



Investor pre-close briefing

18 March 2010

Out of the Ordinary®

 **Investec**
Specialist Bank

Proviso




- Please note that matters discussed in today's presentation may contain forward looking statements which are subject to various risks and uncertainties and other factors, including, but not limited to:
 - the further development of standards and interpretations under IFRS applicable to past, current and future periods, evolving practices with regard to the interpretation and application of standards under IFRS
 - domestic and global economic and business conditions
 - market related risks
- A number of these factors are beyond the group's control
- These factors may cause the group's actual future results, performance or achievements in the markets in which it operates to differ from those expressed or implied
- Any forward looking statements made are based on the knowledge of the group at 18 March 2010



Operational review

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- Proviso: unless otherwise stated, figures and trends discussed in the operational review relate to the eleven month period to 28 February 2010 and compare 1H10 vs 2H10
 - References to operating profit relate to normalised* operating profit. Trends within the divisional sections relate to normalised operating profit.
 - Investec will release its results for the year to 31 March 2010 on 20 May 2010

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

Overview of the financial year ending 31 March 2010



- The group's recurring revenue base and operational diversity continue to support profitability in all three core geographies
- The global economy continues to show signs of recovery, however, operating fundamentals remain mixed with activity levels below historic trends
- Operating profit is expected to be marginally higher than the prior year
 - UK and European and Australian operations are well ahead of the prior year
 - South African operations have traded ahead of the first half of the financial year, but are expected to post a weaker full-year performance
- Since 31 March 2009 to 28 February 2010:
 - core loans and advances grew by 10% to £17.8 bn
 - customer deposits increased by 37% to £20.0 bn
 - third party assets under management increased by 42% to £69.4 bn
- The group has remained focused on managing risk, building capital and preserving liquidity

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Sound balance sheet and diversified business model



- Supported by:
 - A **liquidity management** philosophy that has been in place for many years
 - Continue to focus on:
 - maintaining a high level of readily available, high quality liquid assets – currently 33% of adjusted liability base
 - diversifying funding sources
 - limiting concentration risk
 - We remain successful in building and growing our retail deposit franchise

Surplus cash and near cash*



Min £'bn	Max £'bn	Ave £'bn
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4.3	8.8	6.2
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Current total £8.8 bn

Ltd £4.4 bn; plc £4.4 bn

*Since 31 March 2009

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Sound balance sheet and diversified business model



- Supported by:
 - **Healthy capital ratios**
 - We target a total capital adequacy ratio of 14% to 17% and a Tier 1 ratio of 11%
 - Capital ratios are within our target range across all geographies

	Expected capital adequacy ratios at 31 Mar 2010	30 Sep 2009	31 Mar 2009
Investec plc			
Total	15.5%	15.5%	16.2%
Tier 1	11.0%	11.0%	10.1%
Investec Limited			
Total	15.1%	14.7%	14.2%
Tier 1	11.5%	11.3%	10.8%

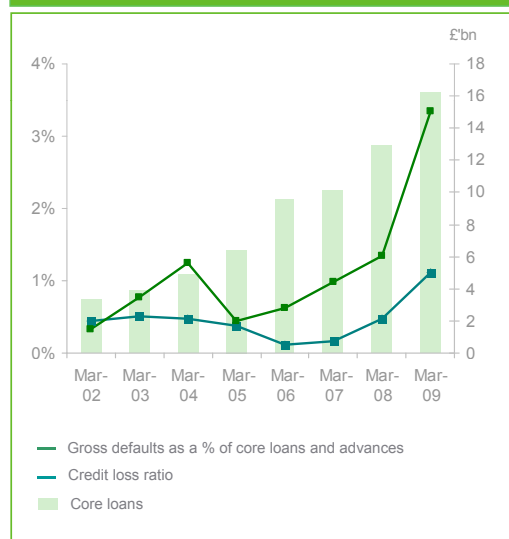
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Sound balance sheet and diversified business model



