending growth



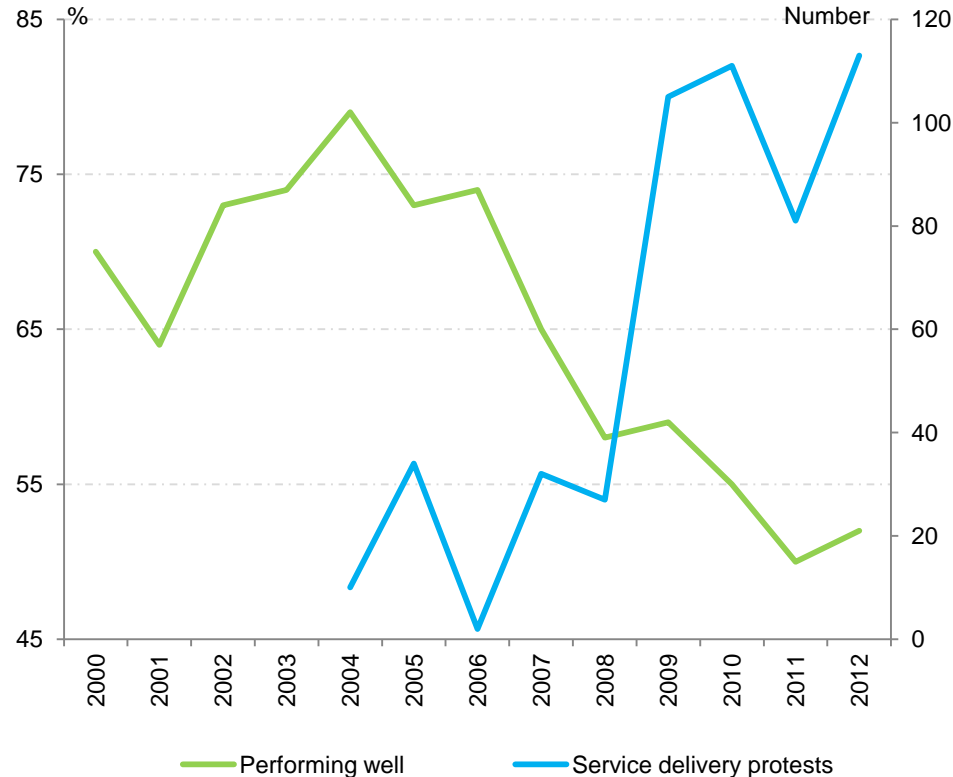
Its been a difficult year for SA

Service delivery challenges by local government and some inefficiencies in the public sector

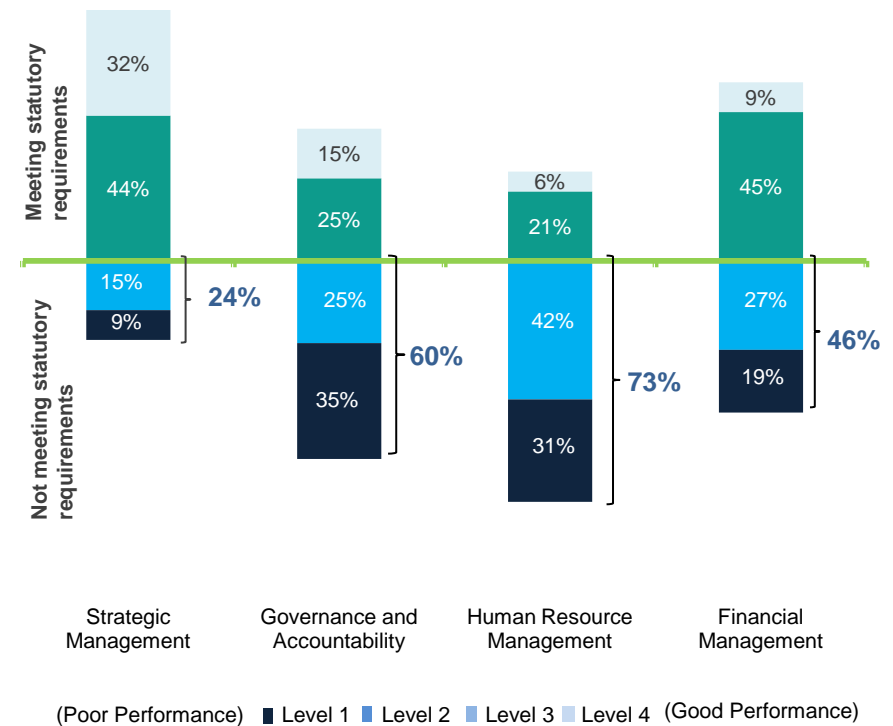


- Strike action on service delivery has been due partly to some instances of poor quality and incomplete rollout, and partly as a result of disappointment that not all areas have been serviced yet.

Public opinion on delivery of basic services



Distribution of final scores by key performance area, 2013



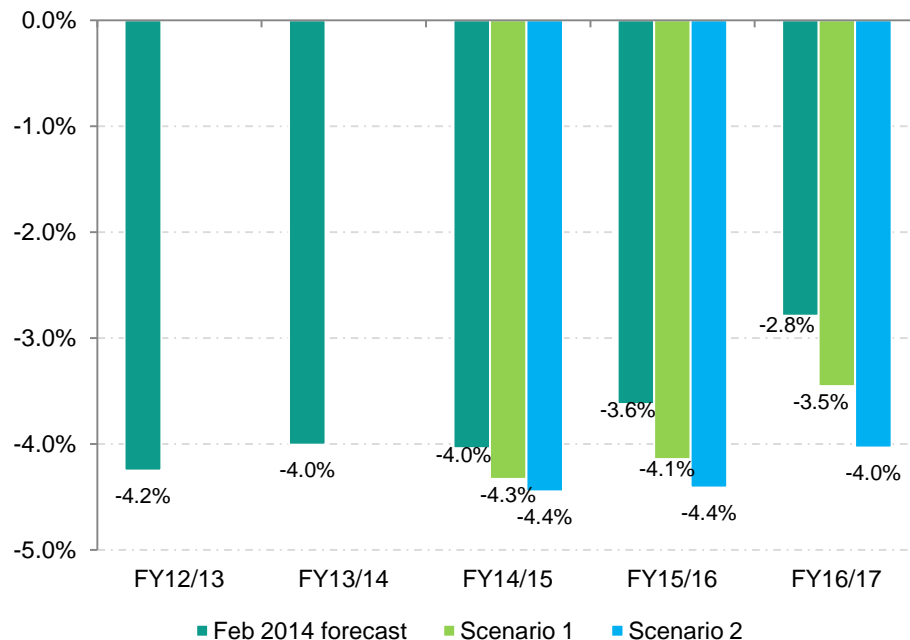
Its been a difficult year for SA

Current account deficit persists and budget deficit requires economic growth above 3% to improve



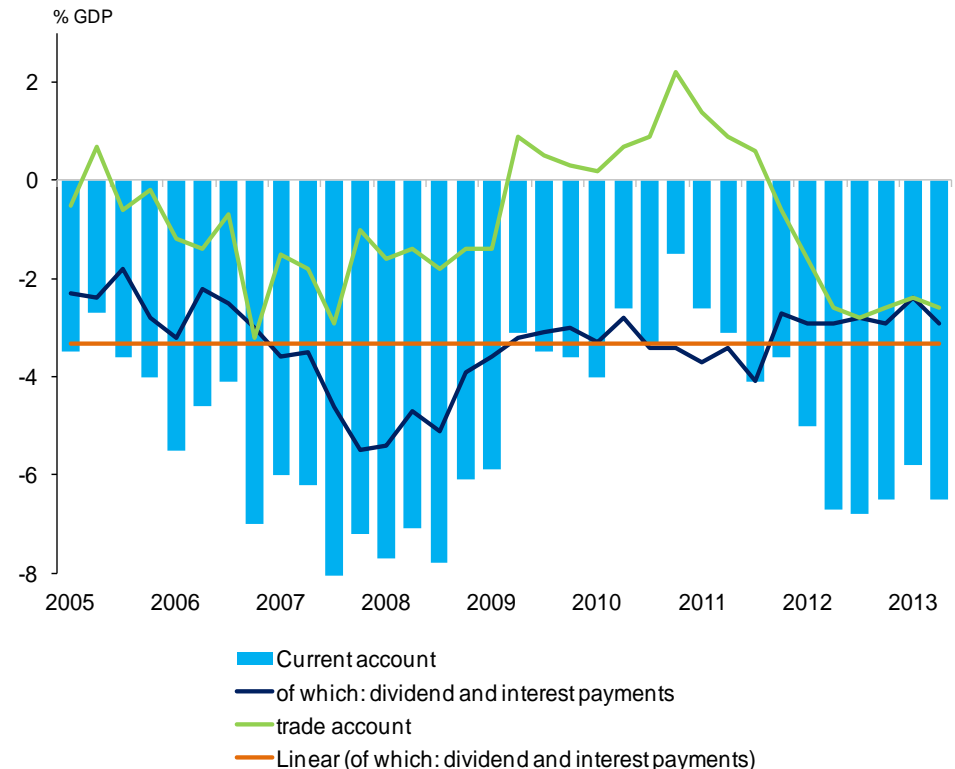
- The current account deficit persists with exports yet to respond to weak currency.
- SA's largest import is oil, followed by capital equipment and components.

