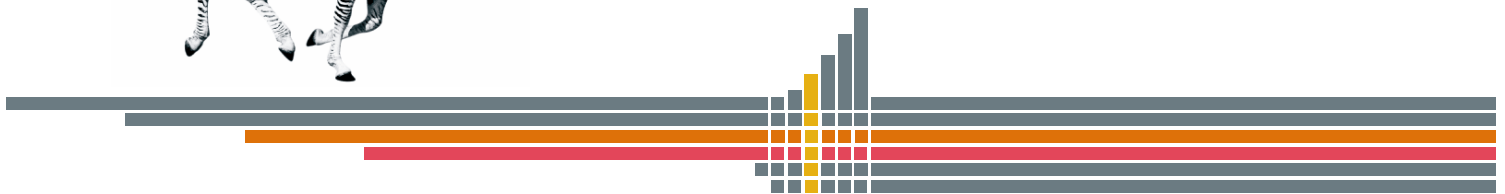


Investec a **distinctive** specialist banking group

**Investor pre-close briefing** – 14 September 2006

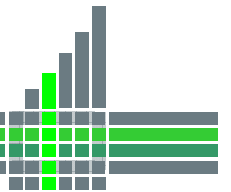


## Proviso

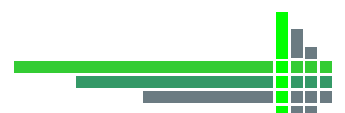
- Please note that matters discussed in today's presentation may contain forward looking statements which are subject to various risks and uncertainties and other factors, including, but not limited to:
  - the further development of standards and interpretations under IFRS applicable to past, current 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 Company's control
- These factors may cause the Company'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 Company at today's date



## Operational review



- Proviso: unless otherwise stated, figures and trends discussed in the operational review relate to the five month period to 31 August 2006 (i.e. 1H07) and are intended to compare 1H07 vs 1H06



## Operating environment

	31 Aug 2006	31 Mar 2006	30 Sept 2005	% move since Mar
JSE ALSI	21 670	20 352	16 876	▲ 6.5%
FTSE All Share Index	2 996	3 048	2 746	▼ 1.7%
Australian All Ord	5 034	5 087	4 593	▼ 1.0%
SA Prime	11.50%	10.50%	10.50%	▲ 1.0%
UK Clearing Banks	4.75%	4.50%	4.50%	▲ 0.25%
RBA cash rate target	6.00%	5.50%	5.50%	▲ 0.5%

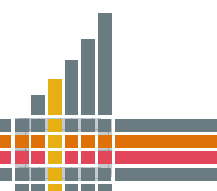
Year to date	31 Aug 2006		31 Mar 2006		30 Sept 2005	
	Close	Ave	Close	Ave	Close	Ave
Currency per £1.00						
South African Rand	13.66	12.36	10.72	11.43	11.23	11.76
Australian Dollar	2.49	2.45	2.44	2.37	2.32	2.36
Euro	1.49	1.45	1.43	1.47	1.47	1.47

Source: Datastream, Reuters, Oanda.com



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## Divisional review



## Private Banking

- Very strong performance
- Benefiting from growth strategy with continued penetration in all areas of specialisation
- Good momentum in lending turnover and transactional activity
- Strong growth in margin and very strong growth in fees

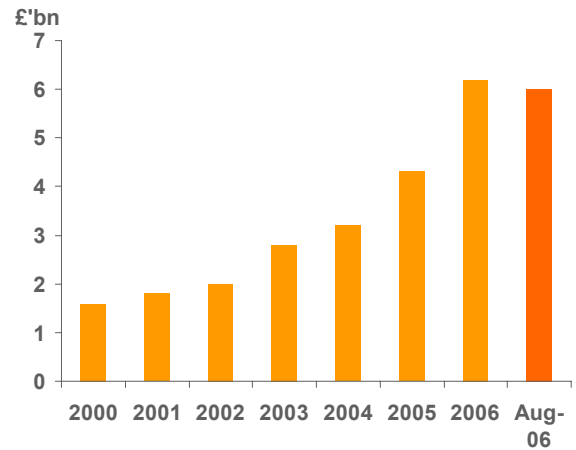
### Loan portfolio

Since 31 Mar 2006:

▼ 1.8% to £6.0bn

Neutral Currency: ▲ 13.7% to £7.0bn

Ave 1H07: 1H06: ▲ 30.0%



## Private Client Portfolio Management and Broking

- Increased volatility but benefiting from higher average asset levels and volumes over the period

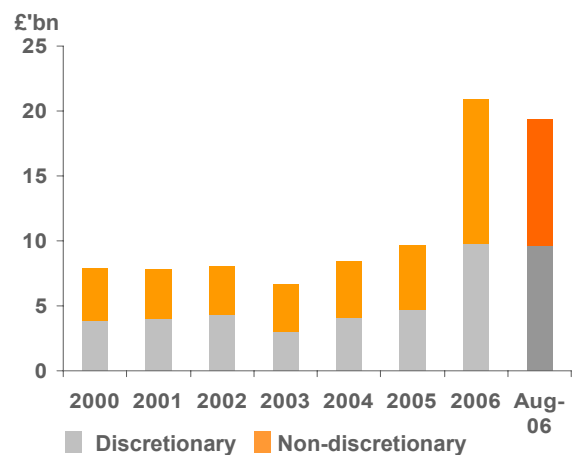
### Funds under management\*

Since 31 Mar 2006:

▼ 7.6% to £19.4bn

Neutral Currency: ▲ 0.6% to £21.1bn

Ave 1H07: 1H06: ▲ 46.2%



\*Including £13.1bn of Rensburg Sheppards plc as reported at 31 March 2006.



## Treasury and Specialised Finance

- Pipeline and levels of activity have been good across the advisory, lending, debt capital markets and structured derivative areas (trading)
- Initiatives undertaken in past few years starting to generate significant revenue
- Resulting in very strong performance in the UK and Australia supported by a good result in SA
- Acquisition of Rothschild's provides a base from which to grow

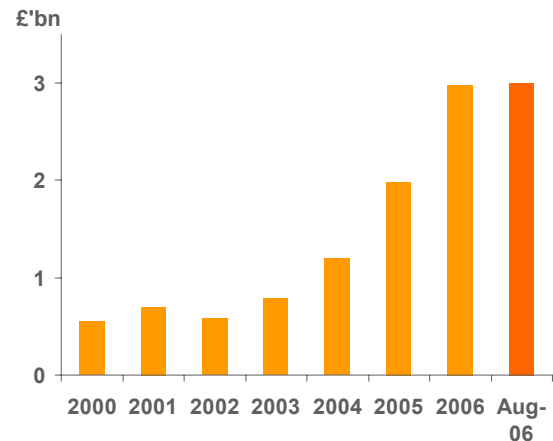
### Loan portfolio

Since 31 Mar 2006:

▲ 0.2% to £3.0bn

Neutral Currency: ▲ 12.4% to £3.4bn

Ave 1H07: 1H06: ▲ 31.4%



## Investment Banking

- **Agency and Advisory**
  - Strong corporate finance pipeline in SA
  - Stable corporate finance pipeline in UK and Australia
  - Strong performance from the stockbroking businesses as a result of increased volumes over the period
- **Direct Investments and Private Equity**
  - Good performance from direct investments and private equity portfolios in SA
  - UK has not benefited from realisations as was the case in the prior year



## Asset Management

- Earnings growth enhanced by momentum of UK and international business
- Solid long term investment performance
- Good demand for high potential products such as global equities
- Higher average AUM

### Assets under management

Since 31 Mar 2006:

▼ 14.9% to £26.9bn

Neutral Currency: ▼ 1.9% to £31.1bn

Ave 1H07: 1H06: ▲ 17.2%



## Property Activities

- Property Activities in SA remain buoyant although this may not be reflected in the current trading results
  - Fundamentals remain strong despite increase in interest rates
  - Higher average AUM

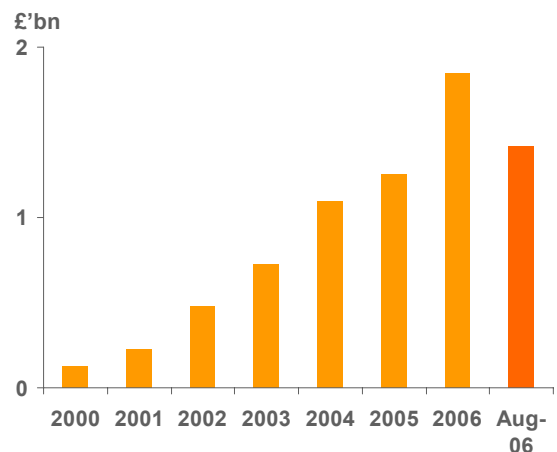
### Assets under administration

Since 31 Mar 2006:

▼ 23.1% to £1.4bn

Neutral Currency: ▼ 2.0% to £1.8bn

Ave 1H07: 1H06: ▲ 23.0%



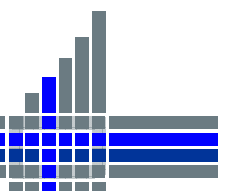
## Other **Activities**

- Central Funding weaker performance:
  - Negative market impact on underlying assets in the SA shareholders portfolio
  - UK impacted by hedging loss on the translation of the Euro prefs (equal and opposite effect reflected in the minority interest line)
- Central Costs – marginally up on previous year



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## **Additional aspects**



## Summary **headcount by business**

	<b>31 Aug 2006</b>	<b>31 Mar 2006</b>	<b>31 Mar 2005</b>	<b>31 Mar 2004</b>
Private Banking	1 729	1 598	1 280	1 150
Private Client Portfolio Management and Stockbroking	174	167	415	472
Treasury and Specialised Finance	623	530	445	434
Investment Banking	294	287	245	275
Asset Management	840	790	723	784
Property Activities	247	244	225	210
Other Activities	901	823	830	1 133
<b>Total number of employees</b>	<b>4 808</b>	<b>4 439</b>	<b>4 163</b>	<b>4 458</b>



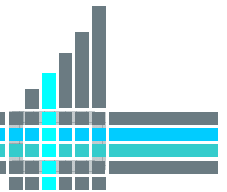
## Other **information**

- Acquisition of Rothschild's business in Australia:
  - Accounted for as from **7 July 2006**
  - Positive goodwill impairment on transaction
- Effective tax rate: expected to be approximately **26.5%- 27.5%**
- Weighted number of shares in issue for the six months to 30 September expected to be approximately **553.5** million (after taking into account share split)