- Supported by:
 - **Credit and counterparty exposures to a select target market**
 - Continued strong focus on asset quality and credit risk in all geographies
 - Defaults have continued to increase, although at a slower pace
 - Impairments are in line with previous guidance provided: we expect the credit loss ratio on core loans and advances to be around 1.1%

Defaults and core loans



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Sound balance sheet and diversified business model



- Supported by:
 - **Low leverage ratios**

	28 Feb 2010	30 Sep 2009	31 Mar 2009
Core loans to capital ratio	5.7x	5.8x	6.2x
Core loans* to customer deposits	83.6%	89.5%	103.6%
Total gearing	12.3x	12.1x	12.9x
Total gearing (excluding securitised assets)	11.5x	11.2x	11.7x

*Excluding own originated assets which have been securitised

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Divisional review

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Overview of year on year performance



- As expected, net interest income has been negatively impacted by lower average interest rates over the period
- Lower levels of activity over the period have resulted in a decline in net fees and commissions receivable
- The group has taken advantage of opportunities in the dislocated credit markets which has bolstered revenue from principal transactions
- Recurring income as a percentage of total operating income amounted to approximately 61%
- Expenses continue to be tightly managed and are flat in home currencies in core geographies, however, due to the weakening of Pound Sterling will reflect an increase over the prior year

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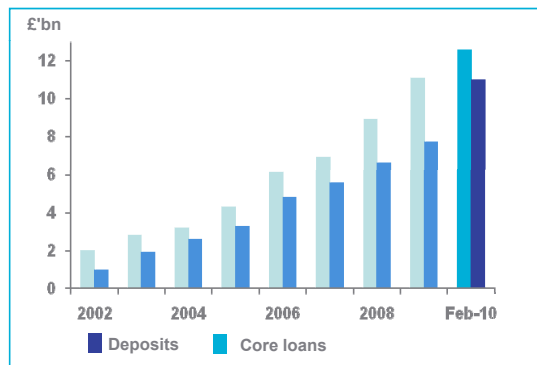
Private Banking



- Market conditions continue to impact impairments, exits and activity levels resulting in significantly lower operating profit year on year across all geographies, but an improvement on 1H10
- Increased efforts on retail deposit raising initiatives have proven to be successful

Loan portfolio*: up 13% to £12.6 bn

Deposits*: up 42% to £11.0 bn



Funds under advice*: up 20% to £3.9 bn

*Since 31 March 2009

Trends reflected in graph are for the year-ended 31 March, unless otherwise indicated.

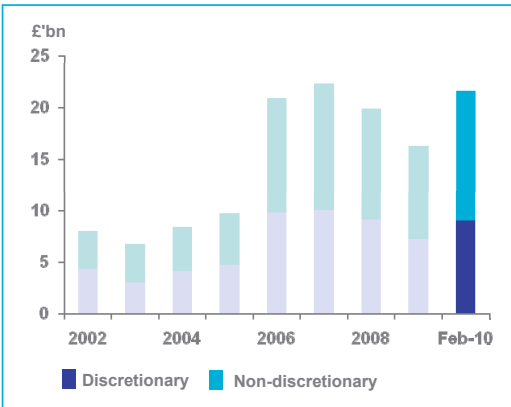
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Private Client Portfolio Management and Stockbroking

South Africa

- Performing in line with 1H10

Funds under management*: up 33% to £21.6 bn



*Since 31 March 2009 and includes £12.3 bn of Rensburg Sheppards plc as reported in January 2010

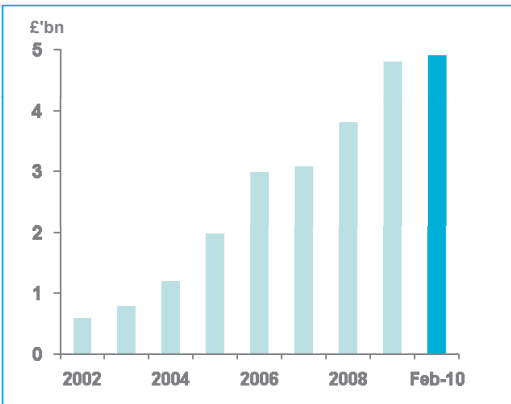
Trends reflected in graph are for the year-ended 31 March, unless otherwise indicated.