SA budget deficit – varying GDP growth assumptions



	FY14/15	FY15/ 16	FY16/17
Feb 2014 Budget	2.9	3.3	3.5
Scenario 1	1.9	2.5	3.0
Scenario 2	1.5	2.0	2.0

Current account deficit as % of GDP



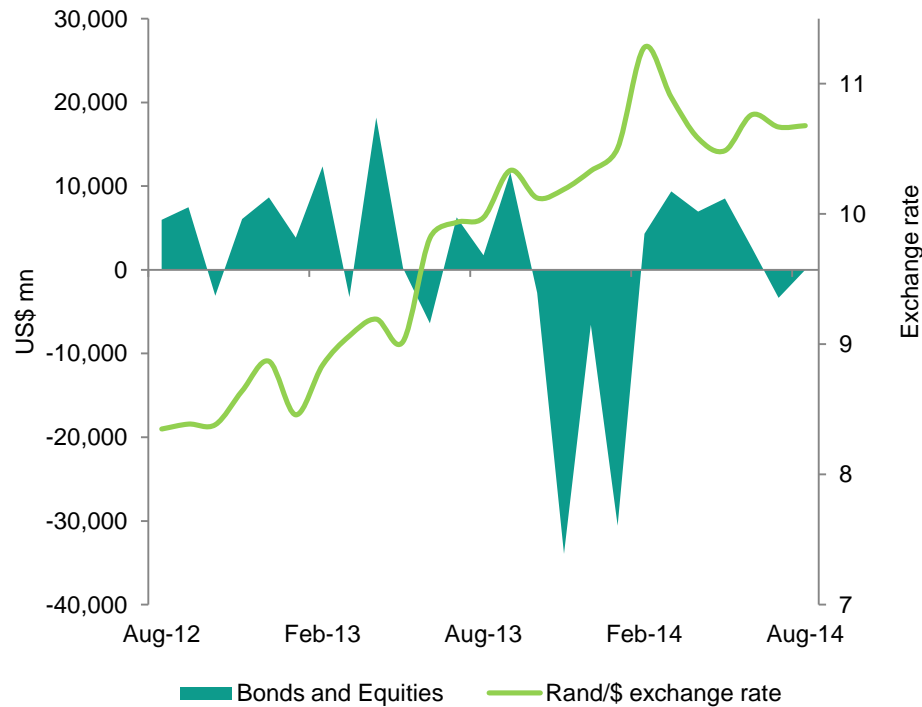
Its been a difficult year for SA

At the same time, Fed tapering resulted in emerging market outflows causing a sharp depreciation of the Rand

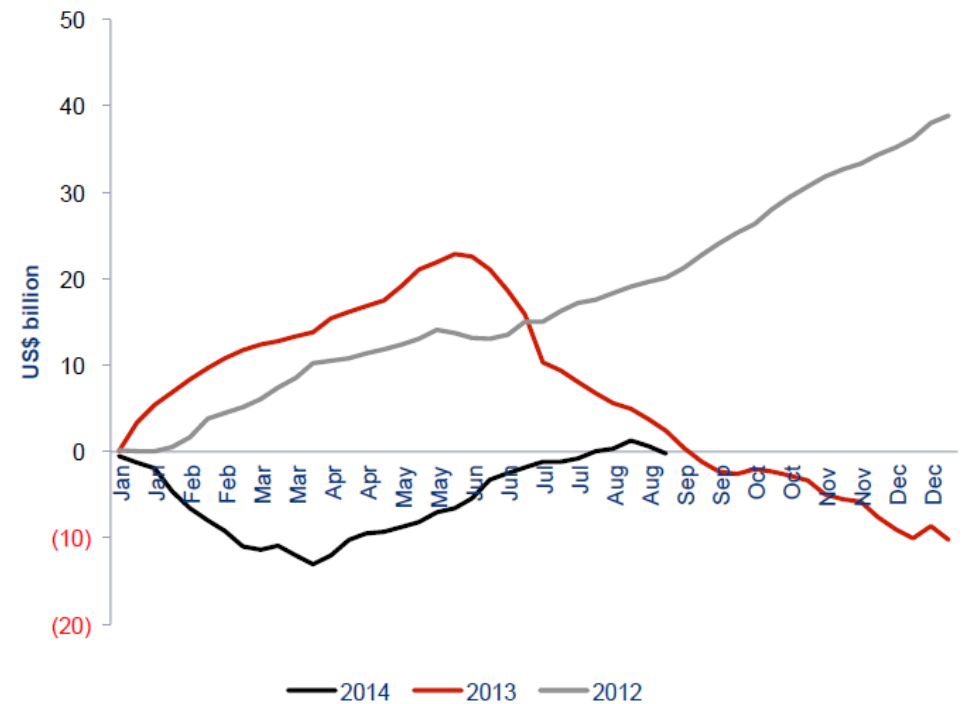


- SA's exchange rate has weakened amid nonresident portfolio capital outflows.

Rand exchange rate and capital outflows



Cumulative portfolio flows into emerging markets



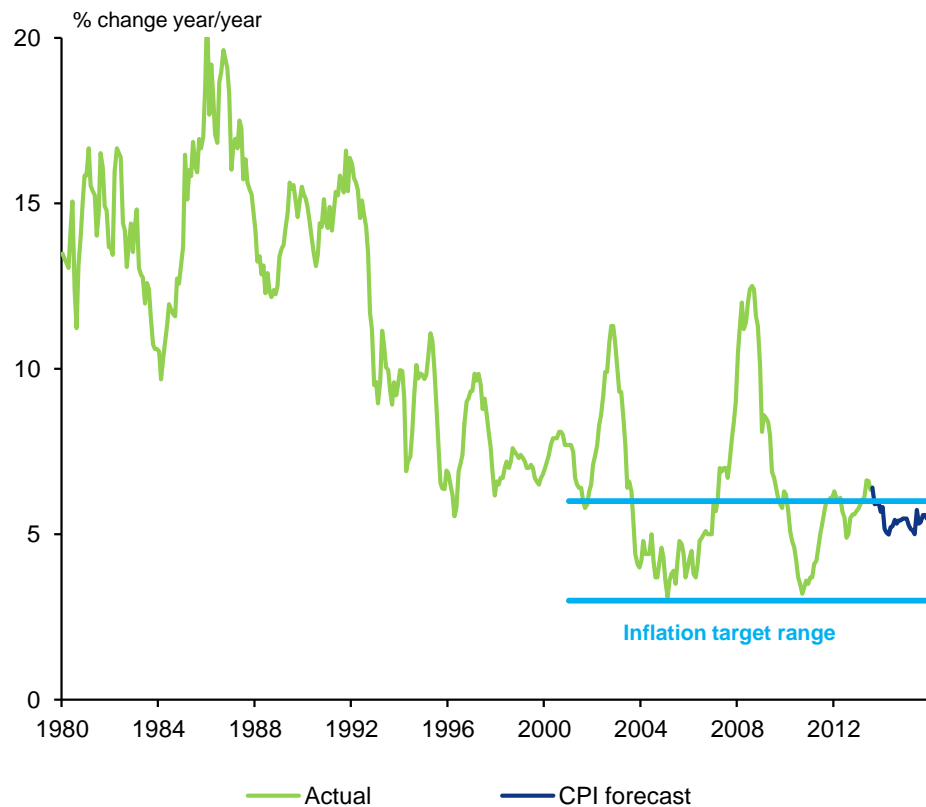
Its been a difficult year for SA

Pushing inflation into the upper end of the target range and causing a moderate rise in interest rates