## Conclusion

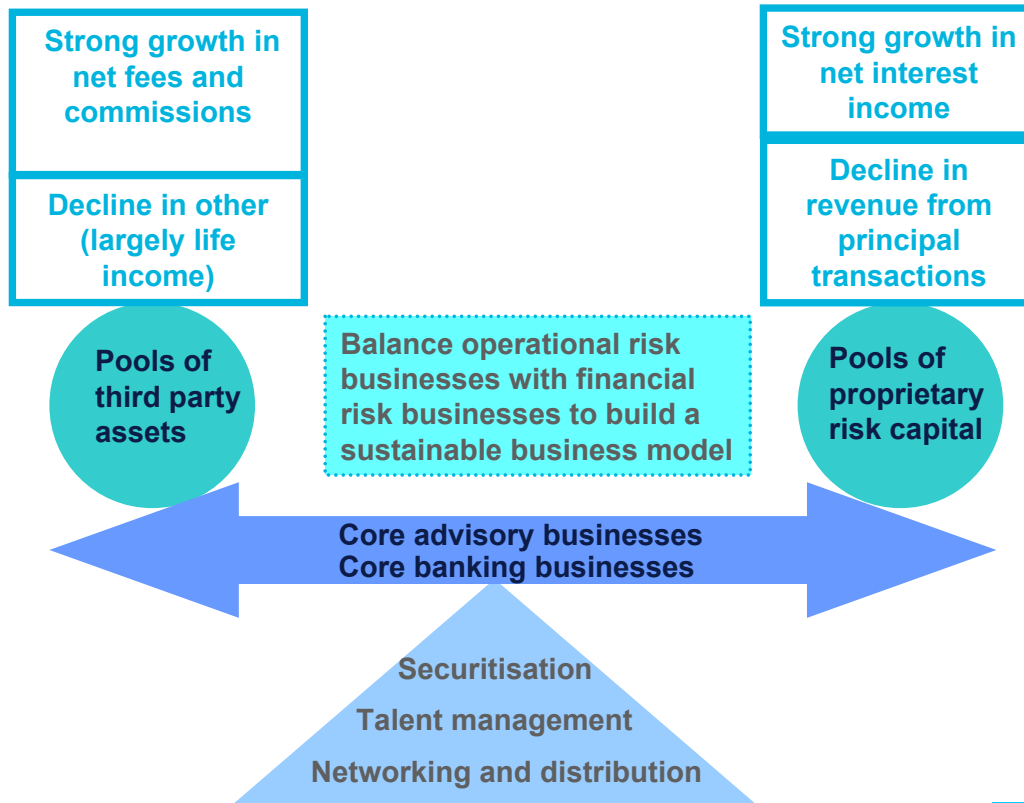


## Conclusion

- **Continue** to penetrate core markets
- Key **earnings drivers** are significantly higher than the equivalent period last year



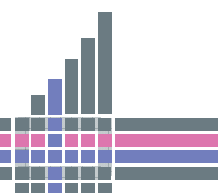
## Conclusion



## Conclusion

- As a consequence...
  - **Strong** operational performance expected for 1H07

## Appendices



### Operating profit before tax, impairment of goodwill and non-operating items: for the six months ended 30 September 2005

IFRS £'000	Southern Africa	UK & Europe	Australia	Other	Total group
Private Banking	12,473	24,676	5,183	-	42,332
Private Client Portfolio Management and Stockbroking	3,771	3,953	* -	-	7,724
Treasury and Specialised Finance	21,399	7,501	(239)	-	28,661
Investment Banking	23,525	16,423	2,777	-	42,725
Asset Management	18,325	3,484	-	-	21,809
Property Activities	9,139	675	-	-	9,814
Group Services and Other Activities	8,784	(10,345)	814	453	(294)
<b>Total group</b>	<b>97,416</b>	<b>46,367</b>	<b>8,535</b>	<b>453</b>	<b>152,771</b>

\*Rensburg Sheppards plc accounted for as an associate with effect from 30 April 2005. This number is net of tax.



## Private Banking: loans and advances

£'million	31 Aug 2006	31 Mar 2006	30 Sept 2005	1 Apr 2005	% Change Aug vs Mar 2006
UK and Europe	2,136	1,978	1,657	1,522	8.0%
South Africa	3,446	3,800	3,084	2,483	-9.3%
Australia	463	380	345	297	21.8%
<b>Total loans</b>	<b>6,045</b>	<b>6,158</b>	<b>5,086</b>	<b>4,302</b>	<b>-1.8%</b>

Home currency 'million	31 Aug 2006	31 Mar 2006	30 Sept 2005	1 Apr 2005	% Change Aug vs Mar 2006
South Africa	R 47,065	R 40,749	R 34,641	R 29,128	15.5%
Australia	\$1,154	\$928	\$804	\$724	24.4%
Period end: £:R	13.66	10.72	11.23	11.73	
Period end: £:AUD	2.49	2.44	2.32	2.44	



