

Registration Number 3633621

# Investec plc

## Interim Financial Statements

30 September 2003



A15	*AW9UCSJJ*	0513
COMPANIES HOUSE		12/02/04
A36	*A088DSAD*	0548
COMPANIES HOUSE		03/02/04

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DIRECTORATE AND CORPORATE INFORMATION

**BOARD OF DIRECTORS**

B Kantor  
J N Abell  
S E Abrahams  
G O Alford  
G R Burger  
H S Herman  
D E Jowell  
I R Kantor  
J C L Keswick  
S Koseff  
P Malungani  
A Tapnack  
P R S Thomas  
H Fukuda  
G M T Howe

**SECRETARY**

R J Vardy

**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**  
for the 6 months ended 30 September 2003

	Notes	30/9/03 £'000	30/9/02 £'000	31/3/03 £'000
Dividend from subsidiary undertakings		12,000	25,219	53,219
Interest receivable from group undertaking		13	-	64
Loss on exchange		-	-	(100)
(Loss)/profit on sale of subsidiary undertakings		(12)	26	26
Administrative expenses		(3,505)	(2,195)	(5,076)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<u>8,496</u>	<u>23,050</u>	<u>48,133</u>
Taxation	3	-	-	-
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>		<u>8,496</u>	<u>23,050</u>	<u>48,133</u>
Dividends payable	4	(9,061)	(17,849)	(46,838)
<b>(LOSS)/RETAINED PROFIT FOR THE PERIOD</b>		<u>(565)</u>	<u>5,201</u>	<u>1,295</u>

There are no recognised gains or losses in the year 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.

Investec plc

BALANCE SHEET

at 30 September 2003

	Notes	30/9/03 £'000	30/9/02 £'000	31/3/03 £'000
<b>FIXED ASSETS</b>				
Investments	5	421,451	421,503	421,503
<b>CURRENT ASSETS</b>				
Cash at bank		200	-	-
Other debtors	6	16,207	24,000	35,203
		16,407	24,000	35,203
<b>CREDITORS FALLING DUE WITHIN ONE YEAR</b>	7	(43,192)	(46,365)	(61,475)
<b>NET CURRENT LIABILITIES</b>		(26,785)	(22,365)	(26,272)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		394,666	399,138	395,231
<b>CAPITAL AND RESERVES</b>				
Called up equity share capital	8	113	113	113
Share premium account	9	393,823	393,823	393,823
Capital redemption reserve	9	50	50	50
Profit and loss account	9	680	5,152	1,245
<b>EQUITY SHAREHOLDERS' FUNDS</b>		394,666	399,138	395,231

The financial statements on pages 2 to 7 were approved by the Board of Directors on 26 November 2003 and signed on its behalf by:

  
S Koseff  
Chief Executive Officer

## NOTES TO THE FINANCIAL STATEMENTS

at 30 September 2003

## 1. ACCOUNTING POLICIES

**Accounting convention**

The interim financial statements, which have been prepared in accordance with s272 of the Companies Act 1985 and relevant accounting standards for the purposes of establishing that the Company has distributable reserves, have been prepared under the historical cost convention.

**Investments in subsidiaries**

Investments in subsidiaries are shown at cost less any provision for any impairment in value.

**Taxation**

Corporation tax payable is provided on taxable profits at the current rate.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. This is subject to deferred tax assets only being recognised if it is considered more likely than not that there will be suitable profits from which the future reversal of the underlying timing differences can be deducted. Timing differences are differences between the Group's taxable profits and its results as stated in the financial statements, which are capable of reversal in one or more subsequent periods.

Deferred tax is measured at a non-discounted basis at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at exchange rates ruling at the balance sheet date. All foreign currency transactions are translated into sterling at the exchange rates ruling at the time of the transaction. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the profit and loss account.

## 3. TAXATION

	30/9/03	30/9/02	31/3/03
	£'000	£'000	£'000
Tax charge	-	-	-

The effective tax rate for the year is 0%. The current tax charge is lower than the standard rate of UK Corporation Tax due to the following items:

	30/9/03	30/9/02	31/3/03
	£'000	£'000	£'000
Tax on profit on ordinary activities at UK rate of 30%	2,549	6,915	14,440
Intra-group dividends	(3,600)	(7,565)	(15,966)
Utilisation of capital losses	4	(8)	(8)
Group relief	1,047	658	1,534
	-	-	-

## Investec plc

### NOTES TO THE FINANCIAL STATEMENTS

at 30 September 2003

#### 4. DIVIDENDS PAYABLE

	30/9/03 £'000	30/9/02 £'000	31/3/03 £'000
Equity dividends on ordinary shares*: Interim proposed 13.5p** (2002: 26p)	9,061	17,849	46,838

\*The shareholders holding 7,388,741 (2002: 5,985,000) Ordinary shares have waived their right to a dividend.

\*\*Under the group's Dual Listed Companies structure, dividends are paid to shareholders of Investec plc and Investec Limited on the basis of the earnings of the Group as a whole. Investec plc shareholders will receive a total dividend of 28p per share in respect of the half year ended 30 September 2003.