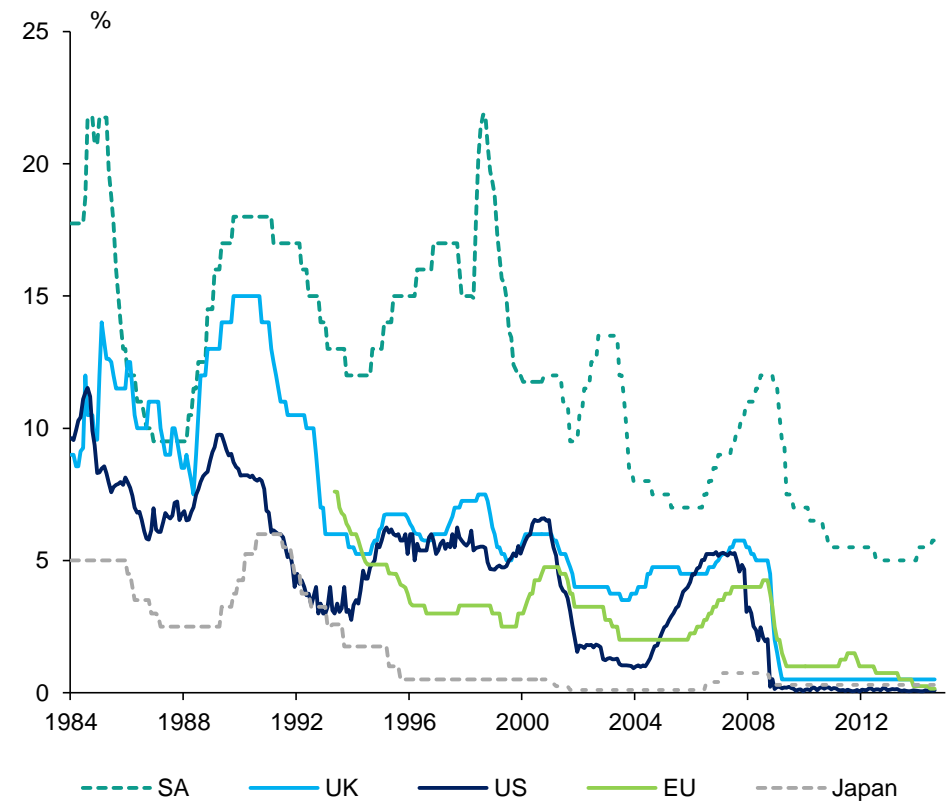


- CPI inflation rose above the 6.0% upper limit of the target earlier this year but CPI inflation should fall back toward 6.0% in the second half of the year. Subdued domestic demand and moderating food price inflation will lower inflation in the remainder of 2014 and the first half of 2015 by more than is currently expected.
- SA Reserve Bank has already hiked its interest rate twice this year. We expect a further 75bp hike in 2015.

CPI inflation



Central bank rates



However ...

There are a number of areas of strength and opportunity



1. Key **investment** highlights
2. Sound **fiscal** and **monetary** policy
3. First phase of implementation of the NDP via the **MTSF** (Medium Term Strategic Framework)
4. Sound financial sector and capable **private sector**
5. Growth of **Sub-Saharan Africa**

Key investment highlights



Prudent **fiscal** management, a flexible **exchange rate** and an effective **inflation targeting** regime

Expenditure ceiling has been maintained for the medium term

Existing **debt** has a long maturity structure and exposure to foreign currency **liabilities** remain low

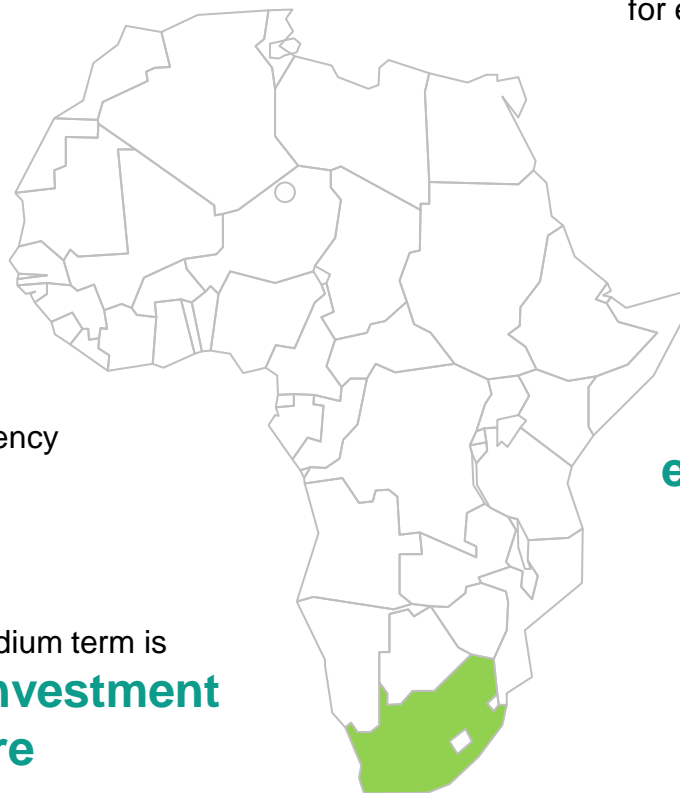
Division of revenue over the medium term is designed to help **expand investment** in economic **infrastructure**

Government has adopted the **National Development Plan** as the framework for economic and social transformation

Major strengths are the **services** and **manufacturing** sectors and strong **infrastructure**

Most developed economy in Sub-Saharan Africa, with total GDP of US\$309bn

Broad **political stability**



Prudent fiscal policy

Borrowing only for infrastructure



Strengths highlighted by IMF

Highly transparent process

- High quality budget documents, with extensive and detailed information on national and sub-national government finances
- Consistently ranked among the top 2 most transparent regimes in the world

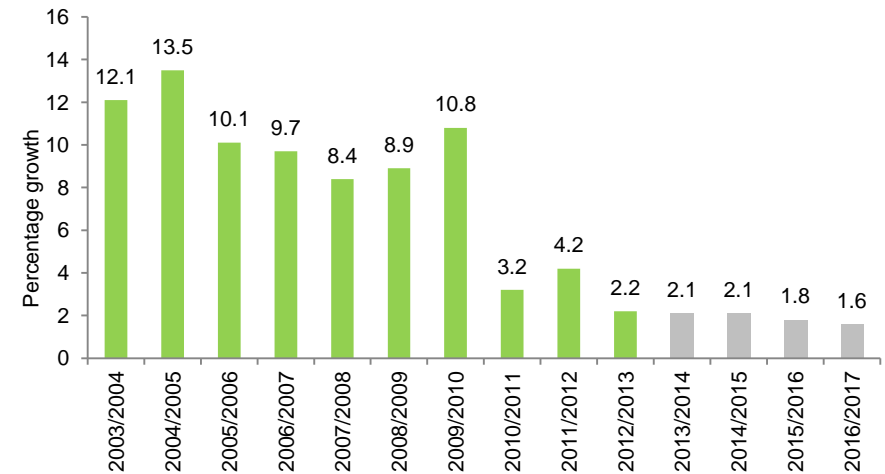
Risks reporting

- Good reporting of selected specific risks such as explicit contingent liabilities
- High-quality information on national debt as well as risks associated with debt

Excellent monitoring

- Legal framework for controlling sub-national borrowing and debt
- Strong oversight on SOE balance sheet and direct transfer from government

Real main budget non-interest expenditure growth



Consolidated operating and capital accounts

	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
R'bn	Outcome			Estimate	Medium-term estimates		
Operating account							
Current revenue	762.5	842.0	908.9	1 010.3	1 099.1	1 201.2	1 324.5
Current payments	756.4	838.7	920.8	1 011.1	1 093.8	1 176.5	1 254.2
Current balance	6.1	3.4	-11.8	-0.9	5.3	24.7	70.4
Percentage of GDP	0.2%	0.1%	-0.4%	-0.0%	0.1%	0.6%	1.5%
Capital financing requirement	-100.8	-111.1	-119.2	-134.0	-151.8	-165.6	-179.0
Percentage of GDP	-3.7%	-3.7%	-3.7%	-3.9%	-4.0%	-4.0%	-3.9%
Financial transactions	22.4	3.1	4.9	3.9	3.6	3.3	0.3
Contingency reserve	-	-	-	-	3.0	6.0	18.0
Budget balance	-117.1	-110.8	-135.9	-138.8	-153.1	-150.3	-126.9
Percentage of GDP	-4.3%	-3.7%	-4.3%	-4.0%	-4.0%	-3.6%	-2.8%

Sound monetary policy

Monetary policy has begun gradual normalisation



Lesetja Kganyago, appointed as South Africa's 10th Reserve Bank governor, has pledged to **continue the policy path** of predecessor Gill Marcus and **pursue price and financial stability**.

"It is a continuum that we have seen since Ms. Marcus arrived at the bank in 2009 and I do not have to reinvent anything, I just have to **carry from where she had left.**"

"As I take this role, central banks are faced with a **range of challenges**. The world of central banking is not what it used to be. The world over, central banks are being faced with a challenge of having to **balance the issue of growth and the issue of tackling inflation.**"



Lesetja Kganyago, Governor Designate of the SA Reserve Bank



"The proposed solutions were developed in a **collaborative process** between the public and private sector. The **leadership and commitment** shown by South African commercial banks and the Public Investment Corporation in underwriting the capital raising for the envisaged 'good bank' bears testimony to the **strong underpinnings of our banking and financial system**, the resilience of which will be enhanced by these measures."

Daniel Mminele, Reserve Bank deputy governor, August 2014

"According to the G20 and IMF Principles on Resolution, **they've done everything by the book, they've been clear, and they've stopped a big market disorderly default.** From that point of view, they've done very well."

S&P's primary credit analyst Matthew Pirnie

First phase of implementation of NDP Via the Medium Term Strategic Framework (MTSF)



- The NDP is the over-arching plan for the country and has been adopted by government, business and civil society alike.
- The MTSF is Government's strategic plan for the 2014-2019 electoral term and reflects the commitment to implement the NDP.
- The MTSF sets out the actions Government will take and targets to be achieved over five years and provides a framework for the other plans of national, provincial and local government.