## Private Banking: retail deposits

£'million	31 Aug 2006	31 Mar 2006	30 Sept 2005	1 Apr 2005	% Change Aug vs Mar 2006
UK and Europe	3,060	2,921	2,401	2,047	4.8%
South Africa	1,602	1,650	1,258	1,035	-2.9%
Australia	221	202	217	182	9.4%
<b>Total deposits</b>	<b>4,883</b>	<b>4,773</b>	<b>3,876</b>	<b>3,264</b>	<b>2.3%</b>

Home currency 'million	31 Aug 2006	31 Mar 2006	30 Sept 2005	1 Apr 2005	% Change Aug vs Mar 2006
South Africa	R 21,879	R 17,687	R 14,130	R 12,141	23.7%
Australia	\$552	\$495	\$503	\$446	11.5%
Period end: £:R	13.66	10.72	11.23	11.73	
Period end: £:AUD	2.49	2.44	2.32	2.44	



## Private Banking: funds under advice

£'million	31 Aug 2006	31 Mar 2006	30 Sept 2005	1 Apr 2005	% Change Aug vs Mar 2006
UK and Europe	716	642	459	362	11.5%
South Africa	935	1,006	809	532	-7.1%
Australia	244	240	219	179	1.7%
<b>Funds under advice</b>	<b>1,895</b>	<b>1,888</b>	<b>1,487</b>	<b>1,073</b>	<b>0.4%</b>

Home currency 'million	31 Aug 2006	31 Mar 2006	30 Sept 2005	1 Apr 2005	% Change Aug vs Mar 2006
South Africa	R 12,769	R 10,784	R 9,081	R 6,249	18.4%
Australia	\$608	\$586	\$507	\$436	3.8%
Period end: £:R	13.66	10.72	11.23	11.73	
Period end: £:AUD	2.49	2.44	2.32	2.44	



## Treasury and Specialised Finance: loans and advances

£'million	31 Aug 2006	31 Mar 2006	30 Sept 2005	1 Apr 2005	% Change Aug vs Mar 2006
UK and Europe	1,514	1,109	1,080	743	36.5%
Loans	1,281	937	1002	743	36.7%
Assets to be securitised/ warehouse assets	233	172	78	-	35.5%
South Africa	1,321	1,852	1,471	1,210	-28.7%
Australia	155	24	15	27	>100%
<b>Total loans</b>	<b>2,990</b>	<b>2,985</b>	<b>2,566</b>	<b>1,980</b>	<b>0.2%</b>

Home currency 'million	31 Aug 2006	31 Mar 2006	30 Sept 2005	1 Apr 2005	% Change Aug vs Mar 2006
South Africa	R 18,044	R 19,855	R 16,518	R 14,970	-9.1%
Australia	\$387	\$58	\$35	\$65	>100%
Period end: £:R	13.66	10.72	11.23	11.73	
Period end: £:AUD	2.49	2.44	2.32	2.44	



## SA Private Client Securities: assets under management

R'million	31 Aug 2006	31 Mar 2006	30 Sept 2005	1 Apr 2005	% Change Aug vs Mar 2006
Discretionary	14,595	14,339	11,698	7,428	1.8%
Non-discretionary	70,811	69,748	57,737	34,557	1.5%
<b>Total</b>	<b>85,406</b>	<b>84,087</b>	<b>69,435</b>	<b>41,985</b>	<b>1.6%</b>

£'million	31 Aug 2006	31 Mar 2006	30 Sept 2005	1 Apr 2005	% Change Aug vs Mar 2006
Discretionary	1,068	1,338	1,042	633	-20.1%
Non-discretionary	5,184	6,506	5,141	2,946	-20.3%
<b>Total</b>	<b>6,252</b>	<b>7,844</b>	<b>6,183</b>	<b>3,579</b>	<b>-20.3%</b>