#### 5. INVESTMENTS

	Subsidiaries £'000	Other £'000	Total £'000
At 1.4.03	421,498	5	421,503
Disposals	(52)	-	(52)
At 30.9.03	421,446	5	421,451

The other investment relates to the Company's holding in the special converting shares of Investec Limited.

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

Principal operating subsidiary	Country of Incorporation	Nature of business
Investec Bank (Australia) Limited	Australia	Banking institution
Investec Holding Company Limited	*	Investment holding
Investec SA	Luxembourg	Investment holding
Investec Holdings (UK) Limited		Holding company
Investec Group (UK) PLC		Holding company
Carr Sheppards Crosthwaite Limited		Stock broking and portfolio management
Investec Asset Management Limited		Asset management
Investec Ireland Ltd	Ireland	Financial services
Investec 1 Limited		Investment holding
Investec Bank (UK) Limited		Banking institution
Investec Asset Finance PLC		Leasing company
European Capital Company Limited		Project finance
Investec Bank (Channel Islands) Limited	Guernsey	Banking institution
Investec Bank (Switzerland) AG	Switzerland	Banking institution
Investec Group Investments (UK) Limited		Investment holding
Investec Investment Holdings AG	Switzerland	Investment holding
Guinness Mahon & Co Limited		Investment holding
Investec Trust Guernsey Limited	Guernsey	Trust company
Radcliffes Trust Company SA	Switzerland	Trust company
Theodores Trust & Law Group Limited	Jersey	Trust company
Investec (US) Incorporated (formerly Investec Ernst and Company)	USA	Financial services
Investec Inc	USA	Investment Banking
Investec Bank (Israel) Ltd (80%)	Israel	Banking institution

\* Directly held by Investec plc.

## NOTES TO THE FINANCIAL STATEMENTS

at 30 September 2003

## 6. OTHER DEBTORS

	30/9/03	30/9/02	31/3/03
	£'000	£'000	£'000
Amounts owed by group undertakings	16,200	24,000	35,194
Other debtors	7	-	9
	<u>16,207</u>	<u>24,000</u>	<u>35,203</u>

The amounts owed by group undertakings are payable on demand.

## 7. CREDITORS FALLING DUE WITHIN ONE YEAR

	30/9/03	30/9/02	31/3/03
	£'000	£'000	£'000
Amount due to group undertakings	32,835	27,885	31,917
Accruals and deferred income	1,296	631	569
Proposed dividend	9,061	17,849	28,989
	<u>43,192</u>	<u>46,365</u>	<u>61,475</u>

## 8. CALLED UP SHARE CAPITAL

Authorised:	No of shares	30/9/03	No of shares	30/9/02	No of shares	31/3/03
		£		£		£
Special voting share of £0.001 each	1	-	1	-	1	-
Ordinary shares of £0.001 each	112,000,000	112,000	112,000,000	112,000	112,000,000	112,000
Special converting shares of £0.001 each	55,500,000	55,500	55,500,000	55,500	55,500,000	55,500
Dividend Access Share (Non South African) of £0.001 each	1	-	1	-	1	-
Dividend Access Share (South African) of £0.001 each	1	-	1	-	1	-
		<u>167,500</u>		<u>167,500</u>		<u>167,500</u>
<b>Allotted, called up and fully paid:</b>	<b>No of shares</b>	<b>30/9/03</b>	<b>No of shares</b>	<b>30/9/02</b>	<b>No of shares</b>	<b>31/3/03</b>
		£		£		£
Special voting share of £0.001 each	1	-	1	-	1	-
Ordinary shares of £0.001 each	74,633,746	74,634	74,633,746	74,634	74,633,746	74,634
Special converting shares of £0.001 each	38,399,028	38,400	38,399,028	38,400	38,399,028	38,400
Dividend Access Share (Non South African) of £0.001 each	1	-	1	-	1	-
Dividend Access Share (South African) of £0.001 each	1	-	1	-	1	-
		<u>113,034</u>		<u>113,034</u>		<u>113,034</u>

## NOTES TO THE FINANCIAL STATEMENTS

at 30<sup>th</sup> September 2003

## 9. RESERVES

	Share premium	Capital redemption reserve	Profit and loss account	Total Reserves
	£'000	£'000	£'000	£'000
At 1/4/03	393,823	50	1,245	395,118
Loss for the 6 months	-	-	(565)	(565)
At 30/9/03	<u>393,823</u>	<u>50</u>	<u>680</u>	<u>394,553</u>

## 10. RECONCILIATION OF SHAREHOLDERS' EQUITY

	30/9/03 £'000	30/9/02 £'000	31/3/03 £'000
Issue of shares	-	421,358	421,358
Share issue expenses	-	(27,472)	(27,472)
Retained (loss)/profit for the period	(565)	5,202	1,295
Opening shareholders' equity	<u>395,231</u>	<u>50</u>	<u>50</u>
Closing shareholders' equity	<u>394,666</u>	<u>399,138</u>	<u>395,231</u>