“The National Development Plan **lays the foundation** for fundamental transformation. It is a platform on which we need to mobilise our youth, and bring together all South African citizens. Each of us has a part to play. Each of us has an obligation to meet”

Minister of Finance Pravin Gordhan, 2014 Budget Speech

Effective implementation of the MTSF

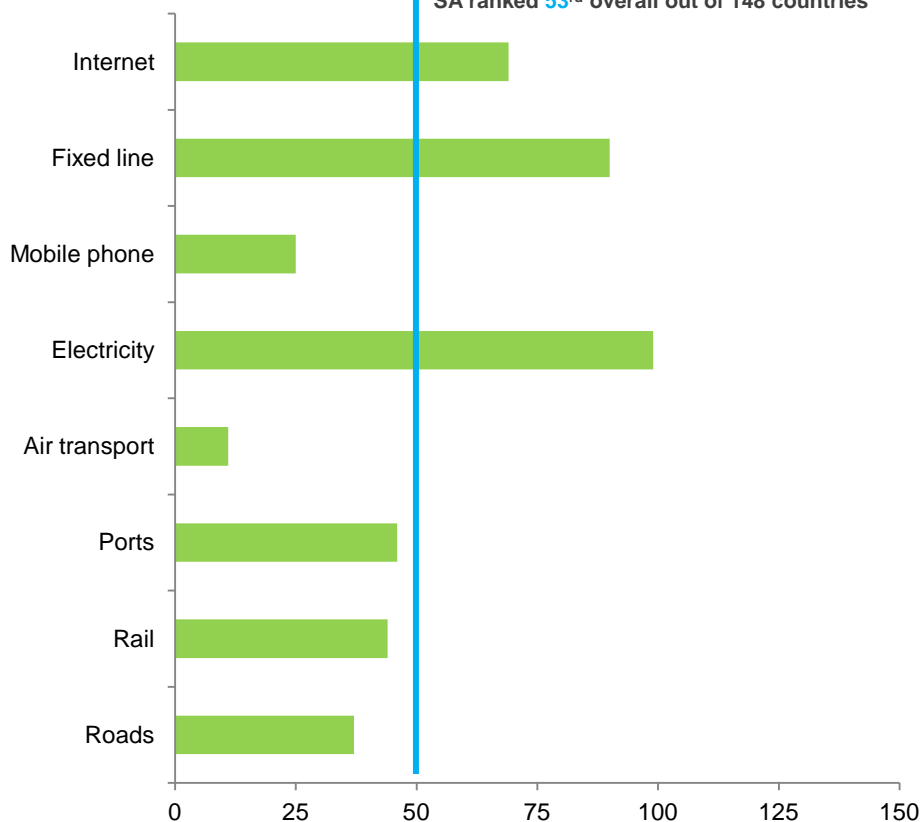
Emphasising the development of infrastructure



- SA has a solid transport infrastructure.
- However, gaps in information and communications technologies and electricity remain.

SA's rank in key infrastructure

SA ranked 53rd overall out of 148 countries



Public-sector infrastructure expenditure

	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
R'bn	Outcomes			Estimates			
Energy	52.2	67.1	75.1	80.6	72.3	65.5	50.6
Water and sanitation	14.6	19.2	22.6	32.4	36.5	36.9	38.5
Transport and logistics	68.6	70.1	69.5	78.6	99.6	120.0	127.5
Other economic services	12.1	11.5	8.9	13.0	15.2	14.2	12.8
Health	6.7	7.7	9.7	9.8	10.6	11.3	11.6
Education	6.2	7.8	9.8	12.1	13.5	13.6	14.0
Other social services	12.8	15.7	10.7	13.9	12.5	13.0	15.9
Justice and protection services	3.8	2.8	4.4	4.9	4.9	5.0	6.5
Central government services	3.0	6.6	6.9	7.4	7.9	8.4	9.3
Total	180.0	208.3	217.7	252.6	272.9	287.8	286.6
National departments	7.2	6.6	9.6	11.4	14.1	14.3	16.7
Provincial departments	39.1	43.5	36.4	41.9	42.6	45.6	46.6
Local government	30.9	33.2	41.7	55.2	58.3	61.8	63.5
Public entities ¹	9.4	15.4	14.1	16.4	21.5	23.7	24.4
Public-private partnerships	7.3	10.7	2.6	3.0	3.1	3.3	3.5
Public enterprises ¹	86.0	98.9	113.4	124.8	133.4	139.1	132.0
Total	180.0	208.3	217.7	252.6	272.9	287.8	286.6

¹. Public entities are financed by capital transfers from the fiscus and public enterprises are financed from combination of own revenue, borrowings and private funding

Effective implementation of the MTSF

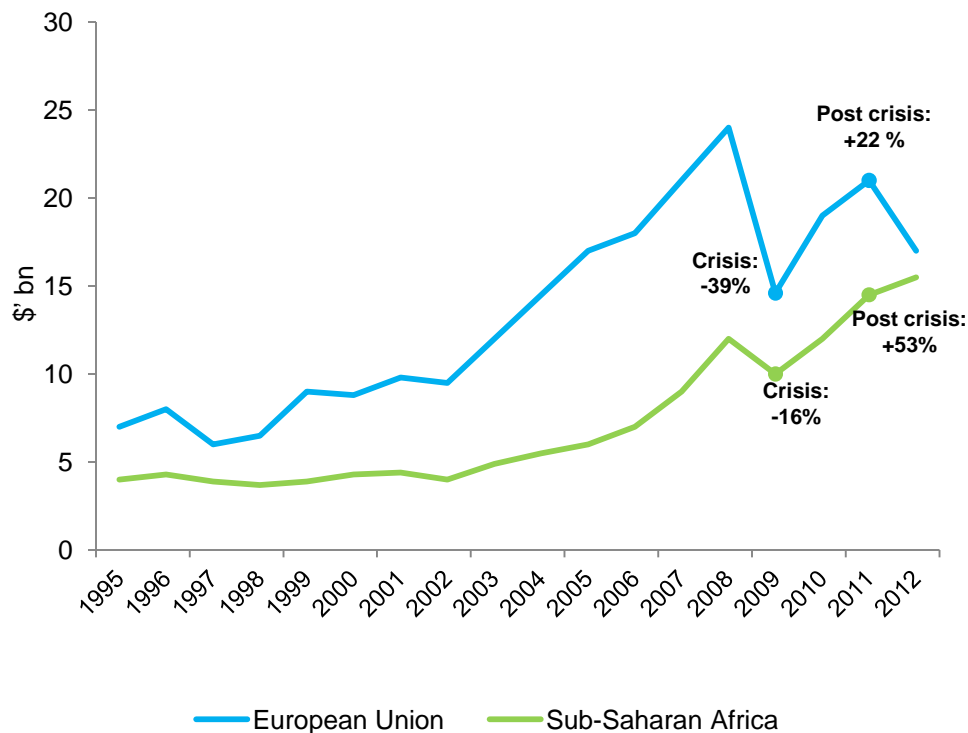
Significantly increasing exports ...

... to reduce the current account deficit

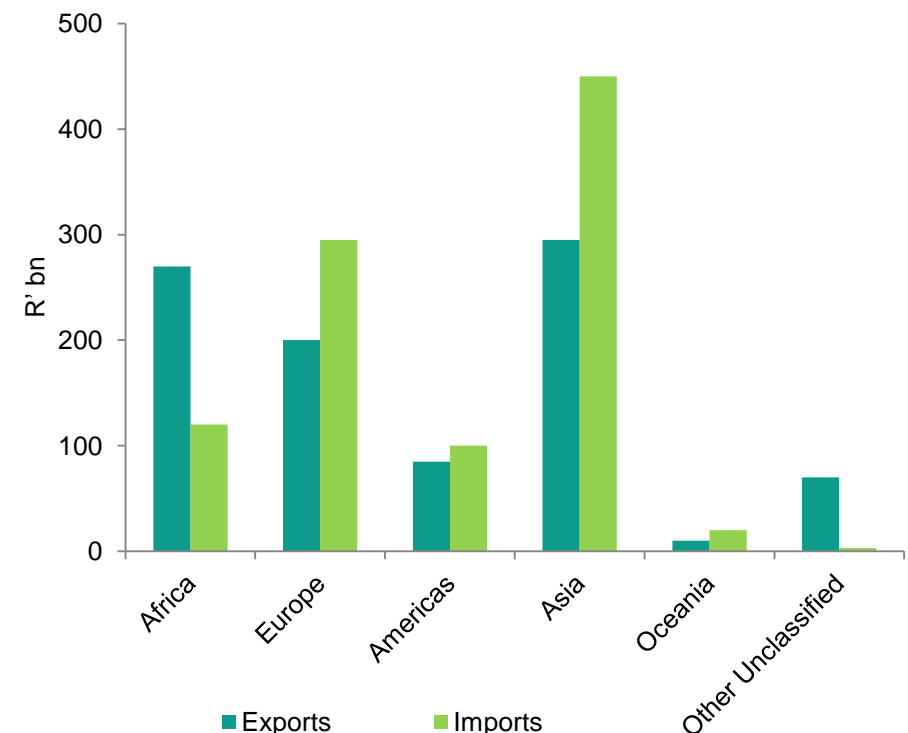


- Implement National Tourism Strategy and review impact regularly.
- Increasing the number of foreign visitor arrivals to more than 44mn annually by 2017 and increasing the contribution of tourism revenue to the economy to more than R370bn by 2017.
- Government will redouble its efforts to improve the regulatory environment, reduce the skills shortage and accelerate its infrastructure investment programme so as to reduce the bottlenecks constraining growth.

