

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

**If you are in any doubt as to the action you should take, you are recommended to obtain your own personal financial advice immediately from your stockbroker, bank manager, accountant or other independent professional adviser authorised under Part VI of the Financial Services and Markets Act 2000.**

If you have sold or otherwise transferred all your ordinary shares in Investec plc, please send this document together with the accompanying Form of Proxy at once to the relevant transferee or to the stockbroker, bank or other person through whom the sale or transfer was effected, for transmission to the relevant transferee.



*(Incorporated in England and Wales under the Companies Act 1985 with registered number 3633621)*

**Proposed creation of a new class of Investec Limited preference shares  
and  
Notice of Extraordinary General Meeting**

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Your attention is drawn to the letter from the Chairman of Investec plc and Investec Limited set out on pages five and six of this document which recommends that you vote in favour of the Resolutions to be proposed at the Extraordinary General Meeting referred to below.

The Directors, whose names appear on the inside front cover of this document, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

Notice of an Extraordinary General Meeting of Investec plc to be held at the registered office of Investec plc at 2 Gresham Street, London, EC2V 7QP on Thursday, 2 December 2004 at 09:30, is set out at the end of this document.

The Form of Proxy for use at the Extraordinary General Meeting accompanies this document and, to be valid, must be completed signed and returned in accordance with the instructions thereon and be received by the registrars, for shareholders resident in the United Kingdom: Computershare Investor Services plc, The Pavillions, Bridgwater Road, Bristol BS99, 3FA and for shareholders resident in South Africa: Computershare Investor Services 2004 (Proprietary) Limited, PO Box 61051, Marshalltown, 2107, not less than forty eight hours before the time for holding the meeting or adjourned meeting (or in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) for the taking of the poll at which it is to be used. The completion and return of the Form of Proxy will not preclude Shareholders from attending the Extraordinary General Meeting and voting in person should they wish to.

Dematerialised shareholders within STRATE, other than those dematerialised shareholders with own name registration, must timeously provide their Central Securities Depository Participant ("CSDP") or broker with their instructions for attendance or voting at the general meeting, in the manner stipulated in the custody agreement governing the relationship between such shareholders and their CSDP or broker. These instructions must be provided to the CSDP or broker by the cut-off time and date advised by the CSDP or broker for instructions of this nature.

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**Sponsor**



**South African legal adviser**



**English legal adviser**

**Linklaters**

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## **DIRECTORS, SECRETARY, REGISTERED OFFICE, ADVISERS, SPONSOR AND REGISTRARS OF INVESTEC PLC**

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### **Directors**

Hugh S Herman (*Chairman*)\*  
Stephen Koseff (*Chief Executive Officer*)  
Bernard Kantor (*Managing Director*)  
Glynn R Burger  
Alan Tapnack  
Sam E Abrahams\*  
George F O Alford\*  
Haruko Fukuda OBE\*  
Geoffrey M T Howe\*  
Donn E Jowell\*  
Ian R Kantor\*  
Sir Chips Keswick\*  
Mangalani Peter Malungani\*  
Peter R S Thomas\*  
Fani Titi\*

\* non-executive

### **Company Secretary**

Richard Vardy

### **Registered Office**

2 Gresham Street  
London  
EC2V 7QP

### **Sponsor**

Investec Bank Limited  
(Incorporated in the Republic of South Africa  
with registered number 1969/004763/06)  
Fourth Floor  
100 Grayston Drive  
Sandton, 2146  
South Africa

### **South African legal adviser**

Jowell Glyn & Marais Inc.  
(Incorporated in the Republic of South Africa  
with registered number 2001/020379/21)  
4th Floor  
Jowell Glyn & Marais House  
72 Grayston Drive  
Sandton, 2196  
South Africa

### **English legal adviser**

Linklaters  
One Silk Street  
London  
EC2Y 8HQ

### **Registrars**

Computershare Investor Services plc  
The Pavillions  
Bridgwater House  
Bristol  
BS99 3FA

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## CONTENTS

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The definitions on pages 3 and 4 of this circular have been used below and throughout this circular.

	<i>Page</i>
<b>Salient dates and times</b>	2
<b>Definitions</b>	3
<b>Letter from the Chairman of Investec plc</b>	5
<b>Circular to shareholders</b>	
1. Introduction and purpose	7
2. Creation of new Investec Limited preference shares and rights attached	7
3. Share capital of Investec Limited	8
4. Amendment to the Memorandum and Articles of Association of Investec Limited and the Article of Association of Investec plc	8
5. Extraordinary General Meeting of shareholders	9
<b>Notice of Extraordinary General Meeting</b>	10
<b>Form of proxy</b>	Attached

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## SALIENT DATES AND TIMES

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**2004**

Last day for submission of form of proxy by not later than 09:30 on	Tuesday, 30 November
Extraordinary General Meeting of shareholders at 09:30. on	Thursday, 2 December
Results of Extraordinary General Meeting published on RNS and SENS on	Friday, 3 December
Results of the Extraordinary General Meeting announced in the press on	Friday, 3 December

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**Notes:**

1. The definitions commencing on page 3 of this circular apply, *mutatis mutandis*, to the information on salient dates and times.
2. These dates and times are subject to amendment. Any such amendment will be published on RNS, SENS and in the press.

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## DEFINITIONS

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In this circular and the appendices hereto, unless otherwise indicated, references to the singular shall include the plural and vice versa, words denoting one gender include the others, expressions denoting natural persons include juristic persons and associations of persons, and the words in the first column have the meanings stated opposite them in the second column.

