



Investor pre-close briefing

15 September 2011


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 15 September 2011





Operational review

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- Proviso: unless otherwise stated, figures and trends discussed in the operational review relate to the five month period to 31 August 2011 and compare 1H2012 vs 1H2011
 - 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 six months to 30 September 2011 on 17 November 2011

Overview of the six months ending 30 Sep 2011



- Operating conditions have been more difficult than originally anticipated
- The Asset Management and Wealth Management businesses have continued to perform well as a result of increased average funds under management and net inflows
- The Specialist Banking businesses have benefited from growth in net interest income and fee income but earnings from principal activities have been under pressure
- The group's geographical and operational diversity has, however, supported a sound operational performance

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Overview of the six months ending 30 Sep 2011



- Operating profit* is expected to be in line with the prior year, with four of the six operating divisions showing an improved performance
- The UK and South African businesses are expected to post operating profit ahead of the prior year and the Australian business remains affected by elevated levels of impairments
- Since 31 Mar 2011 to 31 Aug 2011:
 - core loans and advances are marginally down to £18.6bn, however, in neutral currency** they have increased by 2%
 - customer deposits increased by 3% to £25.1bn
 - third party assets under management decreased by 4% to £85.6bn, as a result of weak markets, notwithstanding net inflows of c.£2.6bn

*Normalised operating profit refers to net profit before tax, goodwill, acquired intangibles and non-operating items but after adjusting for earnings attributable to non-controlling interests

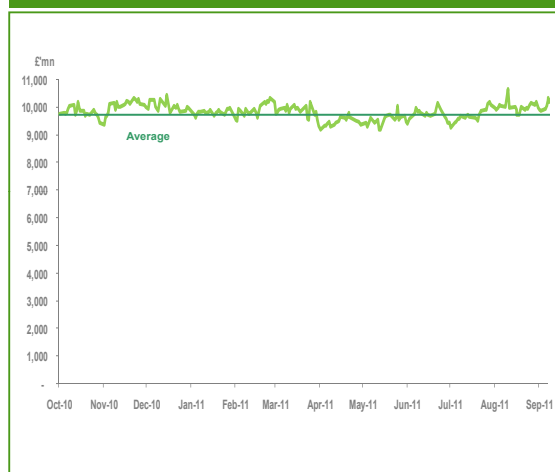
**Calculation assumes R:£ and AUD:£ closing exchange rates remain the same as at 31 Aug 2011 when compared to 31 Mar 2011

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Cash balances remain strong

- Continue to focus on:
 - diversifying funding sources
 - limiting concentration risk
 - reduced reliance on wholesale funding
 - building our retail franchise
 - reducing cost of liabilities
- Core advances[^] as a percentage of customer deposits at 31 Aug 2011 is at 70.0% (Mar 2011: 72.4%)

Cash and near cash



Min* £'bn	Max* £'bn	Ave* £'bn
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9.2	10.6	9.7
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Current total £10.2bn

Ltd £5.8bn; plc £4.4bn

*Since 31 March 2011

[^]Excluding own originated assets which have been securitised.

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Healthy capital ratios

- We target a total capital adequacy ratio of 14% to 17% and a Tier 1 ratio of 11%

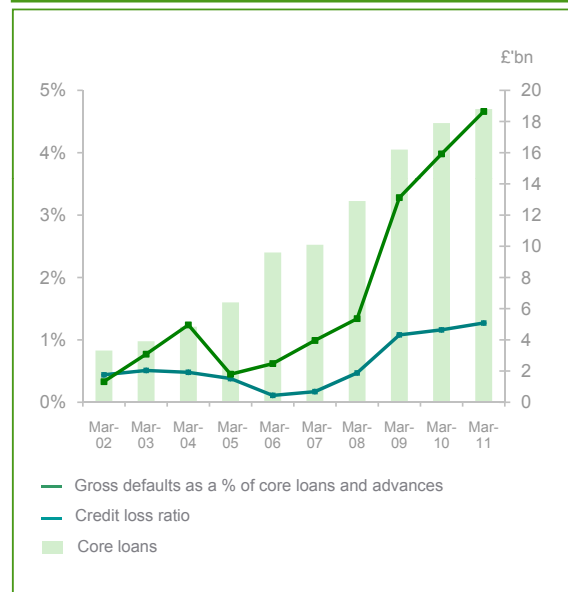
	Expected capital adequacy ratios at 30 Sep 2011	31 Mar 2011	30 Sep 2010
Investec plc			
Total	16.4%	16.8%	16.7%
Tier 1	11.1%	11.6%	12.1%
Investec Limited			
Total	15.4%	15.9%	16.2%
Tier 1	11.7%	11.9%	12.1%

