

**Company** Investec Finance PLC  
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**Headline** Annual Financial Report  
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Investec Finance PLC  
08 July 2009

## **ZEBRA CAPITAL PLANS RETAIL STRUCTURED PRODUCTS PROGRAMME**

### **INVESTEC FINANCE PLC**

**(INCORPORATED IN ENGLAND AND WALES)**

**(REGISTRATION NUMBER: 4111949)**

Investec Finance plc makes the following announcement in compliance with the UKLA Listing Rules pursuant to the listings of a series of Notes:

#### **Annual Report and Financial Statements for the year ended 31 March 2009**

Investec Finance plc (the 'Company') is a wholly owned subsidiary of Investec Bank plc which is in turn a wholly-owned subsidiary of Investec plc (the 'Investec Group'), which is listed on the London Stock Exchange. The principal activity of Investec Finance plc is to engage in financial arrangements and transactions and to assist in financing the operations of the Investec Group. In previous years the Company has issued Guaranteed Subordinated Step-Up notes, a fixed coupon sterling bond, a Euro denominated floating rate note and has issued Euro Commercial Paper. In the current year the Company has continued to issue Euro commercial paper. In each case the proceeds have been on-lent to the Company's parent on similar terms so as to minimise liquidity and interest rate risk. The Company will continue to operate in this capacity for the foreseeable future.

On May 9, 2008, the Company launched a GBP 3,000,000,000 Zebra Capital Plans Retail Structured Products Programme (the "Programme"). In terms of the Programme the Company may from time to time issue notes (the "Notes") that are linked to the performance of one or more Preference Shares issued by Zebra Capital II Limited, a company incorporated in the Cayman Islands. The payment of all amounts due in respect of the Notes will be unconditionally and irrevocably guaranteed by Investec Bank plc on an unsubordinated basis. Applications have been approved for these Notes to be admitted to listing on the Official List of the FSA and to trading on the Regulated Market of the London Stock Exchange. As a result, and in terms of the Programme, the Company is required to publicly release its annual results.

This announcement includes full text of the Report and Financial Statements produced by the Company for the year ended 31 March 2009. This document will also be available on Investec's website at [www.investec.com/GroupLinks/InvestorRelations/](http://www.investec.com/GroupLinks/InvestorRelations/)

Enquires and further information:

Investec Structured Products

Investec Bank plc  
Telephone: 020 7597 4057  
2 Gresham Street, London, EC2V 7QP  
United Kingdom

**8 July 2009**

## INVESTEC FINANCE PLC REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009

### DIRECTORATE AND CORPORATE INFORMATION

#### **BOARD OF DIRECTORS**

G R Burger  
S M Burgess  
B Fried  
H S Herman  
B Kantor  
S Koseff  
A Tapnack

#### **SECRETARY**

D Miller

#### **AUDITORS**

Ernst & Young LLP  
1 More London Place  
London SE1 2AF

#### **COMPANY REGISTRATION**

Registration Number 4111949  
Registered Office: 2 Gresham Street  
London, EC2V 7QP

### DIRECTORS' REPORT

The directors present their report and financial statements for the year ended 31 March 2009.

#### **PRINCIPAL ACTIVITY AND BUSINESS REVIEW**

The company is a wholly owned subsidiary of Investec Bank plc (formerly Investec Bank (UK) Limited) which is in turn a wholly-owned subsidiary of Investec plc.

The principal activity of the company is to engage in financial arrangements and transactions and to assist in financing the operations of the Investec Group. In previous years the company has issued Guaranteed Subordinated Step-Up notes, a fixed coupon sterling bond, a Euro denominated floating rate note and has issued Euro Commercial Paper. In the current year the company has continued to issue Euro commercial paper. In each case the proceeds have been on-lent to the company's parent on similar terms so as to minimise liquidity, interest rate and foreign currency risk. The company will continue to operate in this capacity for the foreseeable future.