“Action”	any distribution or any action affecting the amount or nature of or economic benefit derived from issued equity share capital, including any cash dividend, distribution in specie, offer by way of rights, bonus issue, or capitalisation issue, repayment or reduction of capital, sub-division or consolidation, share buy-back or amendment to the rights of any shares or a series of one or more such actions, but excluding any change in the Equalisation Ratio;
“SA Act”	the South African Companies Act, 1973 (Act 61 of 1973), as amended;
“UK Act”	the United Kingdom Companies Act, 1985, as amended;
“Limited Articles”	the Articles of Association of Investec Limited;
“BSE”	Botswana Stock Exchange;
“this circular”	this circular to shareholders incorporating a notice of Extraordinary General Meeting and a form of proxy;
“the company”	Investec Limited (Registration number 1925/002833/06), a public company registered in South Africa and listed on the JSE, the BSE and the NSX;
“Class Rights Action”	Actions in relation to which the Shareholders of Investec plc and Investec Limited may have divergent interests or which involve an amendment either to the DLC Agreements or the DLC Structure specific provisions contained in either the Investec Limited or Investec plc Memorandum and Articles of Association, requiring the prior approval of both the shareholders of Investec plc and Investec Limited, voting separately;
“CSDP”	Central Securities Depository Participant, registered in terms of the Custody and Administration of Securities Act (Act 85 of 1992), as amended;
“Equalisation Ratio”	the ratio that defines the economic benefits of one Investec plc ordinary share relative to one Investec Limited ordinary share (and vice versa) and the relative voting rights of one Investec plc ordinary share relative to one Investec Limited ordinary share on Joint Electorate Actions;
“Extraordinary General Meeting”	the Extraordinary General Meeting of members to be held at 09:30 on Thursday, 2 December 2004;
“holders of certificated shares”	shareholders who have not dematerialised their share certificates in terms of STRATE;
“holders of dematerialised shares”	shareholders who have dematerialised their share certificates in terms of STRATE;
“increase in share capital”	the proposed increase in Investec Limited’s authorised share capital by the creation of 100 000 000 preference shares;
“Investec”	Investec plc (Registered number 3633621), incorporated in England and Wales and listed on the JSE and LSE and Investec Limited (Registration number 1925/002833/06), a public company registered in South Africa and listed on the JSE, the BSE and the NSX;
“Investec Bank”	Investec Bank Limited (Registration number 1969/004763/06), an unlisted public company incorporated in the Republic of South Africa and registered as a bank in terms of the Banks Act, No. 94 of 1990, as amended;
“Investec shareholders”	holders of Investec plc and Investec Limited shares registered as such in the register of members of Investec;

“Joint Electorate Action”	matters affecting the shareholders of Investec plc and Investec Limited in similar ways;
“JSE”	JSE Securities Exchange South Africa;
“LSE”	London Stock Exchange;
“Limited Notice”	the Investec Limited notice of general meeting to be held on Thursday, 2 December 2004;
“Matching Action”	in relation to an Action in respect of Investec plc or Investec Limited ordinary shareholders (the “Initial Action”), an Action in respect of the Shareholders in the other company in relation to which the Boards of Investec plc and Investec Limited resolve that it has as far as is practicable an economic effect on the ordinary Shareholders of such other company equivalent, but not necessarily identical, to the economic effect of the Initial Action on the ordinary Shareholders of the party undertaking the Initial Action;
“memorandum”	the present Memorandum of Association of Investec Limited;
“NSX”	Namibian Stock Exchange;
“own name registration”	shareholders who have dematerialised their shares with a CSDP or broker in terms of the Custody and Administration of Securities Act, (Act 85 of 1992), as amended, and which are held in the name of the shareholder;
“preference shares”	non-redeemable non-cumulative non-participating preference shares of Investec Limited with a par value of ZAR0,01 each;
“Prime”	the publicly quoted South African basic rate of interest (per cent, <i>per annum</i> ), and calculated on a 365 (three hundred and sixty five) day year factor (irrespective of whether or not the year is a leap year) from time to time quoted by Investec Bank as being its prime overdraft rate as certified by any manager of Investec Bank whose appointment, authority and/or designation need not be proved, which certificate shall be <i>prima facie</i> proof of the contents thereof;
“rand” or “ZAR”	means the lawful currency of the Republic of South Africa, being South African rand or any successor currency;
“Registrar of Companies”	the South African Registrar of Companies;
“RNS”	the Regulatory News Service operated by the LSE;
“SA DAN Share”	1 dividend access (Non-South African Resident) redeemable preference share of R1,00;
“SA DAS Share”	1 dividend access (South African Resident) redeemable preference share of R1,00;
“SENS”	the Securities Exchange News Service operated by the JSE;
“STRATE”	STRATE Limited (Registration number 1998/022242/06), a registered central securities depository in terms of the Custody and Administration of Securities Act (Act 85 of 1992), as amended;
“ SA transfer secretaries”	Computershare Investor Services 2004 (Proprietary) Limited (Registration number 2004/003647/07), Ground Floor; 70 Marshall Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107);
“UK DAN Share”	1 dividend access (Non-South African Resident) share of £0,001;
“UK DAS Share”	1 dividend access (South African Resident) share of £0,001; and
“UK transfer secretaries”	Computershare Investor Services plc, The Pavillions, Bridgwater Road, Bristol, BS99 3FA.

8 November 2004

Dear Shareholder

## **Proposed creation of a new class of Investec Limited preference shares**

### **Introduction**

Investec Limited intends to create a new class of preference shares.