Period end: £:R 13.66 10.72 11.23 11.73

Note: Effective from 1 April 2005 the numbers above include HSBC funds acquired of R13.4 billion (R2.1 billion discretionary and R11.3 billion non-discretionary)



## Investec Asset Management: assets under management\*

£'million	31 Aug 2006	31 Mar 2006	30 Sept 2005	1 Apr 2005	% Change Aug vs Mar 2006
<b>UK and international</b>	<b>11,839</b>	<b>11,820</b>	<b>10,685</b>	<b>9,244</b>	<b>0.2%</b>
Retail	6,147	6,126	4,964	3,680	0.3%
Institutional	5,692	5,694	5,721	5,564	-
<b>Southern Africa</b>	<b>15,093</b>	<b>19,833</b>	<b>16,400</b>	<b>13,669</b>	<b>-23.9%</b>
Retail	4,770	5,745	4,511	3,522	-17.0%
Institutional	10,323	14,088	11,889	10,147	-26.7%
<b>Total AUM*</b>	<b>26,932</b>	<b>31,653</b>	<b>27,085</b>	<b>22,913</b>	<b>-14.9%</b>

Home currency 'million	31 Aug 2006	31 Mar 2006	30 Sept 2005	1 Apr 2005	% Change Aug vs Mar 2006
<b>Southern Africa</b>	<b>206,119</b>	<b>212,658</b>	<b>184,138</b>	<b>160,402</b>	<b>-3.1%</b>
Retail	65,146	61,600	50,644	41,331	5.8%
Institutional	140,973	151,058	133,494	119,071	-6.7%

Period end: £:R 13.66 10.72 11.23 11.73

\*All AUM are on a managed basis



## Investec: total third party assets under management

£'million	31 Aug 2006	31 Mar 2006	30 Sept 2005	1 Apr 2005	% Change Aug vs Mar 2006
<b>Private Banking funds under advice</b>	<b>1,895</b>	<b>1,888</b>	<b>1,487</b>	<b>1,073</b>	<b>0.4%</b>
SA	935	1,006	809	532	-7.1%
UK and Europe	716	642	459	362	11.5%
Australia	244	240	219	179	1.7%
<b>Private Client Portfolio Management and Stockbroking</b>	<b>19,352</b>	<b>20,944</b>	<b>17,883</b>	<b>9,686</b>	<b>-7.6%</b>
SA Private Client Securities	6,252	7,844	6,183	3,579	-20.3%
Rensburg Sheppards plc/Carr Sheppards Crosthwaite**	13,100*	13,100	11,700	6,107	0.0%
<b>SA Property Activities</b>	<b>1,420</b>	<b>1,846</b>	<b>1,400</b>	<b>1,256</b>	<b>-23.1%</b>
<b>Investec Asset Management</b>	<b>26,932</b>	<b>31,653</b>	<b>27,085</b>	<b>22,913</b>	<b>-14.9%</b>
SA	15,093	19,833	16,400	13,669	-23.9%
UK and international	11,839	11,820	10,685	9,244	0.2%
<b>Total third party assets under management</b>	<b>49,599</b>	<b>56,331</b>	<b>47,855</b>	<b>34,928</b>	<b>-12.0%</b>

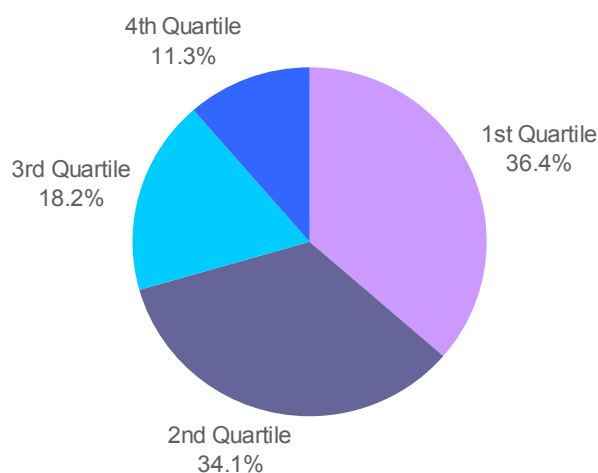
\*As last reported by Rensburg Sheppards plc.