On 9 May 2008, the company launched a £3,000,000,000 Zebra Capital Plans Retail Structured Products Programme (the 'Programme'). In terms of the Programme, the company may from time to time issue notes (the 'Zebra Plan Notes') that are linked to the performance of one or more Preference Shares issued by Zebra Capital II Limited, a company incorporated in the Cayman Islands. The payment of all amounts due in respect of the Notes will be unconditionally and irrevocably guaranteed by Investec Bank plc on an unsubordinated basis. After each issue, applications will be made for the Notes to be admitted to listing on the Official List of the FSA and to trading on the Regulated Market of the London Stock Exchange. As a result, and in terms of the Programme, the company is required to publicly release its results. The financial risks are managed at the Group level. The company's exposure to financial risks is further discussed in note 14.

During the year, 34 notes have been issued in terms of the Programme raising circa £18 million.

Any market risk with respect to the performance of the Preference Shares is hedged with Investec Bank plc. Any liquidity risk, interest rate risk or foreign currency risk is eliminated as the terms and currency of the Notes are matched with the terms and currency of the lending to Investec Bank plc. As such, all material principal risks and uncertainties are mitigated.

## **RESULTS AND DIVIDENDS**

The results for the year are shown below. The directors do not recommend the payment of a final dividend for the year ended 31 March 2009 (2008 - nil).

## **DIRECTORS AND THEIR INTERESTS**

The current directors of the company are listed on the previous page. No other person was a director at any time during the year under review.

According to the register of directors' interests, no director holding office at 31 March 2009 had any beneficial interest in the shares of the company during the year.

## **SUPPLIERS**

The Group's standard practice is to agree the terms of payment with suppliers at the time of contract and to make payments within the agreed credit term subject to satisfactory performance.

## **DISCLOSURE OF INFORMATION TO THE AUDITORS**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the group's auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

## **CORPORATE GOVERNANCE**

The company has taken advantage of the exemption afforded by the Listing Rules not to make disclosures regarding corporate governance.

## **GOING CONCERN**

On the basis of current financial projections the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and accordingly the going concern basis is adopted in the preparation of the financial statements.

## **AUDITORS**

In accordance with Section 385 of the Companies Act 1985, a resolution for the re-appointment of Ernst & Young LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the Board of Directors

D Miller  
Secretary

3 July 2009

## **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm that, to the best of each person's knowledge:

- the financial statements in this report, which have been prepared in accordance with UK GAAP and the Companies Act 1985, give a true and fair view of the assets, liabilities, financial position and loss of the company; and

- the directors' report includes a fair review of the development and performance of the business and the position of the company together with a description of the principal risks and uncertainties that they face.

Signed on behalf of the board

A Tapnack  
Director

3 July 2009

## REPORT OF THE AUDITORS

### **Independent auditors' report to the members of Investec Finance plc**

We have audited the company's financial statements for the year ended 31 March 2009 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 15. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the financial statements in accordance with applicable United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the directors' report and consider the implication for our report if we become aware of any apparent misstatements within it.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

## Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2009 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the directors' report is consistent with the financial statements.

Ernst & Young LLP  
Registered auditor

London  
6 July 2009

## PROFIT AND LOSS ACCOUNT

for the year ended 31 March 2009

	<b>Notes</b>	<b>2009 £000</b>	<b>2008 £000</b>
Interest receivable from parent undertaking		40,371	55,248
Interest payable	3	(39,253)	(54,185)
Amortisation of bond costs		(1,097)	(1,044)
Fee income from parent undertaking	4	592	-
Administration expenses	5	(499)	-
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<u>114</u>	<u>19</u>
Taxation	6	-	-
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<u><u>114</u></u>	<u><u>19</u></u>

The above activities are continuing.

There are no recognised gains or losses in the current or prior year other than those passed through the profit and loss account.

There is no material difference between the results disclosed in the profit and loss account for current or prior year and the results on an unmodified historical cost basis.

The accompanying notes form part of these financial statements.

## BALANCE SHEET

at 31 March 2008

	Notes	2009 £000	2008 £000
<b>CURRENT ASSETS</b>			
Debtors:			
Amounts falling due within one year	7	4,555	101,906
Amounts falling due after one year	7	34,122	12,576
Amounts falling due after one year - subordinated loans	8	546,831	546,892
		<u>585,508</u>	<u>661,374</u>
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	9	(693)	(99,256)
<b>NET CURRENT ASSETS</b>		<u>584,815</u>	<u>562,118</u>
<b>CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b>	10	(584,670)	(562,087)
<b>NET ASSETS</b>		<u>145</u>	<u>31</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	11	50	50
Profit and loss account	12	95	(19)
<b>EQUITY SHAREHOLDERS' FUNDS</b>	13	<u>145</u>	<u>31</u>

The financial statements were approved by the Board of Directors on 3 July 2009 and signed on its behalf by:

A Tapnack  
Director

The accompanying notes form part of these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

at 31 March 2009

### 1. ACCOUNTING POLICIES

#### Basis of presentation

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and on a going concern basis.