Evolution of total exports to Africa and the European Union, 1995-2012



SA trade per region during 2013



Effective implementation of the MTSF

Improving service delivery

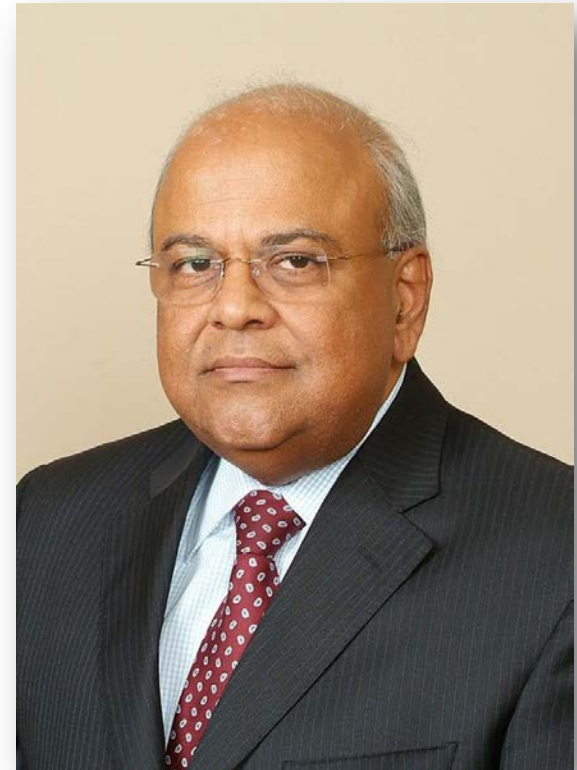


“Local government needs to go ‘Back to Basics’ in order to improve on the delivery of services to citizens.”

Cooperative Governance and Traditional Affairs Minister, Pravin Gordhan
September 2014

The ‘Back to Basics’ Strategy is about:

- Responding vigorously to immediate needs
- Understanding and responding to structural challenges
- Building resilient local government institutions
- Collectively shaping intergovernmental planning and delivery.



Effective implementation of the MTSF

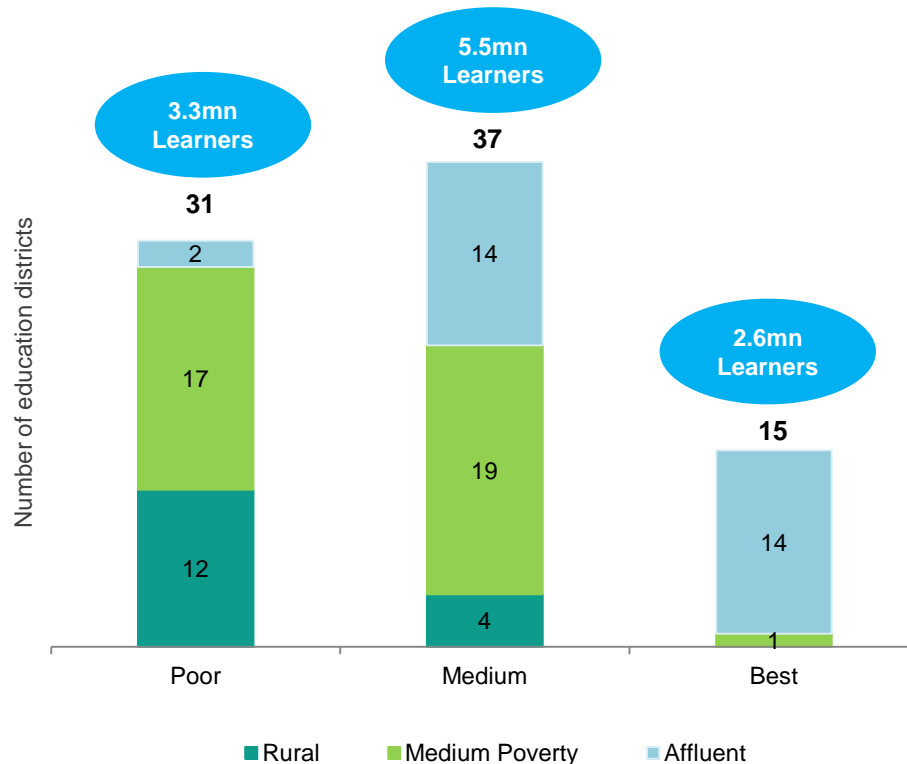
Improving the quality of SA's public education



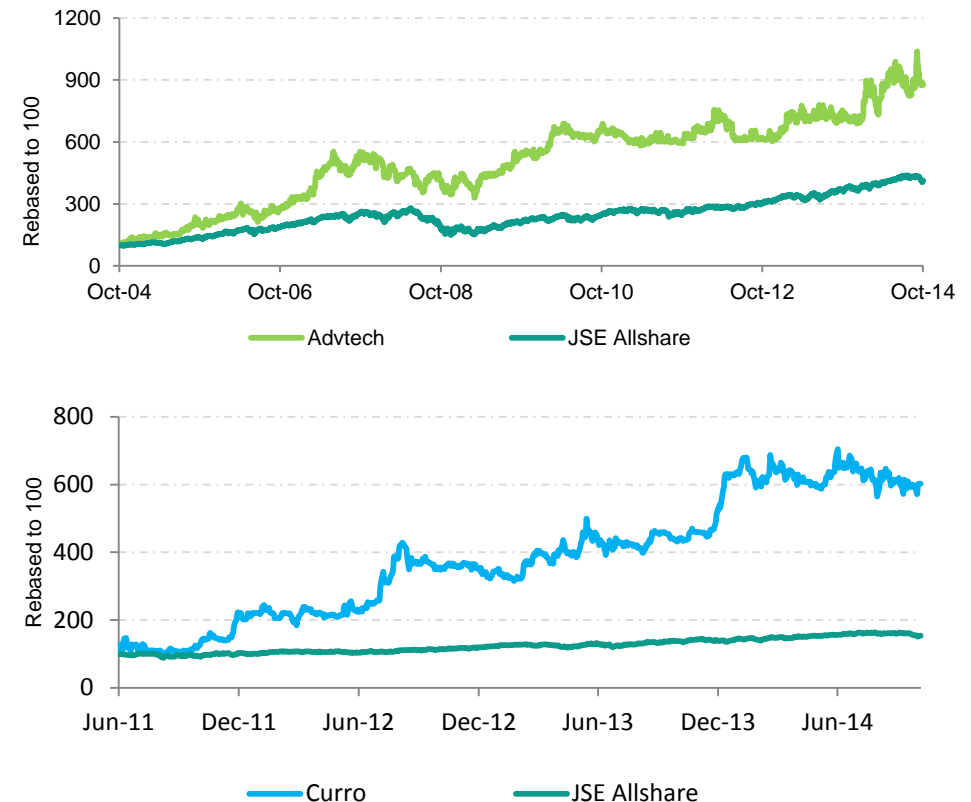
- **22.8%** are achieving a **quality** education.
- 48.3% are achieving a medium education.

- Independent private schools have grown from 518 in 1994 to some **2,500** today.

Education: District performance and poverty levels



Share performance of listed private education companies



Capable private sector

SA has a developed corporate sector



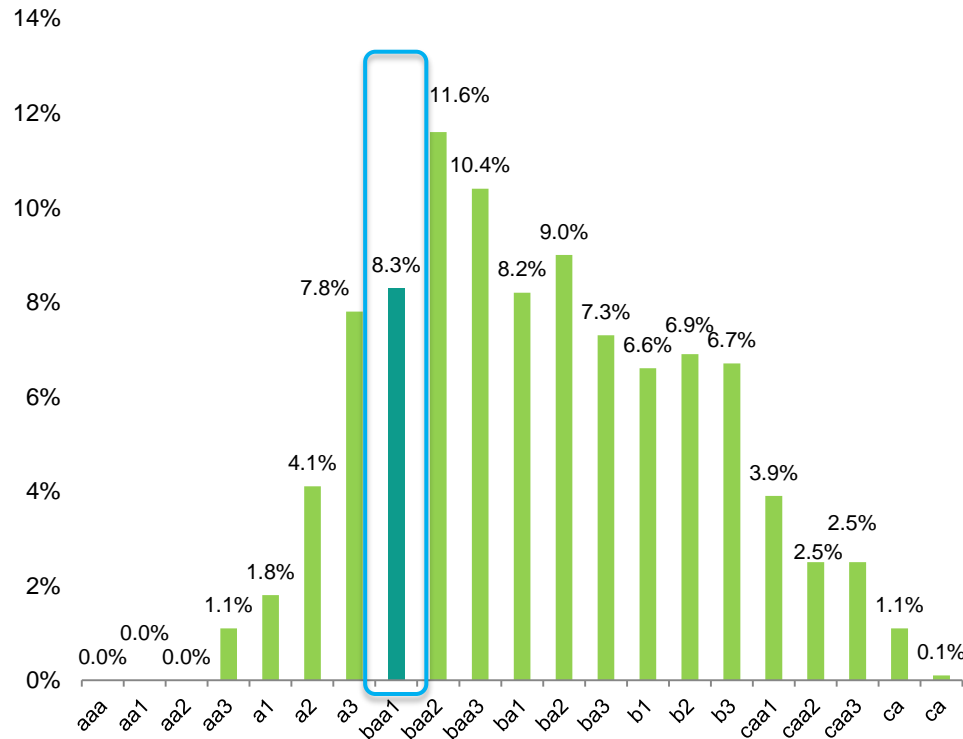
- 1st Strength of auditing and reporting standards
- 1st Regulation of securities exchange
- 2nd Protection of borrowers/lenders legal rights and of minority shareholders interests
- 3rd Efficacy of corporate boards
- 3rd Financing through local equity market
- 6th Soundness of banks and availability of financial services
- 10th Strength of investor protection