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Impairment trends

- Impairments on core loans are expected to be lower than the prior year
- We expect the credit loss ratio on total average loans and advances to be approximately 0.90% (Mar 2011: 1.27%)
- Start impairments have increased largely due to continued weak economic conditions in Ireland
- Resulting in a marginal increase in overall impairments relative to the comparative period, but significantly lower than 2H2011

Defaults and core loans



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 **Divisional review**

Overview of expected year on year* performance

- Recurring income as a percentage of total operating income is expected to be approximately 66% (2010: 63%)
- We expect to report a satisfactory increase in total operating income:
 - An increase in net interest income
 - A significant increase in net fees and commissions receivable
 - A decline in income from principal transactions
- Expenses are expected to increase marginally ahead of operating income:
 - Acquisitions : Rensburg Sheppards plc; Masterlease UK
 - An increase in headcount in certain divisions: Capital Markets, Asset Management and Group Services
- As a result we expect there to be a moderate rise in the cost to income ratio, although this ratio remains within the group's target

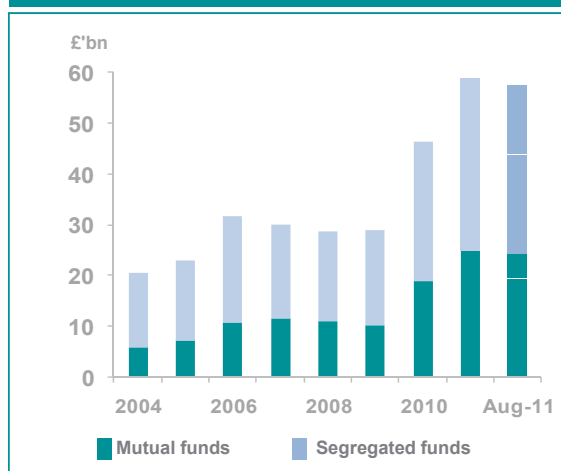
*Six months ending 30 Sep 2011 compared to the six months ended 30 Sep 2010

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Asset Management

- Solid long term performance across investment capabilities*
- Continued strong net inflows in excess of £2.0bn
- Strong performance well ahead of last year

Assets under management:
Since 31 Mar 2011: down 2% to £57.6bn



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

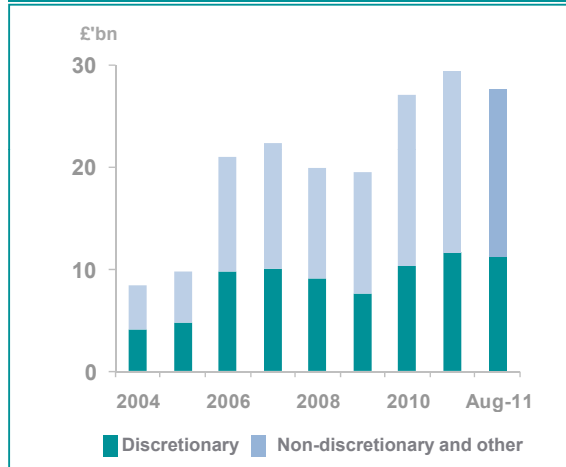
* 100% of segregated accounts have outperformed benchmark since inception/GIPs inception.

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Wealth & Investment

- Performing ahead of the prior year
 - Higher ave funds under management
 - Net inflows of c.£550mn
 - 100% of Rensburg Sheppards plc included for a full six months in 1H2012

Funds under management:
Since 31 Mar 2011: down 6% to £27.6bn



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

Property Activities

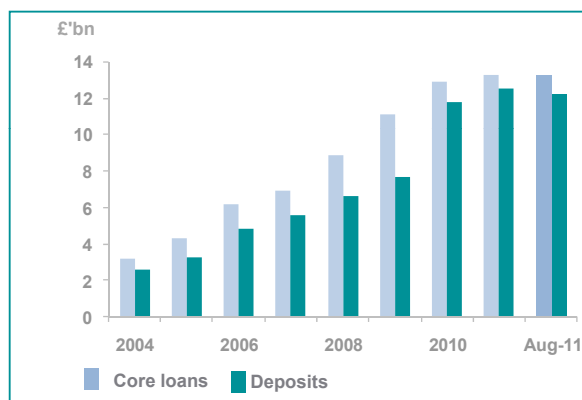
- Performance in line with expectations but lower than the prior year

