

Registration Number 3633621

Investec plc

Interim Financial Statements

31 May 2009

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DIRECTORATE AND CORPORATE INFORMATION

BOARD OF DIRECTORS

Hugh S Herman * (Chairman)
Stephen Koseff (Chief Executive Officer)
Bernard Kantor (Managing Director)
Sam E Abrahams *
George F O Alford *
Glynn R Burger (Risk & Finance Director)
Cheryl A Carolus *
Haruko Fukuda *
Geoffrey M T Howe *
Ian R Kantor *
Sir Chips Keswick *
Mangalani Peter Malungani *
Sir David Prosser *
Alan Tapnack
Peter R S Thomas *
Fani Titi *

* Non-executive

SECRETARY

David Miller

AUDITOR

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

COMPANY REGISTRATION

Registration Number 3633621
Registered Office: 2 Gresham Street
London, EC2V 7QP

PROFIT AND LOSS ACCOUNT

	Notes	Period ended 31/5/09 £'000	Year Ended 31/3/09 £'000
Dividend from subsidiary undertakings		12,500	42,000
Interest receivable from group undertaking		5,173	53,339
Interest receivable – external		-	10
Interest payable – external		(815)	(9,840)
Interest payable to a fellow group undertaking		(4,741)	(31,739)
Foreign exchange gains / (losses)		23	(124)
Loss on treasury shares		-	(2,011)
Administrative expenses		(1,440)	(9,908)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>10,700</u>	<u>41,727</u>
Taxation	2	1,366	4,709
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		<u>12,066</u>	<u>46,436</u>

No information has been included in respect of the comparative period.

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

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

BALANCE SHEET

at 31 May 2009

	Notes	31/5/09 £'000	31/3/09 £'000
ASSETS			
Cash at bank and in hand:			
- balances with subsidiary undertaking		96,521	105,538
- balances with other banks		914	876
Amounts owed by group undertakings		496,958	494,739
Investments in subsidiaries	4	1,234,571	1,234,571
Tax		14,742	13,376
Other assets		20	20
Prepayments and accrued income		116	-
Total assets		1,843,842	1,849,120
LIABILITIES AND EQUITY			
Liabilities			
Bank loans	5	176,266	185,372
Amounts owed to group undertakings	5	806,046	814,322
Other liabilities		921	971
Accruals and deferred income		3,133	3,251
Total liabilities		986,366	1,003,916
Equity			
Called up share capital	6/9	143	143
Share premium account	9	838,911	838,911
Perpetual preference shares	7/9	151	151
Capital redemption reserve	9	50	50
Profit and loss account	9	18,221	5,949
Total equity		857,476	845,204
Total equity and liabilities		1,843,842	1,849,120

The financial statements on pages 2 to 9 were approved by the Board of Directors on 23 June 2009 and signed on its behalf by:



Stephen Koseff
Director

NOTES TO THE FINANCIAL STATEMENTS

at 31 May 2009

1. ACCOUNTING CONVENTION

The interim financial statements have been prepared in accordance with the accounting policies set out in the Company's audited Financial Statements as at 31 March 2009 for the purposes of establishing that the Company has distributable reserves.

2. TAXATION

	31/5/09 £'000	31/3/09 £'000
Tax credit	(1,366)	(4,709)

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

	31/5/09 £'000	31/3/09 £'000
Tax on profit on ordinary activities at UK rate of 28% (28%)	2,996	11,683
Intra-group dividends	(3,500)	(11,760)
Expenses not deductible for tax purposes	210	1,680
UK-UK transfer pricing	(1,072)	(6,312)
	(1,366)	(4,709)

3. DIVIDENDS PAID

	31/5/09 £'000	31/3/09 £'000
Ordinary dividend		
Final dividend for prior year	-	33,683
Interim dividend for current year	-	14,610
Total dividend attributable to ordinary shareholder	-	48,293
Perpetual preference dividend		
Final dividend for prior year	-	4,927
Interim dividend for current year	-	4,545
Total dividend attributable to perpetual preference shareholder	-	9,472

The directors have proposed a final dividend in respect of the financial year ended 31 March 2009 of 5.0 pence (31 March 2008: 13.5 pence) per ordinary share. This is subject to the approval of the members of Investec plc at the Annual General Meeting which is scheduled to take place on 13 August 2009. If approved, the dividend will be paid as follows:

- for non-South African resident Investec plc shareholders, through a dividend payment by Investec plc of 5.0 pence per ordinary share
- for South African resident Investec plc shareholders, through a dividend payment on the South African Dividend Access share equivalent to 5.0 pence per ordinary share.

The final dividend will be payable on 18 August 2009 to shareholders on the register at the close of business on 31 July 2009.