As a result of the Dual Listed Companies Structure ("DLC Structure"), implemented in July 2002, this proposal has certain implications for Investec plc shareholders, as well as for Investec Limited shareholders. These are as follows:

### **Joint Electorate Actions ("JEAs")**

The proposed creation of the Investec Limited preference shares (the "Proposal") is, in terms of the DLC Structure agreements, a JEA. In addition, the technical consequential amendments to Article 5 of the articles of association of Investec Limited (special resolutions 5 and 6) and Investec plc (special resolutions 7 and 8) also constitute for the purpose of the DLC Structure Agreements, Joint Electorate Actions. Joint Electorate Actions are matters that affect shareholders of both Investec plc and Investec Limited in similar ways.

JEAs must be submitted to the shareholders of **both** Investec plc and Investec Limited for approval at separate meetings, but where the Shareholders act as a joint electorate (i.e. where the votes of the Investec plc and Investec Limited shareholders are aggregated to determine the result).

The Proposal is therefore conditional, amongst other things, on the approval of the Shareholders of **both** Investec plc and Investec Limited voting together as a single decision-making body. This approval will be sought at the Extraordinary General Meeting of Investec plc to be held on Thursday, 2 December 2004 as well as at the parallel General Meeting of Investec Limited to be held at the same time at 09:30.

### **Equalisation Ratio**

Both Investec plc and Investec Limited shareholders have economic and voting interests in Investec. The economic and voting interests represented by an ordinary share in one company relative to the economic and voting interests of an ordinary share in the other company is determined by reference to a ratio known as the "Equalisation Ratio". The Equalisation Ratio is currently 1:1.

Broadly, if either Investec Limited or Investec plc undertakes an Action, such as the Proposal, which having regard to the prevailing Equalisation Ratio, may have a disproportionate economic effect on the holders of the ordinary shares in one company, relative to its effect on the holders of ordinary shares in the other company, then an appropriate adjustment to the Equalisation Ratio will be made (unless a Matching Action is undertaken or the Action is approved as a Class Rights Action).

In terms of the DLC Structure agreements, any allotment and issue of shares in either Investec plc or Investec Limited which is not an issue on a pre-emptive basis is **not** considered to have a disproportionate economic effect on the shareholders in one company relative to its effect on the shareholders of the other company.

Any preference shares to be allotted and issued pursuant to the creation of the preference shares will not be allotted and issued on a pre-emptive basis.

Accordingly, no Matching Action is required.

### **Action to be taken**

**You will find enclosed with this document a Form of Proxy for use by certificated Investec members or own name dematerialised Investec members at the Extraordinary General Meeting. Whether or not you intend to be present at the meeting, you are requested to complete and return the Form of Proxy in accordance with the instructions printed thereon and return it as soon as possible and, in any event, so as to be received by the Registrars, for shareholders resident in the United Kingdom: Computershare Investor Services plc, The Pavillions, Bridgwater Road, Bristol BS99, 3FA and for shareholders resident in South Africa: Computershare Investor Services 2004 (Proprietary) Limited, PO Box 61051, Marshalltown, 2107, by no later than 09:30 (UK Time), and 11:30 SA Time, on Tuesday, 30 November 2004. Completion and return of the Form of Proxy will not preclude you from attending and voting at the Extraordinary General Meeting in person if you so wish.**

**Dematerialised shareholders within STRATE, other than those dematerialised shareholders with own name registration, must timeously provide their Central Securities Depository Participant (“CSDP”) or broker with their instructions for attendance or voting at the general meeting, in the manner stipulated in the custody agreement governing the relationship between such shareholders and their CSDP or broker. These instructions must be provided to the CSDP or broker by the cut-off time and date advised by the CSDP or broker for instructions of this nature.**

### **Recommendations**

The purpose of this document is therefore to provide you, as Investec plc shareholders, with details of the Proposal and to explain to you why the Directors of Investec plc and Investec Limited consider the Proposal to be in the best interests of Investec plc and Investec Limited and its shareholders as a whole and why they are recommending that you vote in favour of the Resolutions.

Yours sincerely



**Hugh Herman**  
Chairman



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# CIRCULAR TO SHAREHOLDERS

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## I. INTRODUCTION AND PURPOSE

The Board of Directors of Investec Limited has proposed that, subject to the requisite approval of Investec members, Investec Limited will create 100 000 000 non-redeemable, non-cumulative, non-participating preference shares of R0.01 each in the capital of Investec Limited. The directors also propose that the Memorandum be amended to reflect the new authorised share capital of Investec Limited. Furthermore the directors propose that the Articles of Association of Investec Limited be altered to amend the rights of the existing class "A" variable rate compulsorily convertible non-cumulative preference shares and to record the rights and privileges attaching to the new preference shares and to make consequential technical amendments to Articles 5.1 and 5.2 of both the Investec Limited and Investec plc Articles of Association.

The purpose of this circular is to convene a general meeting of Investec members in order to approve the creation of 100 000 000 preference shares and to amend the Memorandum and Articles of Association of Investec Limited and the Articles of Association of Investec plc accordingly, as set out in the notice of the Extraordinary General Meeting.

## 2. CREATION OF NEW INVESTEC LIMITED PREFERENCE SHARES AND RIGHTS ATTACHED

### 2.1 Rationale

In order for Investec Limited to take advantage of raising capital in a cost efficient manner; the Directors propose an increase in Investec Limited's authorised share capital by the creation of the new preference shares to enable it to allot and issue the preference shares as and when it may be deemed appropriate.

### 2.2 Procedure and effect

The special resolution required to effect an increase in Investec Limited's share capital will enable Investec Limited to allot and issue up to 100 000 000 preference shares. The special resolution will become effective from the date of the Extraordinary General Meeting subject to registration thereof by the Registrar of Companies. It is also proposed that an ordinary resolution be passed at the Extraordinary General Meeting placing the authorised but unissued new preference shares under the control of the directors of Investec Limited, subject to sections 221 and 222 of the SA Act and the Listings Requirements of the JSE.