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Capital Markets

- Good levels of activity across the advisory and structuring businesses
- Trading and balance sheet management activities have been impacted by lower rate environment and declining volatility
- Good opportunities in the alternative energy and structured credit space
- Performing ahead of 1H10

Loan portfolio*: up 2% to £4.9 bn



*Since 31 March 2009

Trends reflected in graph are for the year-ended 31 March, unless otherwise indicated.

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Kensington



- Good performance from Kensington as house prices stabilise – performing slightly ahead of the prior year
- The total book has decreased from £5.2 bn to £4.7 bn
- Arrears have increased marginally as the book becomes more seasoned
- Average LTVs have improved to 78% from 83%

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Investment Banking



Agency and Advisory

- Activity levels have started to improve but this is not yet reflected in earnings

Principal Investments (Direct Investments and Private Equity)

- South Africa Principal Investments continues to perform well, although behind 1H10
- UK Principal Investments shows a significant improvement over the prior year, however, because of the consolidation of certain investments it will still post a loss

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Asset Management

- Record net flows in excess of £4.5 bn across all distribution channels and a broad range of investment capabilities
- Record assets under management for the business
- Performing significantly ahead of 1H10

Assets under management*: up 50% to £43.4 bn



*Since 31 March 2009

Trends reflected in graph are for the year-ended 31 March, unless otherwise indicated.

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Property Activities

- Good performance from the investment property portfolio - performing well ahead of 1H10
- Opportunities exist to enhance value within the portfolio
- We remain focused on building our property funds across all geographies

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Other Activities



- Central Funding:
 - South Africa behind 1H10 largely due to lower average levels of interest rates
 - Good performance in the UK due to the debt purchase programme – not repeated in 2H10
- Central Costs:
 - Marginally ahead of 1H10, although in line with the prior year

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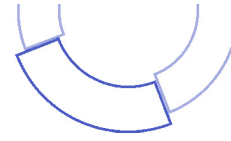
Additional aspects

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Other information

- Effective tax rate: expected to be approximately **21%**
- Weighted number of shares in issue for the year ended 31 March 2010 expected to be approximately **686** mn



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Conclusion

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Conclusion



- We have remained focused on managing our balance sheet whilst at the same time moving the organisation onto the front foot
- Our steady and resilient performance throughout the crisis, coupled with ongoing brand investment, strong growth in assets under management and a sound balance sheet enables us to take advantage of opportunities that are expected to flow from the realignment of global financial infrastructures

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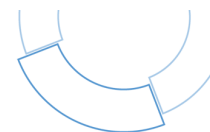
Appendices



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Operating environment – improving



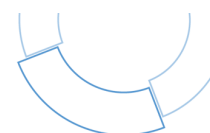
	28 Feb 2010	30 Sep 2009	31 Mar 2009	% move since Mar 2009
JSE ALSI	26,765	24,911	20,364	31.4%
FTSE ALSI	2,737	2,635	1,984	38.0%
Australian All Ord	4,651	4,739	3,532	31.7%
SA Prime	10.50%	10.50%	13.00%	(2.50%)
UK Clearing Banks	0.50%	0.50%	0.50%	-
RBA cash rate target	3.75%	3.00%	3.25%	0.50%

Year to date	28 Feb 2010		30 Sep 2009		31 Mar 2009	
	Close	Ave	Close	Ave	Close	Ave
South African Rand	11.72	12.49	11.99	12.74	13.58	14.83
Australian Dollar	1.70	1.90	1.81	1.99	2.07	2.19
Euro	1.11	1.13	1.09	1.14	1.08	1.21
Dollar	1.52	1.60	1.60	1.59	1.43	1.73

Source: Datastream

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Normalised* operating profit: For the six months ended 30 September 2009