Private Banking

- Overall return to profitability
 - There has been some uptick in activity levels
 - Moderate increase in impairments relative to the comparative period, but significantly lower than 2H2011
- UK: has returned to profitability
- South Africa: performance behind last year
- Australia: professional finance performed well, but economic conditions in the non-mining sector have remained muted resulting in a higher impairment charge in the run down property book

Loans: since 31 Mar 2011: flat at £13.3bn

Deposits: since 31 Mar 2011: down 2% to £12.2bn



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

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Investment Banking

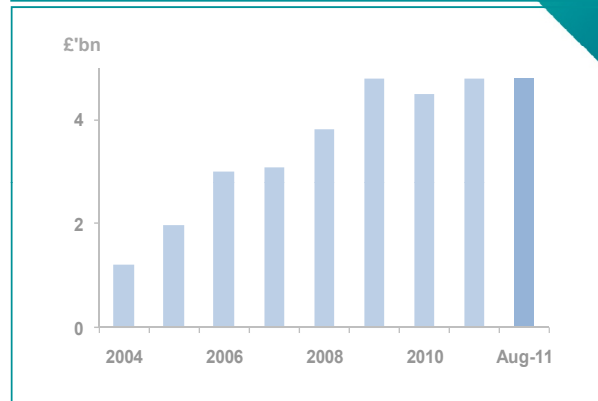
- Weak market conditions resulted in a subdued performance
- UK: reasonable performance in corporate finance, which is offset by a weak performance from securities activities, direct investments and private equity
- South Africa well down on the prior year:
 - Mark downs on listed investments held in the Direct Investment portfolio and lower dividends received from the Private Equity portfolio
 - Poor performance from the institutional stockbroking business a result of lower volumes

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Capital Markets

- Satisfactory performance ahead of the prior year
- Strong performance from the South African business and a solid performance from UK and Australia

Loans: since 31 Mar 2011: flat at £4.8bn



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

Other Activities

- Central Funding and Central Costs results largely in line with the prior year

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Additional aspects

Other information

- Effective tax rate: expected to be between **19 - 20%**
- Weighted number of shares in issue for the six months ending 30 Sep 2011 expected to be approximately **792mn**



Other information - Independent Commission on Banking (“ICB”)

- On 12 September the ICB published its recommendations for regulatory change to the UK banking industry, for assessment by the UK government
- The ICB has recommended that the recommendations are implemented by 2019
- The group is still assessing the impact for Investec Bank plc in the UK
- The group’s initial impressions are that the bulk of its activities (other than the Investment Banking and Trading businesses), including a substantial portion of its Capital Markets business, could be held in the ring-fenced bank as these businesses deal with corporate and individual clients
- However, the flexibility provided by the ICB in what can be included or excluded from the ring-fenced bank ensures that any realignment that may be required in the bank’s business model will be moderate

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Other information – Recommended Share offer for the Evolution Group plc (“Evolution”)*

• In line with our stated strategy:

- We seek to maintain a balance between revenue earned from operational risk businesses and revenue earned from financial risk businesses
- Our current strategic objectives include **increasing the proportion of our non-lending revenues**
- Focus on growing our private client wealth management and asset management businesses
- These businesses are **capital light with strong recurring revenue streams**

• How does Evolution fit in:

- A well-respected and leading private client wealth management business in Williams de Broë which has c.£6.0bn of assets under management
- Evolution agreement to acquire BNP Paribas Private Investment Management Limited which has assets under management of c.£1.8bn
- Evolution Securities is a leading investment bank focused on serving an international institutional corporate client base, specialising in the UK and European equity and debt markets

• Deal specifics

- Under the terms of the Offer, Evolution shareholders will, in aggregate, receive approximately **53.8mn fully paid newly issued Investec plc shares**
- 0.23124 new Investec shares for each Evolution share
- Received letters of intent (22.65%) and irrevocables (8.10%) in support of our offer
- Offer to be made by way of Scheme of Arrangement. Evolution meeting due 2nd half of November
- **Still to assess** inter alia operational synergies, and headcount reductions (as stated in our announcement)

• Summary:

- Create a **major UK player in the private client investment management industry**
- Combination of Evolution with Investec Investment Banking contribute to existing strategy **to be the leading mid-market investment bank in the UK**
- This is a good strategic acquisition for Investec in the UK
- **Allows us to build scale in two important areas of our business**