### 2.3 Salient features of the preference shares

The preference shares will be non-redeemable, non-cumulative and non-participating and dividends will be payable semi-annually on a date being at least 7 (seven) business days prior to the date on which Investec Limited pays its ordinary dividends, if any, but shall be payable not later than 120 (one hundred and twenty) business days after 31 March and 30 September of each year, respectively.

#### 2.3.1 Voting rights

The preference shares will be non-voting, save for those circumstances prescribed under section 194 of the SA Act. Preference shareholders will only be entitled to vote during periods when a preference dividend (which has been declared) or any part of it remains in arrear and unpaid after 6 (six) months from the date thereof, and when resolutions are proposed which directly affect any rights attaching to the preference shares or which could prejudice the interests of preference shareholders.

#### 2.3.2 Entitlements to dividends

Preference shareholders will receive an annual dividend equivalent to 70% of Prime multiplied by the deemed value of the preference shares held by a preference shareholder payable in two semi-annual instalments. An ordinary dividend will not be declared by Investec Limited unless the preference share dividend is declared. The deemed value for the purpose of calculating a preference dividend shall be an amount of R100.00 notwithstanding the actual issue price of a preference share.

### 3. SHARE CAPITAL OF INVESTEC LIMITED

At the date of this circular, Investec Limited's authorised and issued share capital is as set out below.

	<b>R</b>
<b>Authorised</b>	
55 500 000 ordinary shares of R0,001 each	55 500
8 000 000 class "A" variable rate compulsorily convertible non-cumulative preference shares of R0,001 each	8 000
50 000 variable rate redeemable cumulative preference shares R0,60 each	30 000
1 dividend access (South African resident) redeemable preference share of R1,00	1
1 dividend access (Non-South African resident) redeemable preference share of R1,00	1
112 000 000 special convertible redeemable preference shares of R0,001 each	112 000
<b>Issued</b>	
43 999 527 ordinary shares of R0,001 each	44 000
3 958 variable rate redeemable cumulative preference shares of R0,60 each	2 375
1 dividend access (South African resident) redeemable preference share of R1,00	1
1 dividend access (Non-South African resident) redeemable preference share of R1,00	1
74 633 746 special convertible redeemable preference shares of R0,001 each	74 634

After the creation of the new preference shares, Investec Limited's authorised and issued share capital is expected to be as set out below.

	<b>R</b>
<b>Authorised</b>	
55 500 000 ordinary shares of R0,001 each	55 500
8 000 000 class "A" variable rate compulsorily convertible non-cumulative preference shares of R0,001 each	8 000
50 000 variable rate redeemable cumulative preference shares R0,60 each	30 000
1 dividend access (South African resident) redeemable preference share of R1,00	1
1 dividend access (Non-South African resident) redeemable preference share of R1,00	1
112 000 000 special convertible redeemable preference shares of R0,001 each	112 000
100 000 non-redeemable, non-cumulative, non-participating preference shares of R0,01 each	1 000 000
<b>Issued</b>	
43 999 527 ordinary shares of R0,001 each	44 000
3 958 variable rate redeemable cumulative preference shares of R0,60 each	2 375
1 dividend access (South African resident) redeemable preference share of R1,00	1
1 dividend access (Non-South African resident) redeemable preference share of R1,00	1
74 633 746 special convertible redeemable preference shares of R0,001 each	74 634

### 4. AMENDMENT TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF INVESTEC LIMITED AND THE ARTICLES OF ASSOCIATION OF INVESTEC PLC

#### 4.1 Rationale

The Directors propose that the Memorandum be amended to reflect the new authorised share capital of Investec Limited.

Furthermore the Directors propose that Article 151.1 of the Articles of Association of Investec Limited be deleted in its entirety and replaced with a new Article 151.1 to amend the rights of the class "A" variable rate compulsorily convertible non-cumulative preference shares and to incorporate a new Article 152 in the Articles of Association of Investec Limited to record the rights and privileges attaching to the new preference shares.

In addition the directors propose consequential technical amendments to Article 5.1 and 5.2 of both the Investec Limited and Investec plc Articles of Association in order to reflect the ability of Investec Limited and Investec plc to create new classes of shares ranking prior to the ordinary shares, SA DAN and SA DAS shares of Investec Limited and the ordinary shares, UK DAN and UK DAS shares of Investec plc such as the new class of preference shares.

## **4.2 Procedure and effect**

The new paragraph 8(a) of the Memorandum will correctly reflect the new authorised share capital of Investec Limited.

New Articles 151.1 and 152, to be approved in general meeting, will be inserted in the Articles of Association of Investec Limited. Article 151.1 will amend the rights of the existing class "A" variable rate compulsorily convertible non-cumulative preference shares. Article 152 will provide for the determination of the terms attaching to the new preference shares.

New Articles 5.1(a)(i) and 5.2, to be approved in general meeting, will be inserted in the Articles of Association of both Investec Limited and Investec plc. New Articles 5.1(a)(i) and 5.2 will now permit the creation of new classes of shares which rank prior to the ordinary shares, SA DAN and SA DAS shares of Investec Limited and the ordinary shares, UK DAN and UK DAS shares of Investec plc, such as the new class of preference shares.

The special resolutions required to effect the amendment of the Articles of Association will become effective from the date of the general meeting, subject to the registration thereof by the Registrar of Companies.