Capable private sector And a sound financial sector

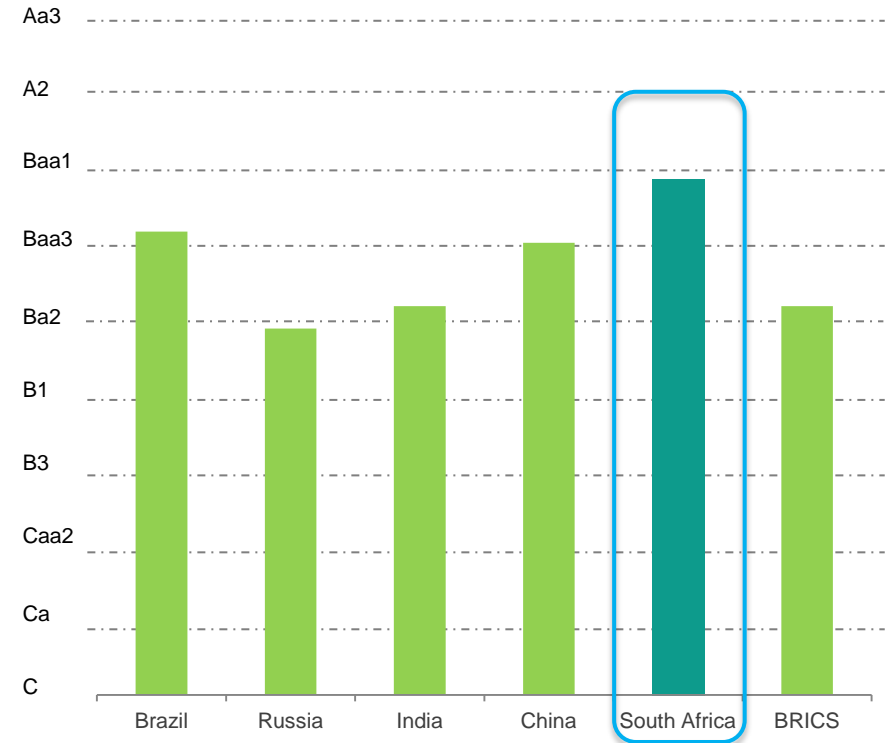


- Less than **15%** of global banks are rated higher than SA banks on Baseline Credit Assessment.

Global distribution of Baseline Credit Assessment (BCA)

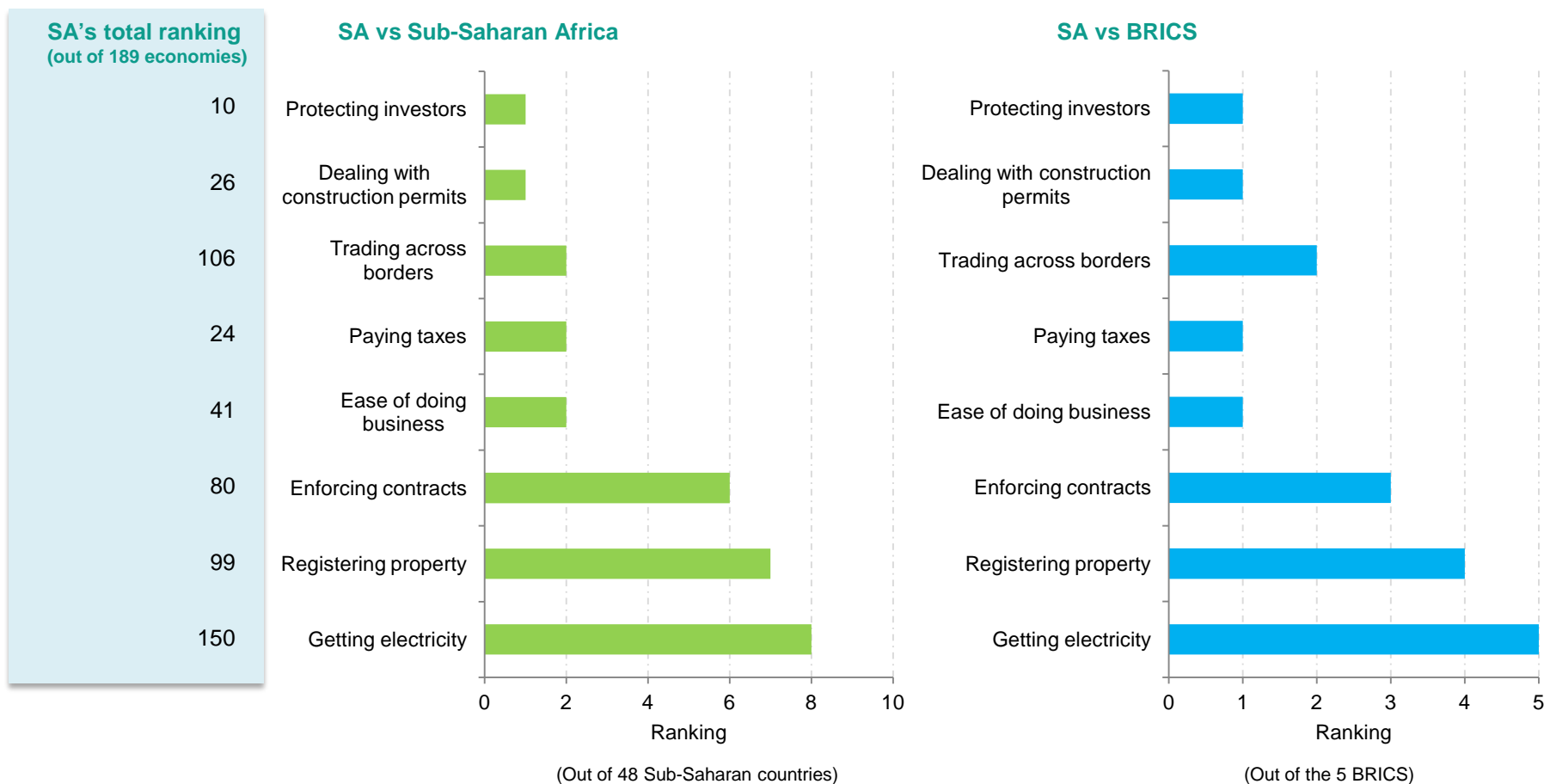


Weighted average local currency long-term bank deposit ratings among the BRICS countries



Capable private sector

Ease of doing business in SA



Capable private sector

Private sector opportunities in the Power Sector ...

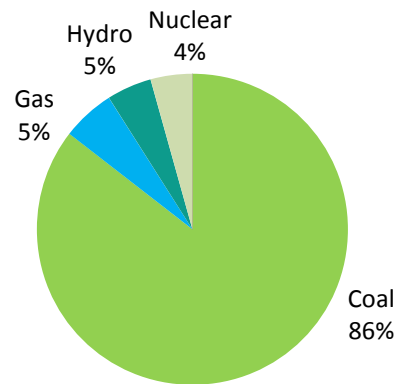
... to provide an additional energy source for the economy



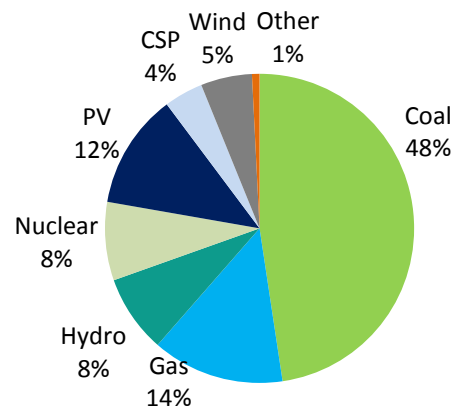
- The Integrated Resource plan for electricity (2010– 2030) is a blueprint for the energy mix that SA desires for the power sector in the period from 2010 to 2030.
- This has been updated in November 2013, and clearly indicates the government's inclusion of private sector participation in the energy sector.