The directors have declared a final dividend in respect of the financial year ended 31 March 2009 of 16.03 pence (Investec plc shares traded on the JSE Limited) and 16.03 pence (Investec plc shares traded on the Channel Island Stock Exchange) per perpetual preference share. The final dividend will be payable on 2 July 2009 to shareholders on the register at the close of business on 19 June 2009.

NOTES TO THE FINANCIAL STATEMENTS

at 31 May 2009

4. INVESTMENTS IN SUBSIDIARIES

At 1/4/09 and at 31/5/09

£'000
1,234,571

The principal subsidiary undertakings of the company given below are 100% owned and registered in England and Wales and incorporated in the United Kingdom, unless otherwise stated.

Principal subsidiary undertakings	Country	Principal activity	Interest
Investec Bank (Australia) Limited	Australia	Banking institution	
Investec Holdings (UK) Limited		Holding company	
Investec Holding Company Limited*		Investment holding	
Investec Bank plc (formerly Investec Bank (UK) Limited		Banking institution	
Investec Tier 1 (UK) LP*		Preferred Securities issuer	
Investec Finance (Jersey) Limited*	Jersey	Debt issuer	
Investec Finance plc		Debt issuer	
Investec Asset Finance plc		Leasing company	
Investec Bank (Channel Islands) Limited	Guernsey	Banking institution	
Investec Bank (Switzerland) AG	Switzerland	Banking institution	
Investec Group Investments (UK) Limited		Investment holding	
Investec Asset Management Limited		Asset management	
Investec 1 Limited*		Investment holding	
Guinness Mahon & Co Limited		Investment holding	
Investec Group (UK) plc		Holding company	
Investec Investment Holdings AG	Switzerland	Investment holding	
Investec Trust (Guernsey) Limited	Guernsey	Trust company	
Investec Trust (Switzerland) SA	Switzerland	Trust company	
Investec Trust (Jersey) Limited	Jersey	Trust company	
Investec Ireland Ltd	Ireland	Financial services	
Investec Securities (US) LLC	USA	Financial services	
Insurance Captive Insurance Ltd	Guernsey	Insurance	
European Capital Company Ltd		Project finance	
Kensington Group plc		Financial services	
Kensington Mortgages Limited		Financial services	
Newbury Park Mortgage Funding Limited		Financial services	
St Jame's Park Mortgage Funding Limited		Financial services	
Start Mortgages Limited	Ireland	Financial services	65.1%
Experien Pty Limited	Australia	Financial services	
Global Ethanol Holdings Limited	Australia	Holding company	44.4%
Global Ethanol LLC	USA	Production and marketing of Ethanol	26.6%
IdaTech plc	USA	Development of fuel cell technology	73.1%

* Directly held by Investec plc.

NOTES TO THE FINANCIAL STATEMENTS

at 31 May 2009

5. BANK LOANS AND AMOUNTS OWED TO GROUP UNDERTAKINGS

The company drew down on two schuldschein bank loans of €100 million on 8 and 9 of March 2006. These loans bear interest at 90 basis points above three month EURIBOR and are repayable on 8 and 9 of March 2011.

Amounts owed to group undertakings comprise £187 million due to Investec Tier 1 (UK) LP representing the proceeds of the issue by that entity in 2005 of perpetual preferred securities and £592 million interest free loan from Investec plc's wholly owned direct subsidiary Investec Holding Company Limited. This company is not trading and this balance effectively represents its share capital and reserves being lent back to its parent Investec plc. On 26 March 2009, the company subscribed to 10m preference shares, of £2.6825 each, issued by its subsidiary Investec Finance (Jersey) Limited. The proceeds of £26.8M were lent back to the company by way of inter-company account.

On 24 June 2005, Investec Tier 1 (UK) LP, a limited partnership organised under the Laws of England and Wales of which the company is the general partner, issued €200,000,000 Fixed/Floating Rate Guaranteed Non-voting Non-cumulative Perpetual Preferred Securities guaranteed by the company. On 24 June 2005, the company issued €200,000,000 Fixed/Floating Rate Perpetual Subordinated Notes ("the Notes") to Investec Tier 1 (UK) LP. The Notes bear interest at 7.075 per cent per annum until 24 June 2015, at which date the Notes are redeemable at the option of the company. From 24 June 2015, the Notes will bear interest at three Month EURIBOR plus 5.625 per cent.

In the event that the company's total capital ratio falls, or in the opinion of the directors is likely to fall, below the minimum ratio required by Capital Adequacy Regulations, the Preferred Securities shall be substituted by fully paid preference shares issued directly by the company.