## **5. EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS**

Following hereafter is a notice convening an Extraordinary General Meeting of Investec plc members to be held at Investec plc, 2 Gresham Street, London, EC2V 7QP on Thursday, 2 December 2004 at 09:30 in order to consider and, if deemed fit, pass, with or without modification, the resolutions necessary to authorise the creation of Investec Limited preference shares. In addition, the Extraordinary General Meeting will be convened in order to obtain shareholders' approval to place all of Investec Limited's authorised but unissued preference share capital under the control of the directors of Investec Limited.

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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Notice is hereby given that an Extraordinary General Meeting of Investec plc shareholders will be held at 09:30 (UK time) on Thursday, 2 December 2004 at the registered office of Investec plc at 2 Gresham Street, London EC2V 7QP to transact the following business:

### **Special Business: Investec Limited (the “Company”)**

**To consider and, if deemed fit, to pass, with or without modification, the following special and ordinary resolutions of Investec Limited:**

#### **I. SPECIAL RESOLUTION NUMBER 1**

RESOLVED that, subject to the passing and registration of Special Resolution Number 1 in the Limited Notice, in terms of section 75(1)(a) of the Companies Act, No 61 of 1973, as amended and Article 7 of the Articles of Association of the Company and with effect from 2 December 2004, the Company's authorised share capital be and is hereby increased from R205 502 to R1 205 502 by the creation of 100 000 000 non-redeemable, non-cumulative, non-participating preference shares with a par value of R0,01 each, the rights and conditions of which are set out in Article 152 of the Articles of Association of the Company, to be adopted in terms of Special Resolution Number 3.

#### **Reasons for and effect of special resolution number 1**

The reason for special resolution number 1 is to increase the share capital of the Company. The effect is to create 100 000 000 new preference shares of R0,01 each thereby creating additional authorised preference share capital in the Company of R1 000 000 in order to ensure that the Company has sufficient unissued preference shares available to issue in future.

#### **2. SPECIAL RESOLUTION NUMBER 2**

RESOLVED that, subject to the passing and registration of Special Resolution Number 2 in the Limited Notice and Special Resolution Number 1, in this notice, in terms of Section 56(4) of the Companies Act, No 61 of 1973, as amended and Article 149 of the Articles of Association of the Company, and with effect from 2 December 2004, the Memorandum of Association of the Company be and is hereby amended by the deletion of the entire paragraph 8(a) and the substitution thereof with the following new paragraph 8(a):

“8(a) Par value:

The share capital of Investec Limited is R1 205 502 divided into:

- (i) 55 500 000 ordinary shares of R0,001 each;
- (ii) 8 000 000 Class “A” variable rate compulsorily convertible non-cumulative preference shares of R0,001 each;
- (iii) 50 000 variable rate cumulative redeemable preference shares of R0,60 each;
- (iv) 100 000 000 non-redeemable, non-cumulative, non-participating preference shares of R0,01 each;
- (v) 1 dividend access (South African Resident) redeemable preference share of R1,00;
- (vi) 1 dividend access (Non-South African Resident) redeemable preference share of R1,00; and
- (vii) 112 000 000 special convertible redeemable preference shares of R0,001 each.”

## Reasons for and effect of special resolution number 2

The reason and effect of special resolution number 2 is to correctly reflect the new authorised share capital in the Memorandum of Association of the Company.

### 3. SPECIAL RESOLUTION NUMBER 3

RESOLVED that, subject to the passing and registration of Special Resolution Number 3 in the Limited Notice and Special Resolutions Number 1 and 2 in this notice, in terms of Article 149 of the Articles of Association of the Company and with effect from 2 December 2004, the Company's Articles of Association be and are hereby amended by inserting the following new Article 152 as follows:

#### 152. Non-redeemable, non-cumulative, non-participating preference shares

The following terms shall attach to the 100 000 000 non-redeemable, non-cumulative, non-participating preference shares of R0,01 each in the share capital of the Company:

##### 152.1 For purposes of this Article 152 –

152.1.1 “**business days**” means all days, excluding Saturdays, Sundays and officially designated public holidays in the Republic of South Africa;

152.1.2 “**deemed value**” means the deemed value of each preference share for purposes of calculation of the preference dividend, being an amount of R100,00 (one hundred Rand), notwithstanding the actual issue price of a preference share (that is the nominal value of the preference share plus a premium thereon) which may vary because of a difference in the premium at which the preference shares may be issued from time to time;

152.1.3 “**Income Tax Act**” means the Income Tax Act, No. 58 of 1962, as amended;

152.1.4 “**prime rate**” means the publicly quoted basic rate of interest (per cent, *per annum*), and calculated on a 365 (three hundred and sixty five) day year factor (irrespective of whether or not the year is a leap year) from time to time quoted by Investec Bank Limited as being its prime overdraft rate as certified by any manager of Investec Bank Limited whose appointment, authority and/or designation need not be proved, which certificate shall be *prima facie* proof of the contents thereof;

152.1.5 “**preference dividend**” means a non-cumulative, non-participating preference dividend;

152.1.6 “**preference dividend accrual date**” means 31 March and 30 September of each year;

152.1.7 “**preference dividend payment date**” means a date at least 7 (seven) business days prior to the date on which the Company pays its ordinary dividends, if any, in respect of the same period, but in any event, if declared, shall be payable not later than 120 (one hundred and twenty) business days after 31 March and 30 September of each year, respectively;

152.1.8 “**preference dividend rate**” means, subject to Article 152.2.7 below, a rate that will not exceed 70% (seventy per cent) of the prime rate, the latter rate being used as a rate of reference; and

152.1.9 “**preference shares**” means the non-redeemable, non-cumulative, non-participating preference shares of R0,01 each in the share capital of the Company.

##### 152.2 The following are the rights, privileges, restrictions and conditions, which attach to the preference shares:

152.2.1 The issue price for each tranche of preference shares to be issued will be determined by the Directors at the allotment thereof.