### **Cash flow statement**

The company is exempt from the requirements to prepare a cash flow statement under Financial Reporting Standard 1, because a consolidated cash flow statement is included in the publicly available consolidated financial statements of its ultimate holding company, Investec plc.

### **Taxation**

Corporation tax payable is provided on taxable profits at the current rate.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. This is subject to deferred tax assets only being recognised if it is considered more likely than not that there will be suitable profits from which the future reversal of the underlying timing differences can be deducted. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements, which are capable of reversal in one or more subsequent periods.

Deferred tax is measured at a non-discounted basis at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

### **Related party transactions**

The directors have taken advantage of the exemptions available in Financial Reporting Standard 8 from disclosing transactions with related parties which are members of Investec plc Group.

### **Debt Instruments and Associated Finance Costs**

Guaranteed subordinated step-up notes and debt securities in issue are initially recognised at fair value and are carried in the balance sheet at amortised cost applying the effective interest method.

### **Loans and Receivables**

Loans and receivables are carried in the balance sheet at amortised cost applying the effective interest rate method.

### **Disclosure of Financial Instruments**

The directors have taken advantage of the disclosure exemptions available to subsidiary undertakings in Financial Reporting Standard 29.

### **Derivative Instruments**

All derivatives instruments of the company are recorded on the balance sheet at fair value. Positive and negative fair values are reported as assets and liabilities respectively.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at their fair value. Derivative contracts are carried at their fair values by reference to market prices. Transactions are recorded on a trade date basis. Changes in the fair value are recognised immediately in the profit and loss account.



## Hedge Accounting

The company applies fair value flow hedge accounting when the transactions meet the specified hedge accounting criteria. To qualify for hedge accounting treatment, the company ensures that all of the following conditions are met:

- At inception of the hedge the company formally documents the relationship between the hedging instrument(s) and hedged item(s) including the risk management objectives and the strategy in undertaking the hedge transaction.
- The hedge is expected to be highly effective in achieving offsetting changes in fair value attributable to the hedged risk, consistent with the originally documented risk management strategy for that particular hedging relationship.
- The effectiveness of the hedge can be reliably measured, i.e. the fair value of the hedged items that are attributable to the hedged risk and the fair value of the hedging instrument can be reliably measured.
- The hedge effectiveness is assessed on an ongoing basis and determined actually to have been highly effective throughout the financial reporting periods for which the hedge was designated. Hedge accounting is discontinued when it is determined that the instrument ceases to be highly effective as a hedge; the derivative expires, or is sold, terminated or exercised; when the hedge item matures or is sold or repaid; or when a forecasted transaction is no longer deemed highly probable. For qualifying fair value hedges, the change in fair value of the hedging instrument is recognised in the income statement. Changes in fair value of the hedged item that are attributable to the hedged risk are also recognised in the income statement.

## 2. EMOLUMENTS OF DIRECTORS

The directors were employed and remunerated as directors or executives of Investec plc and its subsidiaries ("the Group") in respect of their services to the Group as a whole, and it is therefore considered that there is no appropriate basis on which they can apportion part of their remuneration for their services to the company.

## 3. INTEREST PAYABLE

	<b>2009</b>	<b>2008</b>
	<b>£000</b>	<b>£000</b>
Interest payable on Subordinated Step-up Notes	15,500	15,500
Interest payable on Subordinated Callable Step-up Notes	21,875	21,935
Interest payable on debt securities in issue - less than one year	1,021	16,038
Interest payable on debt securities in issue - more than one year	708	712
Value increase of the deposit element of Zebra Planned Notes	132	-
Exchange movement	17	-
	<u>39,253</u>	<u>54,185</u>

## 4. FEE INCOME FROM PARENT UNDERTAKING

Administration and direct expenses related to the Zebra Notes products are paid by the company and then recharged to the parent undertaking inclusive of a 5% margin. This recharge is shown as fee income.