NOTES TO THE FINANCIAL STATEMENTS

at 31 May 2009

6. CALLED UP SHARE CAPITAL**Authorised**

The authorised share capital of Investec plc is £182,000 (31.3.09: £182,000) comprising: 560,000,000 (31.3.09: 560,000,000) ordinary shares of £0.0002 each, 300,000,000 (31.3.09: 300,000,000) Special Converting Shares of £0.0002 each, 1 (31.3.09: 1) Special Voting share of £0.001, 1 (31.3.09: 1) UK DAN Share of £0.001 and 1 (31.3.09: 1) UK DAS Share of £0.001, 1,000,000 (31.3.09: 1,000,000) non-cumulative perpetual Preference Shares of €0.01

Issued, allotted and fully paid**Number of ordinary shares**

At 1/4/09 and 31/5/09

Number
444,937,238

Nominal value of ordinary shares

At 1/4/09 and 31/5/09

£'000
89

Number of special converting shares

At 1/4/09

Issued during the period

At 31/5/09

Number
268,335,257
64,516
268,399,773

Nominal value of special converting shares

At 1/4/09

Issued during the period

At 31/5/09

£'000
53
*
53

Number of UK DAN shares

At 1/4/09 and 31/5/09

Number
1

Nominal value of UK DAN shares

At 1/4/09 and 31/5/09

£'000
*

Number of UK DAS shares

At 1/4/09 and 31/5/09

Number
1

Nominal value of UK DAS shares

At 1/4/09 and 31/5/09

£'000
*

Number of special voting shares

At 1/4/09 and 31/5/09

Number
1

Nominal value of special voting shares

At 1/4/09 and 31/5/09

£'000
*

* Less than £1,000

On 5 June 2009 Investec plc issued 2,008,924 new ordinary shares of GBP0.0002 each in the capital of the company; 283,924 of which were issued to the Investec plc Jersey Number 1 Trust (the "Investec plc Trust") pursuant to the exercise of vested share options by staff under the Investec plc Share Option Plan 2002, and 1,725,000 of which were issued to the Investec plc Employee Benefit Trust pursuant to the Investec plc Share Matching Plan 2005 (together the "Investec plc Issue").

The total number of issued ordinary shares in Investec plc was increased to 446,946,162.

NOTES TO THE FINANCIAL STATEMENTS

at 31 May 2009

7. PERPETUAL PREFERENCE SHARES

	31/5/09 £'000	31/3/09 £'000
Authorised		
100,000,000 (31.3.09: 100,000,000) non-redeemable, non-cumulative, non-participating preference shares of £0.01 each	1,000	1,000
Issued	£'000	£'000
9,381,149 (31.3.09: 9,381,149) non-redeemable, non-cumulative, non-participating preference shares of £0.01 each, issued at a premium of £8.58 per share.	94	94
5,700,000 (31.3.09: 5,700,000) non-redeemable, non-cumulative, non-participating preference shares of £0.01 each, issued at a premium of £8.86 per share.	57	57
	<u>151</u>	<u>151</u>
Nominal value of shares	151	151
Share premium	129,407	129,407
	<u>129,558</u>	<u>129,558</u>

Preference shareholders will receive an annual dividend, if declared, based on the coupon rate (being equivalent to the base rate plus 1%) multiplied by the deemed value of £10, on a daily basis and payable in two semi-annual instalments.

An ordinary dividend will not be declared by Investec plc unless the preference dividend has been declared. If declared, preference dividends are payable semi-annually at least seven business days prior to the date on which Investec plc pays its ordinary dividends, if any, but shall be payable no later than 120 business days after 31 March and 30 September respectively.

8. TREASURY SHARES

	31/5/09 £'000	31/3/09 £'000
Treasury shares held by Investec plc		
Investec plc ordinary shares	-	-
Number of Investec plc ordinary shares held by Investec plc	Number	Number
At beginning of period	500,000	1,124,995
Disposal of own shares by Investec plc	-	(624,995)
	<u>500,000</u>	<u>500,000</u>
Reconciliation of treasury shares	£'000	£'000
At beginning of period	-	3,549
Disposal of own shares by Investec plc	-	(3,549)
At end of period	<u>-</u>	<u>-</u>
Market value of treasury shares	1,720	1,460

The Treasury shares are being held in an employee benefit trust in relation to the Investec Share Matching Plan 2005.

Dividends on treasury shares have not been included in the profit and loss account.

NOTES TO THE FINANCIAL STATEMENTS

at 31 May 2009

9. STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Share capital	Share premium	Perpetual preference shares	Capital redemption reserve	Profit and loss account	Total capital & reserves
	£000	£000	£000	£000	£000	£000
At 1/4/09	143	838,911	151	50	5,949	845,204
Share based payments adjustment	-	-	-	-	206	206
Profit for the period	-	-	-	-	12,066	12,066
At 31/5/09	143	838,911	151	50	18,221	857,476