152.2.2 Each preference share will rank as regards dividends and a repayment of capital on the winding-up of the Company prior to the ordinary shares, the special convertible redeemable preference shares, the dividend access (South African resident) redeemable preference share and the dividend access (Non-South African resident) redeemable preference share, but after the variable rate redeemable cumulative preference shares and the class “A” variable rate compulsorily convertible non-cumulative preference shares in the share capital of the Company. The preference shares shall confer on the holders, on a per preference share and equal basis, the right of a return of capital on the winding-up of the Company an amount equal to the aggregate of the nominal value and premiums in respect of preference shares issued divided by the number of preference shares in issue.

- 152.2.3 Each preference share will confer upon the holder thereof the right to receive out of the profits of the Company which it shall determine to distribute, in priority to the ordinary shares the special convertible redeemable preference shares, the dividend access (South African resident) redeemable preference share and the dividend access (Non-South African resident) redeemable preference share, but after the variable rate redeemable cumulative preference shares and the class "A" variable rate compulsorily convertible non-cumulative preference shares, the preference dividend calculated in terms of Article 152.2.4 below.
- 152.2.4 The preference dividend shall be calculated-
- 152.2.4.1 by multiplying the deemed value of the preference shares by the applicable preference dividend rate (determined on a 365 day year factor; irrespective of whether the year is a leap year or not), on a daily basis, in arrear; for the appropriate period referred to in Article 152.2.4.2 below; and
- 152.2.4.2 from the date following a preference dividend accrual date until and including the preference dividend accrual date immediately following, provided that the first dividend payment, in respect of each tranche of preference shares issued, shall be calculated from the issue date up to and including the next preference dividend accrual date.
- 152.2.5 The preference dividends shall, if declared -
- 152.2.5.1 accrue on the preference dividend accrual date, calculated in accordance with 152.2.4.2 above;
- 152.2.5.2 be payable on the preference dividend payment date; and
- 152.2.5.3 failing payment by the relevant preference dividend payment date, be considered to be in arrear.
- 152.2.6 If a preference dividend is not declared by the Company in respect of the period to which such preference dividend accrual date relates, the preference dividend will not accumulate and will accordingly never become payable by the Company whether in preference to payments to any other class of shares in the Company or otherwise. Notwithstanding the foregoing, the Company shall, if it elects not to declare a preference dividend in respect of any applicable period, be obliged to retain in reserve an amount equivalent to the aggregate amount of profits generated by the Company during such applicable period less any amount of profits required to pay any dividends which may have been, or are to be declared in respect of the variable rate redeemable cumulative preference shares and the class "A" variable rate compulsorily convertible non-cumulative preference shares.
- 152.2.7 If there is an amendment or amendments to the Income Tax Act which results in the preference dividends being taxable in the hands of the preference shareholders and which results in payment of the preference dividends becoming a deductible expense for the Company, provided such amendment is uniformly applicable to all corporate tax payers and not only because of the particular circumstances of the Company or any preference shareholder; the percentage of the prime rate referred to in Article 152.1.8 above will be increased by the Company. Such increase will be limited to the extent that the Company incurs a reduced cost in servicing the preference shares, which cost savings it would not have obtained but for such amendments to the Income Tax Act. If such amendments to the Income Tax Act do not result in the Company incurring reduced costs in servicing the preference shares, then, notwithstanding that such amendment may result in a decrease in the after tax returns of any preference shareholder on its holding of preference shares, no amendment shall be made to the percentage of the prime rate contemplated in Article 152.1.8 above. The Company shall require its auditors to verify whether it is obliged to increase the percentage of the prime rate referred to in Article 152.1.8 above in accordance with this Article 152.2.7. The auditors in deciding whether such increase is required in terms of this Article 152.2.7 shall act as experts and not as arbitrators or *quasi*-arbitrators and their decision shall be final and binding on the Company and all preference shareholders. The costs of such auditors shall be borne and paid by the Company.
- 152.2.8 Save as set out in Article 152.2.2, 152.2.3, 152.2.6 and 152.2.7 above, the preference shares shall not be entitled to any further participation in the profits or assets of the Company nor on a winding-up to any surplus assets of the Company.

- 152.2.9 The holders of the preference shares shall be entitled to receive notice of and be present but not to vote, either in person or by proxy, at any meeting of the Company, by virtue of or in respect of the preference shares, unless either or both of the following circumstances prevail at the date of the meeting –
- 152.2.9.1 the preference dividend or any part thereof remains in arrear and unpaid as determined in accordance with Article 152.2.5.3 after 6 (six) months from the due date thereof; and
  - 152.2.9.2 a resolution of the Company is proposed which resolution directly affects the rights attached to the preference shares or the interests of the holders thereof, including a resolution for the winding-up of the Company or for the reduction of its capital, in which event the preference shareholders shall be entitled to vote only on such resolution.
- 152.2.10 At every general meeting of the Company at which holders of preference shares as well as other classes of shares are present and entitled to vote, a preference shareholder shall be entitled to that proportion of the total votes in the Company which the aggregate amount of the nominal value of the preference shares held by him bears to the aggregate amount of the nominal value of all shares issued by the Company.
- 152.2.11 Notwithstanding the provisions of Article 11, no shares in the capital of the Company ranking, as regards rights to dividends or, on a winding-up as regards return of capital, in priority to the preference shares, shall be created or issued, without the prior sanction of a resolution passed at a separate class meeting of the holders of the preference shares in the same manner *mutatis mutandis* as a special resolution. At every meeting of the holders of the preference shares, the provisions of these articles relating to general meetings of ordinary members shall apply, *mutatis mutandis*, except that a quorum at any such general meeting shall be any person or person holding or representing by proxy at least 2 (two) of the preference shares, provided that if at any adjournment of such meeting a quorum is not so present, the provisions of these Articles relating to adjourned general meetings shall apply, *mutatis mutandis*."