## 5. ADMINISTRATION EXPENSES

Administration expenses incurred relate to the £3,000,000,000 Zebra Capital Plans Retail Structured Products Programme launched by the company on 9 May 2008. In the current year, the auditors' remuneration of £10,180 (2008 - £7,953) has been borne by another Group company.

The company has no employees.

## 6. TAXATION

	<b>2009</b>	<b>2008</b>
	<b>£000</b>	<b>£000</b>
Taxation	-	-

The effective rate for the year is different from the standard rate of UK corporation tax due to the following items:

	<b>2009</b>	<b>2008</b>
	<b>£000</b>	<b>£000</b>
Tax on profit on ordinary activities at UK rate of 28% (2008 -30%)	32	6
Losses surrendered to/(from) fellow group companies for nil payment	(32)	(6)
	<u>-</u>	<u>-</u>

## 7. DEBTORS: EXCLUDING SUBORDINATED LOANS

	<b>2009</b>	<b>2008</b>
	<b>£000</b>	<b>£000</b>
<b>Amounts falling due within one year</b>		
Amounts owed by parent undertaking	4,512	101,906
Other assets	43	-
	<u>4,555</u>	<u>101,906</u>
<b>Amounts falling after one year</b>		
Amounts owed by parent undertaking	<u>34,122</u>	<u>12,576</u>

Amounts owed by the parent undertaking primarily represents the proceeds of the issue of debt securities which have been lent to the parent at the same interest and repayment terms as the debt securities, and the proceeds of the issue of the Zebra Plan Notes and the positive fair value of the equity derivatives purchased from the parent undertaking to hedge the risks of the embedded equity derivatives within the Zebra Plan products.

## 8. DEBTORS: AMOUNTS DUE AFTER ONE YEAR - SUBORDINATED LOANS

	<b>2009</b>	<b>2008</b>
	<b>£000</b>	<b>£000</b>
<b>Subordinated loans to parent undertaking</b>		

Guaranteed Subordinated Step-up Notes	197,092	197,092
Guaranteed Undated Subordinated Callable Step-up Notes	349,739	349,800
	<u>546,831</u>	<u>546,892</u>

The net proceeds of two issues of Step-up Notes by the company have been lent to the immediate parent undertaking, Investec Bank plc on a subordinated basis.

1. The term of the first loan is 1 March 2016 but it may be redeemed at any time after 1 March 2011. The interest rate on the loan is fixed at 8.1618% until 1 March 2011 and interest is paid annually. After 1 March 2011 the interest rate will be reset in line with the interest rate on the Step-up Notes.
2. The second loan is undated but it may be redeemed at any time after 23 January 2017. The interest rate on the loan is fixed at 6.4578% until 23 January 2017 and the interest is paid semi-annually. After 23 January 2017 the interest rate will be reset in line with the interest rate on the Step-up Notes.

The terms of the Step-up Notes, which are guaranteed by Investec Bank plc, are detailed in note 10.

## 9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2009 £000	2008 £000
Amount owed to parent undertaking	693	5
Debt Securities in issue	-	99,251
	<u>693</u>	<u>99,256</u>

The debt securities issued under the Company's Euro Medium Term Note and Euro Commercial Paper programmes at 31 March 2008 have been repaid during the year.

## 10. CREDITORS: AMOUNTS FALLING DUE after more than ONE YEAR

	2009 £000	2008 £000
Guaranteed Subordinated Step-up Notes	199,898	199,243
Guaranteed Undated Subordinated Callable Step-up Notes	350,651	350,268
Debt Securities in issue	17,472	12,576
Fair value of Zebra Plan Notes issued	16,649	-
	<u>584,670</u>	<u>562,087</u>

On 1 March 2004 the company issued £200,000,000 7.75% Guaranteed Subordinated Step-up Notes due 2016 at a discount. Interest is paid annually. The notes are guaranteed by Investec Bank plc and are listed on the Luxembourg Stock Exchange. The Step-up Notes may be redeemed by the issuer, at par, at any time after 1 March 2011, subject to the prior consent of the Financial Services Authority. On 1 March 2011 the interest rate will be reset to become the aggregate of 3.5% and the gross redemption yield of the relevant benchmark gilt.