*Please refer to the detailed announcement issued in this regard on 12 September 2011; ^5.51% of these irrevocables are subject to no higher competing offer

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Conclusion

Conclusion

- Operating conditions are difficult as the global geopolitical landscape remains uncertain
- The group's operational performance remains stable underpinned by a solid recurring income base



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Appendices

Operating environment

	31 Aug 2011	31 Mar 2011	30 Sep 2010	% move since Mar 2011
JSE ALSI	30,365	32,204	29,456	(5.7%)
FTSE ALSI	2,734	3,068	2,868	(10.9%)
Australian All Ord	4,341	4,929	4,637	(11.9%)
SA Prime	9.00%	9.00%	9.50%	-
UK Clearing Banks	0.50%	0.50%	0.50%	-
RBA cash rate target	4.75%	4.75%	4.50%	-

Year to date Currency per £1.00	31 Aug 2011		31 Mar 2011		30 Sep 2010	
	Close	Ave	Close	Ave	Close	Ave
South African Rand	11.45	11.12	10.88	11.16	11.00	11.29
Australian Dollar	1.52	1.52	1.55	1.65	1.63	1.70
Euro	1.13	1.13	1.13	1.17	1.15	1.18
Dollar	1.63	1.63	1.60	1.55	1.57	1.52

Source: Datastream

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Normalised* operating profit:

For the year ended 31 March 2011

	UK & Europe	Southern Africa	Australia	Total group
£'000				
Asset Management	53,002	74,306	-	127,308
Wealth & Investment	25,008	15,418	-	40,426
Property Activities	375	40,178	7,155	47,708
Private Banking	(84,041)	2,990	(10,390)	(91,441)
Investment Banking	8,887	65,191	(6,716)	67,362
Capital Markets	139,978	92,211	9,860	242,049
Group Services and Other Activities	(9,583)	9,780	797	994
Normalised operating profit before tax	133,626	300,074	706	434,406
Minority interest - equity				(10,962)
Operating profit before tax				423,444

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

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Normalised* operating profit:

For the six months ended 30 September 2010

	UK & Europe	Southern Africa	Australia	Total group
£'000				
Asset Management	18,867	30,046	-	48,913
Wealth & Investment	8,996	7,346	-	16,342
Property Activities	(443)	14,540	2,311	16,408
Private Banking	(12,486)	14,150	(5,543)	(3,879)
Investment Banking	8,816	36,845	(3,151)	42,510
Capital Markets	88,385	40,364	4,757	133,506
Group Services and Other Activities	(32,097)	3,119	3,335	(25,643)
Normalised operating profit before tax	80,038	146,410	1,709	228,157
Minority interest - equity				(10,837)
Operating profit before tax				217,320

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

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Investec Asset Management: assets under management*

£'million	31 Aug 2011	31 Mar 2011	30 Sep 2010	31 Mar 2010	% Change YTD vs Mar 2011
UK and international	31,102	30,765	23,727	21,666	1.1%
Mutual funds	15,144	15,402	12,451	11,064	(1.7%)
Segregated accounts	15,958	15,363	11,276	10,602	3.9%
Southern Africa	26,485	28,037	25,764	24,737	(5.5%)
Mutual funds	9,017	9,466	8,557	7,757	(4.7%)
Segregated accounts	17,468	18,571	17,207	16,980	(5.9%)
Total AUM*	57,587	58,802	49,491	46,403	(2.1%)

Home currency 'million	31 Aug 2011	31 Mar 2011	30 Sep 2010	31 Mar 2010	% Change YTD vs Mar 2011
Southern Africa	303,248	305,043	283,378	274,828	(0.6%)
Mutual funds	103,246	102,990	94,119	86,180	0.2%
Segregated accounts	200,002	202,053	189,259	188,648	(1.0%)

Rates: R:£ 11.45 10.88 11.00 11.11

*All AUM are on a managed basis.