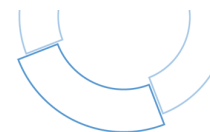
	Southern Africa	UK & Europe	Australia	Total group
£'000				
Private Banking	8,283	8,754	(328)	16,709
Private Client Portfolio Management and Stockbroking	6,619	5,389	-	12,008
Capital Markets	30,695	41,161	1,781	73,637
Investment Banking	27,192	(1,527)	1,119	26,784
Asset Management	21,419	7,513	-	28,932
Property Activities	9,464	619	1,650	11,733
Group Services and Other Activities	21,485	24,816	(125)	46,176
Normalised operating profit before tax	125,157	86,725	4,097	215,979
Minority interest - equity				(10,843)
Operating profit before tax				205,136

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

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Normalised* operating profit:

For the year ended 31 March 2009



	Southern Africa	UK & Europe	Australia	Total group
£'000				
Private Banking	35,954	42,034	2,475	80,463
Private Client Portfolio Management and Stockbroking	12,058	12,044	-	24,102
Capital Markets	61,150	78,015	2,209	141,374
Investment Banking	66,065	(30,810)	(7,089)	28,166
Asset Management	49,037	17,149	-	66,186
Property Activities	21,769	774	2,138	24,681
Group Services and Other Activities	47,395	(18,316)	2,715	31,794
Normalised operating profit before tax	293,428	100,890	2,448	396,766
Minority interest - equity				3,322
Operating profit before tax				400,088

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

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Private Banking: loans and advances



£'million	28 Feb 2010	30 Sep 2009	31 Mar 2009	30 Sep 2008	31 Mar 2008	% Change YTD vs Mar 2009
UK and Europe	3,642	3,595	3,645	3,482	3,327	-0.1%
South Africa	7,311	7,044	6,191	5,314	4,551	18.1%
Australia	1,611	1,416	1,240	1,092	1,030	29.9%
Total loans	12,564	12,055	11,076	9,888	8,908	13.4%

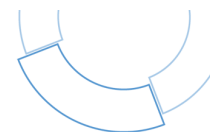
Home currency 'million	28 Feb 2010	30 Sep 2009	31 Mar 2009	30 Sep 2008	31 Mar 2008	% Change YTD vs Mar 2009
South Africa	R 85,685	R 84,430	R 84,048	R 79,593	R 73,562	1.9%
Australia	\$2,738	\$2,563	\$2,561	\$2,469	\$2,248	6.9%

Rates:

R:£	11.72	11.99	13.58	14.98	16.17
£:AUD	1.70	1.81	2.07	2.26	2.18

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Private Banking: retail deposits



£'million	28 Feb 2010	30 Sep 2009	31 Mar 2009	30 Sep 2008	31 Mar 2008	% Change YTD vs Mar 2009
UK and Europe	5,939	4,888	4,077	3,687	3,961	45.7%
South Africa	4,225	4,098	2,990	2,658	2,220	41.3%
Australia	819	731	657	357	423	24.6%
Total deposits	10,983	9,717	7,724	6,702	6,604	42.2%

Home currency 'million	28 Feb 2010	30 Sep 2009	31 Mar 2009	30 Sep 2008	31 Mar 2008	% Change YTD vs Mar 2009
South Africa	R 49,519	R 49,114	R 40,586	R 39,824	R 35,887	22.0%
Australia	\$1,393	\$1,324	\$1,358	\$806	\$931	2.6%

Rates:

R:£	11.72	11.99	13.58	14.98	16.17
£:AUD	1.70	1.81	2.07	2.26	2.18

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Private Banking: funds under advice



£'million	28 Feb 2010	30 Sep 2009	31 Mar 2009	30 Sep 2008	31 Mar 2008	% Change YTD vs Mar 2009
UK and Europe	1,818	1,411	1,415	1,674	1,770	28.5%
South Africa	1,738	1,636	1,615	1,654	1,598	7.6%
Australia	357	325	240	277	313	48.7%
Funds under advice	3,913	3,372	3,270	3,605	3,681	19.7%