On 23 January 2007 the company issued £350,000,000 6.25% Guaranteed Undated Subordinated Step-up Notes callable 2017 at a discount. Interest is paid semi-annually. The notes are guaranteed by Investec Bank plc and are listed on the Luxembourg Stock Exchange. The Step-up Notes may be redeemed by the issuer, at par, at any time after 23 January 2017, subject to the prior consent of the Financial Services Authority. On 23 January 2017 the interest rate will be reset to become three month LIBOR plus 2.11% payable quarterly in arrears.

The company issued on 6 June 2006 a 5 year bond with a coupon of 3 month USD libor plus 40 basis points and a face value of USD 25,000,000 repayable 6 June 2011.

During the year the company issued £17,847,847 of Zebra Plan Notes. The amounts due under the notes are linked to the performance of preference shares issued by Zebra Capital II Limited and consequently the fair value of the amounts due under the notes disclosed above includes movements in the fair value of these embedded equity derivatives. As at 31 March 2009 the negative fair value of these derivatives was £4,578,891. The company has hedged this risk by entering into matching equity derivatives with its parent. Included in amounts owed by parent undertaking after one year in note 7 above is a positive fair value of derivatives of £4,578,891.

## 11. CALLED UP SHARE CAPITAL

	<b>2009</b>	<b>2008</b>
	<b>£000</b>	<b>£000</b>
<b>Authorised:</b>		
100,000 (2008 - 100,000) ordinary shares of £1 each	100	100
<b>Allotted, called up and fully paid</b>		
50,000 (2008 - 50,000) ordinary shares of £1 each	50	50

## 12. RESERVES

	<b>2009</b>	<b>2008</b>
	<b>£000</b>	<b>£000</b>
<b>Profit and loss account</b>		
At beginning of year	(19)	(38)
Profit for the year	114	19
At end of year	95	(19)

## 13. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	<b>2009</b>	<b>2008</b>
	<b>£000</b>	<b>£000</b>
Opening shareholders' funds	31	12
Profit for the year	114	19
Closing shareholders' funds	145	31

## 14. RISK MANAGEMENT

As a wholly-owned subsidiary of Investec plc, the company falls under the Investec Group's Risk Management Framework which is set out in the combined Investec plc's and Investec Limited's 2009 financial statements, Risk Management and Corporate Governance report. The company's function is to raise finance for the Investec Group and its policy is to on-lend the proceeds of any financial indebtedness to its immediate parent, Investec Bank plc, on back to back terms that minimise any liquidity, currency or interest rate risk.

### *Credit risk*

As all net funds raised by the company are on-lent to Investec Bank plc, the company is therefore dependent on repayment of principal and interest from Investec Bank plc for the purposes of meeting its financial obligations. Its financial obligations in respect of the Guaranteed Undated Subordinated Callable Step-up Notes, Guaranteed Subordinated Step-up Notes, fixed coupon sterling bond, Euro denominated

floating rate note, Euro Commercial Paper issues and Zebra Capital Plans Retail Structured Products Notes are guaranteed by Investec Bank plc.

#### *Liquidity risk*

Loans to Investec Bank plc are matched in terms of maturity and interest payment dates to those of the related borrowing so as to eliminate any liquidity risk.

#### *Foreign currency risk*

Loans to Investec Bank plc are denominated in the same currency as the related borrowing so as to ensure that the company is not exposed to foreign currency risk.

#### *Market risk*

Any market risk with respect to the performance of the Zebra Capital Plans Retail Structured Products Preference Share Linked Notes is hedged with Investec Bank plc. Equity derivative financial instruments written have been matched with equity derivatives purchased from Investec Bank plc providing the same terms and conditions and as such mitigating any risk.

#### *Capital Management*

The company manages and monitors its capital on an ongoing basis and with consideration for the ongoing commitments of the entity. The company is not regulated and therefore it is not subject to any capital adequacy requirements.

## **15. ULTIMATE PARENT UNDERTAKING**

The company's immediate parent undertaking is Investec Bank plc.

The company's ultimate parent undertaking and controlling party is Investec plc, a company incorporated in the United Kingdom and registered in England and Wales. The consolidated financial statements of Investec plc and Investec Bank plc are available to the public at 2 Gresham Street, London, EC2V 7QP. Investec Bank plc is the smallest group and Investec plc is the largest group in which the results of the company are consolidated.