SA's energy demand is expected to be double the 2012 levels by 2030

2014 Capacity: 44 145 MW



2030 Planned Capacity: 81 230MW



Private sector procurement since publication of the IRP

	MW	R'bn
Renewable energy	3,915	R117bn
Thermal power	1,020	R10bn
Coal fired power*	2,500	>R60bn
Total	7,435	>R187bn

*Government is about to begin procurement

Other energy commitments

	MW
Coal fired power*	9,600
Renewable energy	18,680
Natural gas	8,805
Nuclear^	4,750

*The IRP makes provision for the decommissioning of 12,185 MW of existing coal power by 2030

^Under consideration. Potential to rise to 9,600 MW

Expected **private** sector procurement by 2030 17,080MW

Expected **public** sector procurement by 2030 20,005MW

Providing opportunity for greater private sector participation

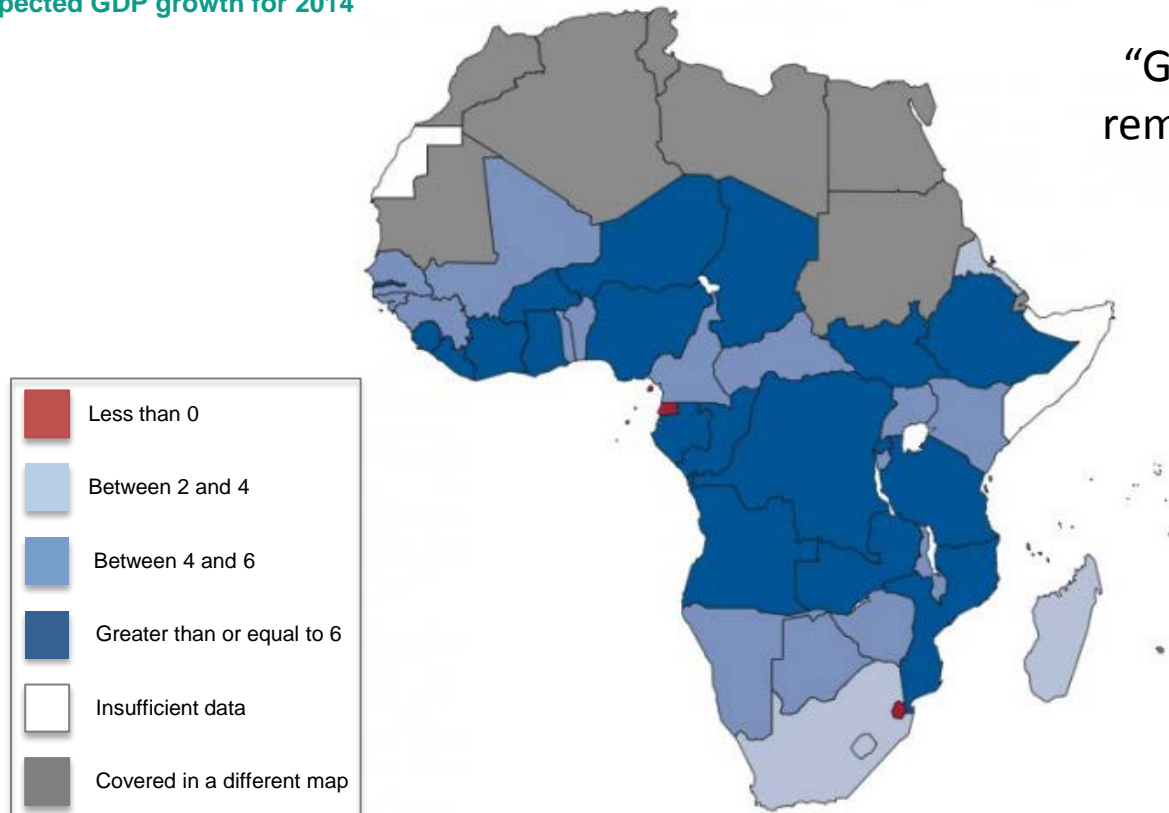
Growth in Africa

Provides strong growth opportunities for SA



- **GDP growth** of Sub-Saharan Africa is expected average over **5.5%** between 2013 - 2018.

Heat map of expected GDP growth for 2014



“Growth in Sub-Saharan Africa remains **robust** and is **expected to accelerate** in 2014”

*IMF,
April 2014*

Growth in Africa

Corporate SA has invested some US\$18bn in Africa



- SA companies across most industries are increasing their footprint on the African continent.



Growth in Africa

Supports many domestic market segments



Retail



Private education



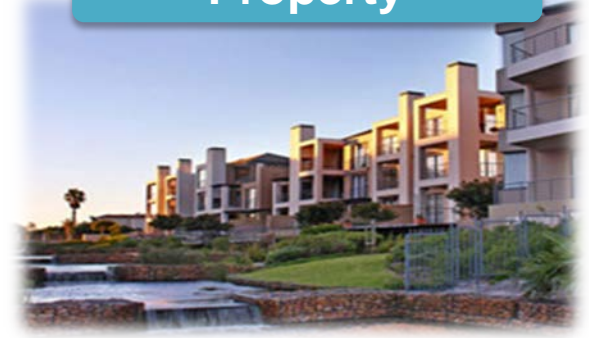
Private healthcare



Tourism



Property

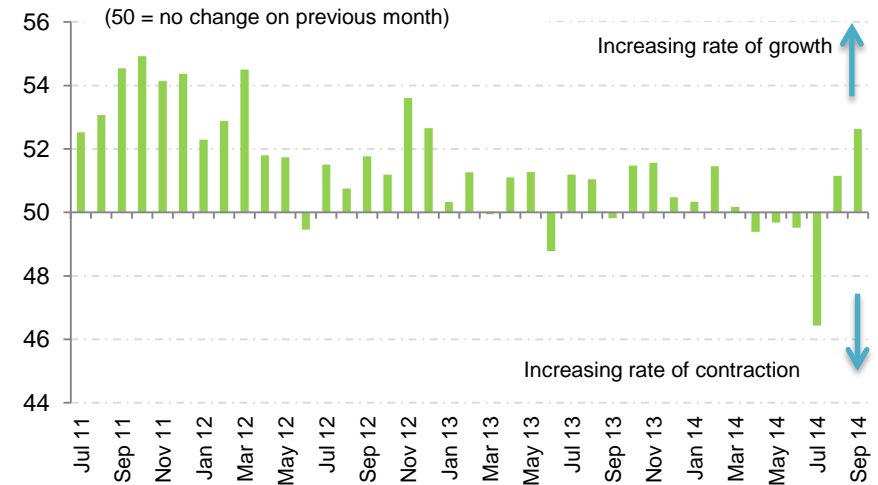


Conclusion



- The SA economy is **currently underperforming** its potential. Whilst there are many challenges, strategic level plans have been adopted and we are starting to see **execution** of these plans by both the public and private sector.
- There is also **improved dialogue** between the government and the private sector to establish the best way to enhance **private sector involvement** in execution of these plans.

SA's Purchasing Managers Index (PMI)

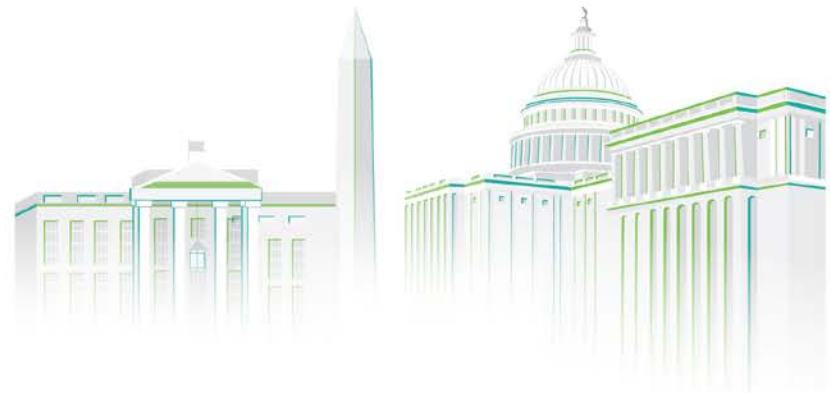


Source: Markit, HSBC

“The next phase of growth is about the **dynamism and agility of the private sector** and the synergies created with government. Government will continue to provide an enabling environment for business to grow and create employment”

2014 Budget Speech (Minister of Finance, Pravin Gordhan)

Appendix



Forecasts



Expected case forecasts, real % growth y/y	2012	2013	2014	2015	2016	2017	2018
GDP (%)	2.5	1.9	1.6	2.9	3.0	3.5	3.8
HCE (%)	3.5	2.6	2.1	2.8	2.9	3.4	3.7
GCE (%)	4.0	2.4	2.2	2.4	2.5	2.9	2.9
GFCF (%)	4.4	4.7	3.2	4.9	5.4	6.0	6.1
Real change in inventories (R'bn)	9.9	1.3	-5.1	10.4	10.7	11.1	11.5
GFCF as a % GDP	19.9	20.4	20.7	21.1	21.6	22.1	22.6
GDE (%)	4.0	2.2	2.4	4.2	3.3	3.8	4.0
Export (goods & non-factor services) - %	0.4	4.2	2.7	5.9	7.4	5.0	4.8
Imports (goods & non-factor services) - %	6.0	4.7	5.0	9.3	7.1	5.6	5.2
Balance: Current Account (sa) - % GDP	-5.2	-5.8	-5.6	-5.3	-4.9	-5.3	-5.3
Consumer Inflation (Av: %)	5.7	5.8	6.3	5.7	5.4	5.6	5.6
Prime Overdraft Rate (year-end: %)	8.50	8.50	9.25	10.00	10.50	11.00	11.00
Rand/USD	8.20	9.64	10.76	10.25	9.68	9.84	10.20