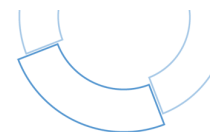
Home currency 'million	28 Feb 2010	30 Sep 2009	31 Mar 2009	30 Sep 2008	31 Mar 2008	% Change YTD vs Mar 2009
South Africa	R 20,374	R 19,619	R 21,926	R 24,772	R 25,835	-7.1%
Australia	\$607	\$589	\$496	\$625	\$689	22.4%

Rates:

R:£	11.72	11.99	13.58	14.98	16.17
£:AUD	1.70	1.81	2.07	2.26	2.18

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Capital Markets: loans and advances



£'million	28 Feb 2010	30 Sep 2009	31 Mar 2009	30 Sep 2008	31 Mar 2008	% Change YTD vs Mar 2009
UK and Europe	2,081	2,099	2,241	2,164	1,997	-7.1%
South Africa	2,660	2,630	2,393	2,051	1,658	11.2%
Australia	166	160	167	142	141	-0.7%
Total core loans	4,907	4,889	4,801	4,358	3,796	2.2%

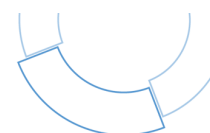
Home currency 'million	28 Feb 2010	30 Sep 2009	31 Mar 2009	30 Sep 2008	31 Mar 2008	% Change YTD vs Mar 2009
South Africa	R 31,175	R 31,524	R 32,484	R 30,729	R 26,811	-4.0%
Australia	\$282	\$290	\$345	\$322	\$310	-18.3%

Rates:

R:£	11.72	11.99	13.58	14.98	16.17
£:AUD	1.70	1.81	2.07	2.26	2.18

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SA Private Client Securities: funds under management



R'million	28 Feb 2010	30 Sep 2009	31 Mar 2009	30 Sep 2008	31 Mar 2008	% Change YTD vs Mar 2009
Discretionary	18,695	17,569	15,594	19,079	21,406	19.9%
Non-discretionary	89,648	85,682	69,386	84,523	91,338	29.2%
Total	108,343	103,251	84,980	103,602	112,744	27.5%

Net inflows at cost over the period

Discretionary	420	211	-897	-13	1,865
Non-discretionary	3,127	1,764	-2,097	-929	5,431
Total	3,547	1,975	-2,994	-942	7,296

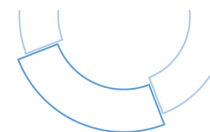
£'million	28 Feb 2010	30 Sep 2009	31 Mar 2009	30 Sep 2008	31 Mar 2008	% Change YTD vs Mar 2009
Discretionary	1,595	1,465	1,149	1,274	1,323	38.9%
Non-discretionary	7,649	7,146	5,111	5,642	5,649	49.7%
Total	9,244	8,611	6,260	6,916	6,972	47.7%

Rates:

R:£	11.72	11.99	13.58	14.98	16.17
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Investec Asset Management: assets under management*



£'million	28 Feb 2010	30 Sep 2009	31 Mar 2009	30 Sep 2008	31 Mar 2008	% Change YTD vs Mar 2009
UK and international	20,164	17,583	13,108	14,229	13,834	53.8%
Retail	10,167	8,770	5,116	5,545	6,406	98.7%
Institutional	9,997	8,813	7,992	8,684	7,428	25.1%
Southern Africa	23,192	20,656	15,727	15,400	14,917	47.5%
Retail	7,396	6,192	4,967	4,497	4,647	48.9%
Institutional	15,796	14,464	10,760	10,903	10,270	46.8%
Total AUM*	43,356	38,239	28,835	29,629	28,751	50.4%