### **Reasons for and effect of special resolution number 3**

The reason for special resolution number 3 is to approve the terms attaching to the new preference shares created in terms of special resolution number 1. The effect of this special resolution is to incorporate such terms and conditions into the Company's Articles of Association as new Article 152.

## **4. SPECIAL RESOLUTION NUMBER 4**

RESOLVED that, subject to the passing and registration of Special Resolution Number 4 in the Limited Notice and Special Resolutions Number 1, 2 and 3 in this notice, in terms of Article 149 of the Articles of Association of the Company and with effect from 2 December 2004, the present Article 151.1 of the Articles of Association of the Company be and it is hereby amended by the deletion of Article 151.1 in its entirety and its replacement with the following new Article 151.1:

"151.1 Save as otherwise provided or excluded herein, the class 'A' variable rate compulsorily convertible non-cumulative preference shares will rank as regards return of capital, prior to the issued Ordinary Shares and the non-redeemable non-cumulative non-participating preference shares in the Company's capital, but after the variable rate redeemable cumulative preference shares in the authorised share capital of the Company."

### **Reasons for and effect of special resolution number 4**

The reason for special resolution number 4 is to delete the present article 151.1 of the Articles of Association of the Company and to replace it with the new article 151.1. The effect is to rank the class "A" variable rate compulsorily convertible non-cumulative preference shares, as regards return of capital, prior to the ordinary shares and the new preference shares in the Company's capital, but after the variable rate cumulative redeemable preference shares of the Company.

## **5. SPECIAL RESOLUTION NUMBER 5**

“RESOLVED that, subject to the passing and registration, where applicable, of Special Resolution Number 5 in the Limited Notice and Special Resolutions Number 1, 2, 3, 4 and 7 in this notice in terms of Article 149 of the Articles of Association of the Company and with effect from 2 December 2004, the present Article 5.1 of the Articles of Association of the Company be and it is hereby amended by the deletion of Article 5.1(a)(i) in its entirety and its replacement with the following new Article 5.1(a)(i):

“(i) to the extent that the profits available for distribution are resolved to be distributed among the holders of the Limited Ordinary Shares, the dividend access (South African resident) redeemable preference share and the dividend access (Non-South African resident) redeemable preference share, it shall be distributed in such a manner as would ensure that the distributions made, when taken together with any Initial Action or Matching Action, as the case may be, are such that the Company will have complied with its obligations under Clause 3 of the Sharing Agreement; and”

### **Reasons for and effect of special resolution number 5**

The reason for special resolution number 5 is to amend the present Article 5.1 of the Articles of Association of the Company by the deletion of Article 5.1(a)(i) and its replacement with the new Article 5.1(a)(i). The effect is to permit the creation of new classes of shares, which rank as regards dividends, prior to the ordinary shares, the SA DAN and the SA DAS shares of the Company.

## **6. SPECIAL RESOLUTION NUMBER 6**

“RESOLVED that, subject to the passing and registration, where applicable, of Special Resolution Number 6 in the Limited Notice and Special Resolutions Number 1, 2, 3, 4, 5 and 8 in this notice, in terms of Article 149 of the Articles of Association of the Company and with effect from 2 December 2004, the present Article 5.2 of the Articles of Association of the Company be and it is hereby amended by the deletion of Article 5.2 in its entirety and its replacement with the following new Article 5.2:

- “5.2 On a winding-up of the Company, the assets of the Company remaining after payment of all amounts payable to the creditors of the Company and prior ranking statutory entitlements shall be distributed:
- (a) first to the holders of any shares in the Company's capital ranking in priority to the Limited Ordinary Shares, the dividend access (South African resident) redeemable preference share and the dividend access (Non-South African resident) redeemable preference share, in accordance with the terms and conditions attaching to those shares;
  - (b) subject to (a) above, the holders of the dividend access (South African resident) redeemable preference share and the dividend access (Non-South African resident) redeemable preference share subject, in each case, to a maximum of the par value of such shares; and
  - (c) subject to (a) and (b) above, to the holders of Limited Ordinary Shares.”

### **Reasons for and effect of special resolution number 6**

The reason for special resolution number 6 is to amend the present Article 5.2 of the Articles of Association of the Company by deleting that Article and replacing it with a new Article 5.2. The effect is to permit the creation of new classes of shares, which rank as regards a return of capital on a winding-up, prior to the ordinary shares and the SA DAS and SA DAN shares of the Company.

## **7. ORDINARY RESOLUTION NUMBER 1**

RESOLVED that, subject to the passing and registration of Special Resolutions Number 1, 2, 3, 4, 5 and 6, all the non-redeemable, non-cumulative, non-participating preference shares in the authorised but unissued preference share capital of the Company be and are hereby placed under the control of the directors of the Company who are hereby authorised and empowered, subject to the provisions of the Companies Act, No 61 of 1973, as amended, the Listings Requirements of the JSE Securities Exchange South Africa, the Banks Act, No 94 of 1990, as amended and the Company's Articles of Association, to allot, issue and otherwise dispose of such shares to such person/s on such terms and conditions and at such times as the directors may from time to time in their discretion deem fit until the next Annual General Meeting of the Company or 15 months from the date of this General Meeting convened for 2 December 2004, if sooner.