\*\*The numbers as at 30 Sept 2005 and 31 March 2006 reflect the funds under management as reported by Rensburg Sheppards plc. The numbers at 1 April 2005 reflect those of Carr Sheppards Crosthwaite only.

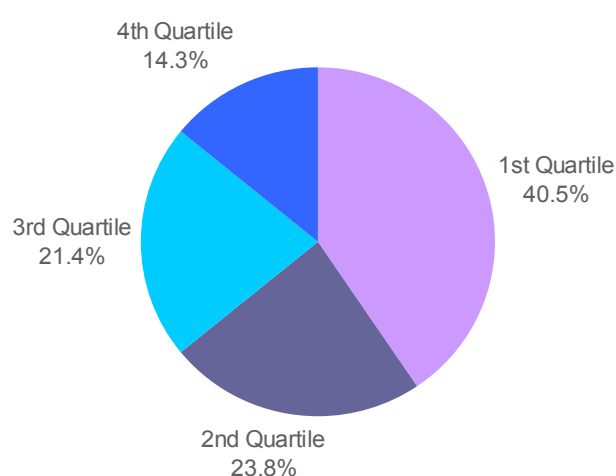


## Investec Asset Management: UK and global retail investment performance

**One year**



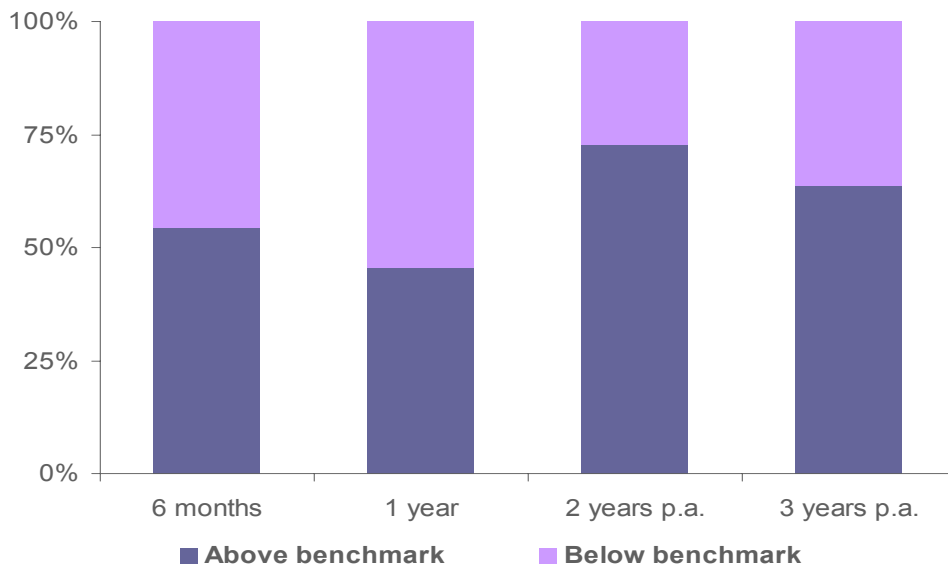
**Three years**



Performance to 31 July 2006, excludes cash, cash plus and liquidity funds  
Source: Calculated from Lipper data