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Wealth & Investment SA: funds under management

R'million	31 Aug 2011	31 Mar 2011	30 Sep 2010	31 Mar 2010	% Change YTD vs Mar 2011
Discretionary	23,033	22,585	20,811	19,726	2.0%
Non-discretionary*	127,523	136,216	121,045	114,178	(6.4%)
Total	150,556	158,801	141,856	133,904	(5.2%)

Net inflows at cost over the period:

Discretionary	402	1,861	619	537
Non-discretionary	4,413	22,603	6,989	(999)
Total	4,815	24,464	7,608	(462)

£'million	31 Aug 2011	31 Mar 2011	30 Sep 2010	31 Mar 2010	% Change YTD vs Mar 2011
Discretionary	2,012	2,076	1,892	1,776	(3.1%)
Non-discretionary	11,137	12,520	11,004	10,277	(11.0%)
Total	13,149	14,596	12,896	12,053	(9.9%)

Rates: R:£	11.45	10.88	11.00	11.11
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*Now incorporates funds under advice as previously reported within the Private Bank. For comparative purposes historic numbers have been restated accordingly.

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Wealth & Investment Non-SA: funds under management

£'million	31 Aug 2011	31 Mar 2011	30 Sep 2010	31 Mar 2010	% Change YTD vs Mar 2011
Rensburg					
- Discretionary	9,189	9,571	8,818	8,517	(4.0%)
- Non-discretionary	2,930	3,164	3,077	3,082	(7.4%)
- Other**	-	-	896	1,300	-
Total	12,119	12,735	12,791	12,899	(4.8%)
Other UK and Australia funds under advice*	2,326	2,117	2,005	2,187	9.9%
Total	14,445	14,852	14,796	15,086	(2.7%)

*Now incorporates funds under advice as previously reported within the Private Bank. For comparative purposes historic numbers have been restated accordingly.

**Sale of Rensburg Fund Management Limited to Franklin Templeton Global Investors Limited (UK) effective January 2011

Wealth & Investment total: funds under management

£'million	31 Aug 2011	31 Mar 2011	30 Sep 2010	31 Mar 2010	% Change YTD vs Mar 2011
South Africa	13,149	14,596	12,896	12,053	(9.9%)
Non-SA	14,445	14,852	14,796	15,086	(2.7%)
Total	27,594	29,448	27,692	27,139	(6.3%)

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Private Banking: loans and advances

£'million	31 Aug 2011	31 Mar 2011	30 Sep 2010	31 Mar 2010	% Change YTD vs Mar 2011
UK and Europe	3,490	3,378	3,363	3,585	3.3%
South Africa	8,023	8,122	7,905	7,696	(1.2%)
Australia	1,831	1,823	1,687	1,644	0.4%
Total core loans	13,344	13,323	12,955	12,925	0.2%

Home currency 'million	31 Aug 2011	31 Mar 2011	30 Sep 2010	31 Mar 2010	% Change YTD vs Mar 2011
South Africa	R91,869	R88,372	R86,953	R85,500	4.0%
Australia	\$2,782	\$2,825	\$2,747	\$2,730	(1.5%)

Rates:

R:£	11.45	10.88	11.00	11.11
£:AUD	1.52	1.55	1.63	1.66

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Private Banking: retail deposits

£'million	31 Aug 2011	31 Mar 2011	30 Sep 2010	31 Mar 2010	% Change YTD vs Mar 2011
UK and Europe	5,997	6,100	6,127	6,308	(1.7%)
South Africa	5,039	5,154	4,902	4,607	(2.2%)
Australia	1,192	1,211	1,127	851	(1.6%)
Total deposits	12,228	12,465	12,156	11,766	(1.9%)

Home currency 'million	31 Aug 2011	31 Mar 2011	30 Sep 2010	31 Mar 2010	% Change YTD vs Mar 2011
South Africa	R57,698	R56,081	R53,921	R51,181	2.9%
Australia	\$1,811	\$1,877	\$1,837	\$1,413	(3.5%)

Rates:

R:£	11.45	10.88	11.00	11.11
£:AUD	1.52	1.55	1.63	1.66

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Capital Markets: loans and advances

£'million	31 Aug 2011	31 Mar 2011	30 Sep 2010	31 Mar 2010	% Change YTD vs Mar 2011
UK and Europe	2,016	2,023	1,897	1,752	(0.3%)
South Africa	2,480	2,556	2,599	2,590	(3.0%)
Australia	283	253	196	166	11.9%
Total core loans	4,779	4,832	4,692	4,508	(1.1%)

Home currency 'million	31 Aug 2011	31 Mar 2011	30 Sep 2010	31 Mar 2010	% Change YTD vs Mar 2011
South Africa	R28,393	R27,805	R28,587	R28,778	2.1%
Australia	\$430	\$393	\$320	\$275	9.4%

Rates:

R:£	11.45	10.88	11.00	11.11
£:AUD	1.52	1.55	1.63	1.66

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