**Special Business: Investec plc**

**To consider and, if deemed fit, to pass, with or without modification, the following resolutions of Investec plc:**

**8. SPECIAL RESOLUTION NUMBER 7**

"RESOLVED that, subject to the passing and registration, where applicable, of Special Resolutions Number 5 and 6, and with effect from 2 December 2004, the present Article 5.1 of the Articles of Association of Investec plc be and it is hereby amended by the deletion of Article 5.1(a)(i) in its entirety and its replacement with the following new Article 5.1(a)(i):

"(i) to the extent that the profits available for distribution are resolved to be distributed among the holders of the PLC Ordinary Shares, the UK DAN Share and the UK DAS Share, it shall be distributed in such a manner as would ensure that the distributions made, when taken together with any Initial Action or Matching Action, as the case may be, are such that the Company will have complied with its obligations under Clause 3 of the Sharing Agreement; and"

**Reasons for and effect of special resolution number 7**

The purpose of special resolution number 7 is to amend the present Article 5.1 of the Articles of Association of Investec plc by the deletion of Article 5.1(a)(i) and its replacement with the new Article 5.1(a)(i). The effect is to permit the creation of new classes of shares, which rank, as regards dividends, prior to the ordinary shares, the UK DAN and UK DAS Shares of Investec plc.

**9. SPECIAL RESOLUTION NUMBER 8**

"RESOLVED that, subject to the passing and registration, where applicable, of Special Resolutions Number 6 and 7 and with effect from 2 December 2004, the present Article 5.2 of the Articles of Association of Investec plc be and it is hereby amended by the deletion of Article 5.2 in its entirety and its replacement with the following new Article 5.2:

"5.2 On a winding-up of the Company, the assets of the Company remaining after payment of all amounts payable to the creditors of the Company and prior ranking statutory entitlements shall be distributed:

- (a) first to the holders of any shares in the Company's capital ranking in priority to the PLC Ordinary Shares, the UK DAN Share and the UK DAS Share, in accordance with the terms and conditions attaching to those shares;
- (b) subject to (a) above, the holders of the UK DAN Share and the UK DAS Share subject, in each case, to a maximum of the par value of such shares; and
- (c) subject to (a) and (b) above, to the holders of PLC Ordinary Shares."

**Reasons for and effect of special resolution number 8**

The reason for special resolution number 8 is to amend the present Article 5.2 of the Articles of Association of Investec plc by deleting that Article and replacing it with a new Article 5.2. The effect is to permit the creation of new classes of shares, which rank as regards a return of capital on a winding-up prior to the ordinary shares and the UK DAS and UK DAN shares

The Directors of Investec plc consider that the proposed resolutions in the notice of Extraordinary General Meeting of Investec plc convened for Thursday, 2 December 2004 are in the best interests of Investec plc and its shareholders and recommends that you vote in favour as the directors of Investec plc intend to do in respect of their own beneficial holdings.

By order of the board



**Richard Vardy**  
Secretary

8 November 2004  
Registered No: 3633621  
Registered Office:  
2 Gresham Street  
London  
EC2V 7QP

**Notes:**

1. All of the above resolutions are Joint Electorate Actions under the Articles of Association of Investec plc and accordingly, both the holders of ordinary shares in Investec plc and the holder of the special voting share in Investec plc are entitled to vote. Voting will be held on a poll which will remain open for sufficient time to allow the Investec Limited general meeting to be held and for the votes of the holder of the Investec plc special voting share to be ascertained and cast on a poll.
2. On the poll:
  - (a) each fully paid ordinary share in Investec plc (other than those subject to voting restrictions) will have one vote;
  - (b) the holder of the Investec plc special voting share will cast the same number of votes as were validly cast for and against the equivalent resolution by Investec Limited shareholders on the poll at the Investec Limited General Meeting.
  - (c) The holder of the Investec plc special voting share will be obliged to cast these votes for and against the relevant resolution in accordance with the votes cast for and against the equivalent resolution by Investec Limited shareholders on the poll at the Investec Limited General Meeting.
  - (d) Through this mechanism, the votes of the Investec Limited shareholders at the Investec Limited General Meeting will be reflected at Investec plc's General Meeting in respect of each Joint Electorate Action; and
  - (e) The results of the Joint Electorate Action will be announced after both polls have closed.
3. A member entitled to attend and vote is entitled to appoint a proxy (or proxies) to attend and, on a poll, vote instead of him/her. A proxy need not be a member of Investec plc (or Investec Limited). A proxy may not speak at the meeting except with permission from the Chairman of the meeting.
4. A form of proxy and a voting instruction form are enclosed. The appointment of a proxy will not prevent a member from subsequently attending and voting at the meeting in person.
5. To be effective, the instrument appointing a proxy, and any power of attorney or other authority under which it is executed (or a duly certified copy of any such power or authority), must be signed and returned so as to reach Investec plc's registrars: Computershare Investor Services plc, The Pavillions, Bridgwater Road, Bristol BS99 3FA, not less than forty eight hours before the time for holding the meeting or adjourned meeting (or in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) for the taking of the poll at which it is to be used.
6. Entitlement to attend and vote at the meeting and the number of votes which may be cast thereat will be determined by reference to Investec plc's register of members at 9:30 on Tuesday, 30 November 2004 or, if the meeting is adjourned, forty eight hours before the time fixed for the adjourned meeting, as the case may be.
7. Copies of the proposed amendments to both the Investec Limited and Investec plc Memorandum and Articles of Association will be available for inspection at the registered office of Investec plc from Wednesday, 10 November 2004, during usual business hours on weekdays (Saturdays, Sundays and any public holidays excluded) until the conclusion of the general meeting, and along with the register of interests of the Directors will also be available for inspection at the place of the general meeting from at least thirty minutes before the commencement of the general meeting until its conclusion.