## Investec Asset Management: UK and global institutional investment performance

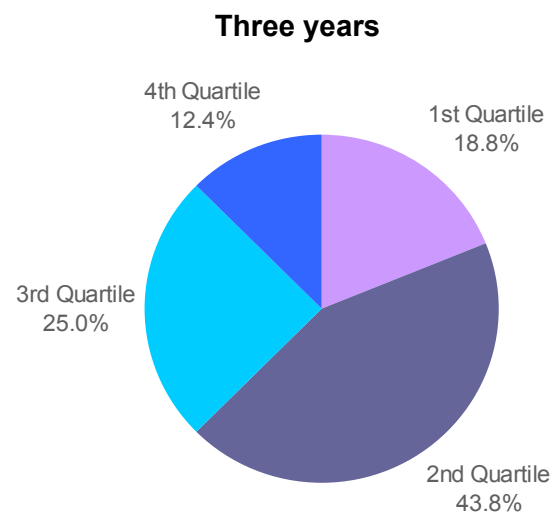
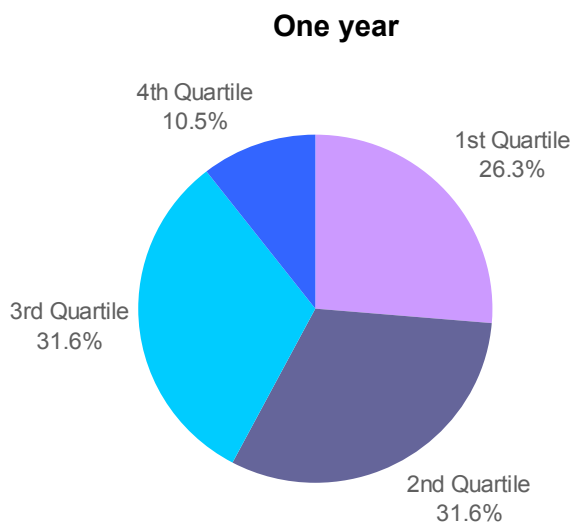


Performance to 31 July 2006

Source: Calculated from Standard & Poors, WM Spectrum, Lipper Hindsight data



## Investec Asset Management: SA retail investment performance



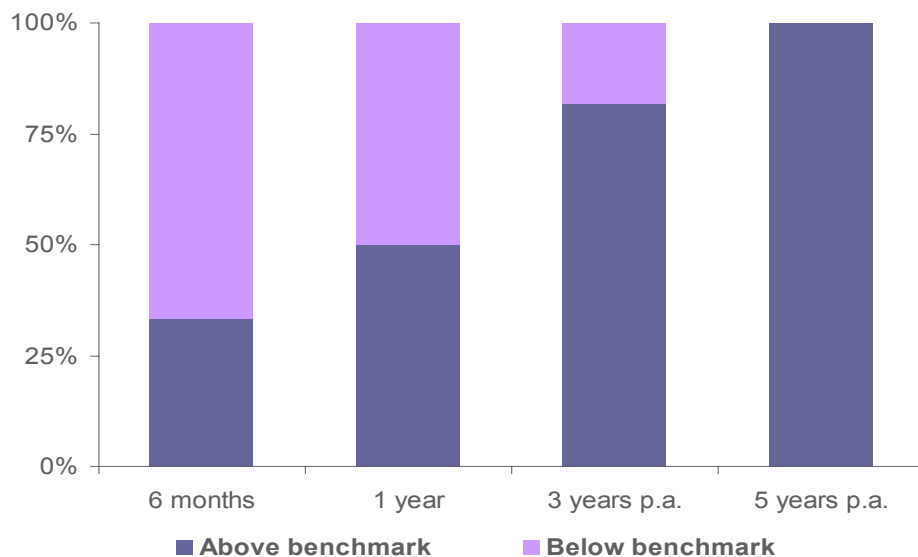
Performance to 31 July 2006

Source: Calculated from Standard & Poors, Datastream data





## Investec Asset Management: SA institutional investment performance



Performance to 31 July 2006

Source: Calculated from SPA, Alexander Forbes, Datastream data



### Contact details

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