National Development Plan overview



The NDP was established in 2011 in a bid to eliminate poverty and reduce inequality in South Africa by 2030. Some of its key policy objectives are:

Jobs	Infrastructure	Poverty and Social Wages	Health
<ul style="list-style-type: none"> • Target: to create 11 million new jobs by 2030 • Key strategies in place include: <ul style="list-style-type: none"> - employment tax incentive - Industrial support programmes and manufacturing incentives - Expanded Public Works Programme - Special economic zones to promote exports - Support for small, medium and micro enterprises 	<ul style="list-style-type: none"> • Public sector investment to total R847.3 bn over the medium term • Independent power producers programme diversifying out of renewables into: gas; hydro; coal; and cross border projects • Medupi and Kusile power stations construction underway • Transnet to upgrade coal, iron ore and manganese rail lines whilst 29 large bulk water schemes are under construction • The new bus rapid transit system will be constructed in nine cities 	<ul style="list-style-type: none"> • Community works programme to be established in every municipality • Support for smallholder farmers, rural employment programmes and land restitution 	<ul style="list-style-type: none"> • More than R21 bn allocated to build, refurbish and maintain health related infrastructure • Two National Health Insurance conditional grants will support contracting doctors and pilot health service innovations in 10 districts • Health professions training and development grant will boost the number of health professions in the public health sector • Recruit, train and deploy between 700 000 and 1.3 mn community health workers to implement community-based health care

Investec DLC: Salient financial features



Investec group consolidated results	31 March 2014	31 March 2013	% change
Income statement			
Adjusted earnings attributable to ordinary shareholders before goodwill, acquired intangibles and non-operating items (£'000)	327,824	309,310	6.0%
Operating profit* (£'000)	451,817	426,278	6.0%
Balance sheet			
Total capital resources (including subordinated liabilities) (£'million)	5,352	5,693	(6.0%)
Total shareholders' equity (including preference shares and non-controlling interests (£'million)	4,013	3,942	1.8%
Total assets (£'million)	47,142	52,010	(9.4%)
Net core loans and advances to customers (including own originated securitised assets) (£'million)	17,157	18,415	(6.8%)
Cash and near cash balances (£'million)	9,135	9,828	(7.1%)
Customer accounts (deposits) (£'million)	22,610	24,461	(7.6%)
Third party assets under management (£'million)	109,941	110,678	(0.7%)
Capital adequacy ratio: Investec plc	15.2%	16.7%	
Capital adequacy tier 1 ratio: Investec plc	10.5%	11.0%	
Capital adequacy ratio: Investec Limited	14.9%	15.5%	
Capital adequacy tier 1 ratio: Investec Limited	10.9%	10.8%	
Credit loss ratio (core income statement impairment charge as a % of average gross core loans and advances)	0.68%	0.84%	
Defaults (net of impairments and before collateral) as a % of net core loans and advances to customers	2.30%	2.73%	
Gearing ratio (assets excluding assurance assets to total equity)	10.3x	11.6x	
Core loans to equity ratio	4.3x	4.7x	
Loans and advances to customers as a % of customer deposits	72.0%	71.5%	
Selected ratios and other information			
Adjusted earnings per share^ (pence)	38.0	36.1	5.3%
Net tangible asset value per share (pence)	308.7	310.9	0.7%
Dividends per share (pence)	19.0	18.0	5.6%
Cost to income ratio	67.5%	65.7%	
Return on average adjusted shareholders' equity (post tax)	10.1%	9.4%	
Return on average adjusted tangible shareholders' equity (post tax)	12.3%	11.7%	
Return on risk-weighted assets	1.14%	1.06%	
Recurring income as a % of operating income	70.7%	68.6%	
Weighted number of ordinary shares in issues (million)	862.6	856.0	0.8%
Total number of shares in issue (million)	891.7	884.8	0.8%
Closing share price (pence)	485	459	5.7%
Market capitalisation (£'million)	4,324	4,061	6.5%
Number of employees in the group (including temps and contractors)	8,258	8,151	1.3%
Closing ZAR: £ exchange rate	17.56	13.96	25.8%
Average ZAR: £ exchange rate	16.12	13.44	19.9%

*Before goodwill, acquired intangibles, non-operating items, taxation and after other non-controlling interests.

^Before goodwill, acquired intangibles, non-operating items and after non-controlling interests.

Investec DLC: Summary income statement



£'000	31 March 2014	31 March 2013*
Interest income	1,905,383	2,132,715
Interest expense	(1,253,704)	(1,429,108)
Net interest income	651,679	703,607
Fee and commission income	1,136,902	1,110,398
Fee and commission expense	(147,481)	(143,578)
Investment income	166,809	181,992
Trading income arising from		
- customer flow	103,914	70,859
- balance sheet management and other trading activities	10,587	34,038
Other operating income	18,554	42,153
Total operating income before impairment losses on loans and advances	1,940,964	1,999,469
Impairment losses on loans and advances	(166,152)	(251,012)
Operating income	1,774,812	1,748,457
Premises	(70,478)	(73,642)
Equipment	(56,386)	(65,092)
Personnel expenses	(592,192)	(602,884)
Variable remuneration (EVA)	(305,551)	(274,457)
Business expenses	(196,866)	(201,017)
Marketing	(55,923)	(55,641)
Depreciation and impairment of property, equipment and intangibles	(28,706)	(30,300)
Operating costs	(1,306,102)	(1,303,033)
Depreciation on operating leased assets	(6,044)	(16,072)
Operating profit before goodwill and acquired intangibles	462,666	429,352
Impairment of goodwill	(12,797)	(15,175)
Amortisation of acquired intangibles	(13,393)	(13,313)
Operating costs arising from integration, restructuring and partial disposal of subsidiaries	(20,890)	(13,119)
Operating profit	415,586	387,745
Net gain on disposal of subsidiaries	9,821	-
Non-operational costs arising from acquisition of subsidiary	-	(1,249)
Profit before taxation	425,407	386,496
Taxation on operating profit before goodwill	(79,150)	(79,064)
Taxation on acquired intangibles and acquisition/disposal/integration of subsidiaries	7,289	5,977
Profit after taxation	353,546	313,409
Profit attributable to Asset Management non-controlling interests	(11,031)	(243)
Profit attributable to other non-controlling interests	(10,849)	(3,074)
Earnings attributable to shareholders	331,666	310,092

*Restated

Investec DLC: Summary balance sheet



£'000	31 March 2014	31 March 2013*	31 March 2012*
Assets			
Cash and balances at central banks	2,080,190	1,782,447	2,593,851
Loans and advances to banks	3,280,179	3,136,051	2,725,471
Non-sovereign and non-bank cash placements	515,189	420,960	642,480
Reverse repurchase agreements and cash collateral on securities borrowed	1,388,980	2,358,672	975,992
Sovereign debt securities	3,215,432	4,077,217	4,067,093
Bank debt securities	1,568,097	1,879,105	3,081,061
Other debt securities	605,378	449,216	377,832
Derivative financial instruments	1,619,415	1,983,132	1,913,650
Securities arising from trading activities	870,088	931,603	640,146
Investment portfolio	825,745	928,893	863,664
Loans and advances to customers	16,281,612	17,484,524	17,192,208
Own originated loans and advances to customers securitised	875,755	930,449	1,034,174
Other loans and advances	1,693,569	2,033,973	2,789,489
Other securitised assets	3,576,526	4,003,208	4,021,378
Property and equipment	108,738	134,101	175,773
Investment properties	509,228	451,975	407,295
Goodwill and intangible assets	592,740	645,473	660,419
Combined other assets, excluding assurance assets	1,672,087	2,152,957	1,976,574
	41,278,948	45,783,956	46,138,550
Liabilities			
Deposits by banks	2,721,170	3,047,636	3,035,323
Derivative financial instruments	1,170,232	1,443,325	1,421,130
Repurchase agreements and cash collateral on securities lent	1,316,087	1,940,158	1,864,137
Customer accounts (deposits)	22,609,784	24,460,666	25,275,876
Debt securities in issue	1,596,630	1,901,776	2,243,948
Liabilities arising on securitisation of own originated loans and advances	729,534	926,335	1,036,674
Liabilities arising on securitisation of other assets	3,041,435	3,303,606	3,314,737
Subordinated liabilities	1,338,752	1,751,806	1,492,776
Combined other liabilities, excluding assurance liabilities	2,742,283	3,067,133	2,495,824
	37,265,907	41,842,441	42,180,425
Equity			
Shareholders' equity excluding non-controlling interests	3,569,459	3,661,472	3,662,018
Non-controlling interests			
- Perpetual preferred securities issued by subsidiaries	252,713	279,041	291,769
- Non-controlling interests in partially held subsidiaries	190,869	1,002	4,338
	4,013,041	3,941,515	3,958,125

* Restated

For further information:

Refer to the investor relations website

www.investec.com/en_za/#home/investor_relations.html

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