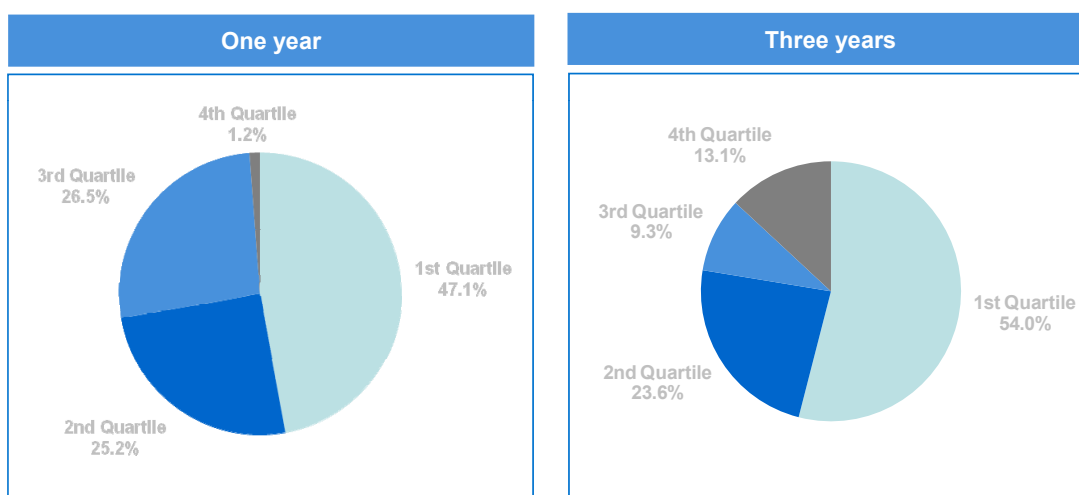
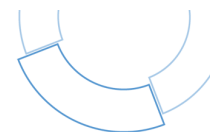
Home currency 'million	28 Feb 2010	30 Sep 2009	31 Mar 2009	30 Sep 2008	31 Mar 2008	% Change YTD vs Mar 2009
Southern Africa	271,832	247,580	213,509	230,692	241,208	27.3%
Retail	86,679	74,210	67,440	67,365	75,142	28.5%
Institutional	185,153	173,370	146,069	163,327	166,066	26.8%

Rates: R:£ 11.72 11.99 13.58 14.98 16.17

*All AUM are on a managed basis.

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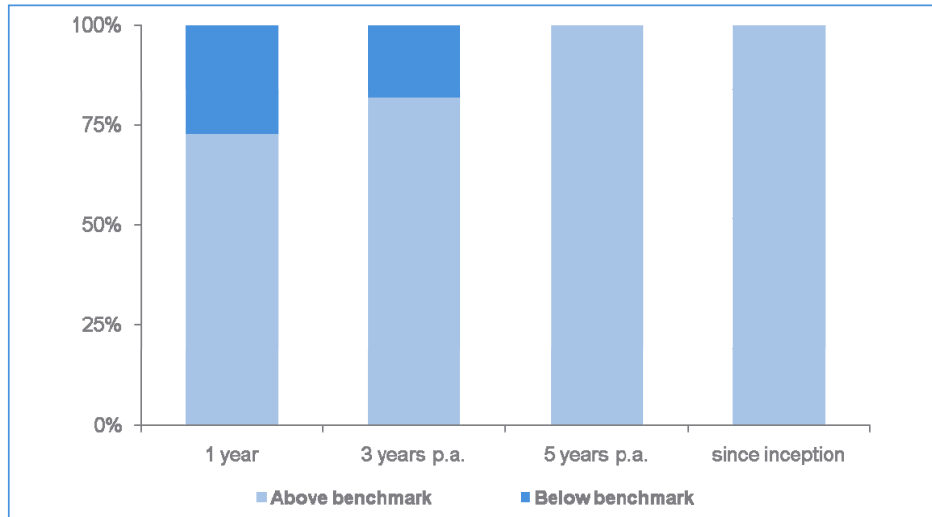
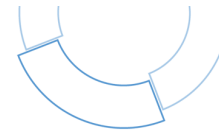
Investec Asset Management: UK and global retail investment performance



Performance to 28 February 2010, excludes cash, cash plus and liquidity funds.
Source: Calculated from Lipper data.

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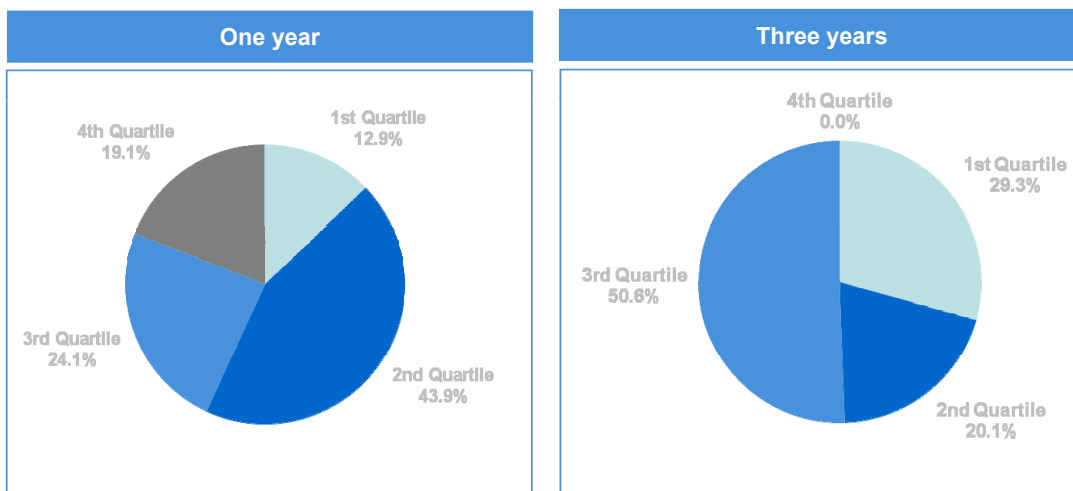
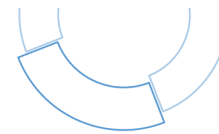
Investec Asset Management: UK and global institutional investment performance



Performance to 28 February 2010.
Source: Calculated from PermaGlobal data.

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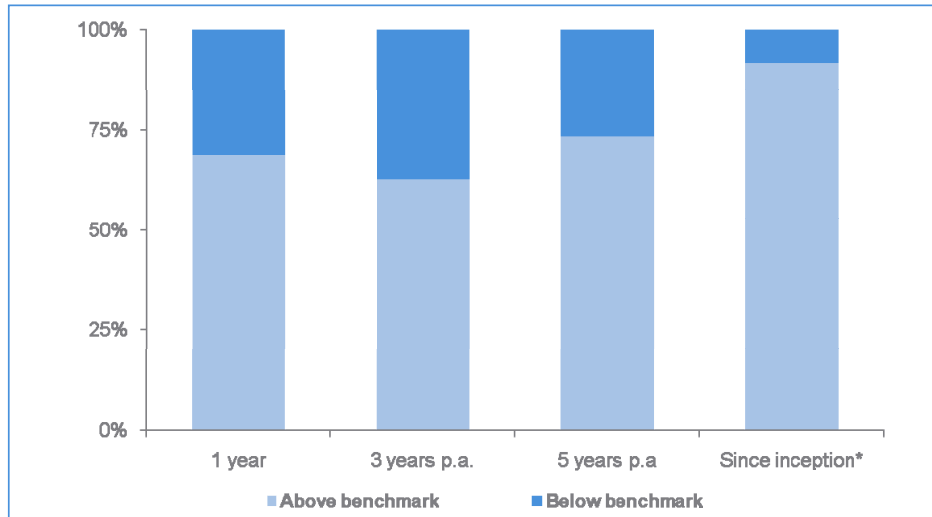
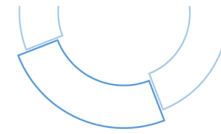
Investec Asset Management: SA retail investment performance



Performance to 28 February 2010.
Source: Calculated from Standard & Poors, Datastream data.

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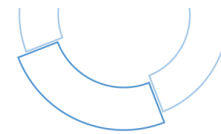
Investec Asset Management: SA institutional investment performance



*Since GIPs inception
Performance to 28 February 2010
Source: Calculated from StatPro data.

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Contact details



For further information please refer to the Investor Relations section of www.investec.com

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