

Registration Number 3633621

Investec plc
Interim Financial Statements
30 September 2002



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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

SECRETARY

R J Vardy
K-A A Thomas (assistant secretary)

AUDITOR

Ernst & Young LLP
Rolls House
7 Rolls Buildings
Fetter Lane
London EC4A 1NH

COMPANY REGISTRATION

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

Investec plc

PROFIT AND LOSS ACCOUNT

for the 6 months ended 30 September 2002

| | Notes | 30/9/02 £ | 31/3/02 £ |
|--|-------|-------------------|--------------|
| Dividend from subsidiary undertakings | | 25,218,621 | - |
| Profit on sale of subsidiary undertakings | | 26,422 | - |
| Administrative expenses | | (2,194,566) | - |
| PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION | | <u>23,050,477</u> | <u>-</u> |
| Taxation | 3 | - | - |
| PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION | | <u>23,050,477</u> | <u>-</u> |
| Proposed dividend payable | 4 | (17,848,674) | |
| RETAINED PROFIT FOR THE PERIOD | | <u>5,201,803</u> | <u>-</u> |

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

The notes on pages 4 to 8 form part of these financial statements.

Investec plc

BALANCE SHEET

at 30 September 2002

| | Notes | 30/9/02 £ | 31/3/02 £ |
|--|-------|---------------------|-----------------|
| FIXED ASSETS | | | |
| Investments | 5 | <u>421,503,374</u> | <u>61,986</u> |
| CURRENT ASSETS | | | |
| Other debtors | 6 | 23,999,278 | 50,000 |
| CREDITORS FALLING DUE WITHIN ONE YEAR | 7 | <u>(46,364,598)</u> | <u>(61,986)</u> |
| NET CURRENT LIABILITIES | | <u>(22,365,320)</u> | <u>(11,986)</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>399,138,054</u> | <u>50,000</u> |
| CAPITAL AND RESERVES | | | |
| Called up equity share capital | 8 | 113,034 | 50,000 |
| Share premium account | 9 | 393,823,217 | - |
| Capital redemption reserve | 9 | 50,000 | - |
| Profit and loss account | 9 | <u>5,151,803</u> | <u>-</u> |
| EQUITY SHAREHOLDERS' FUNDS | | <u>399,138,054</u> | <u>50,000</u> |

The financial statements on pages 2 to 8 were approved by the Board of Directors on 3 December 2002 and signed on its behalf by:



Alan Tapnack
Director

NOTES TO THE FINANCIAL STATEMENTS

at 30 September 2002

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 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 recognised in respect of the future remittance of retained earnings of overseas subsidiaries only to the extent that, at balance sheet date, dividends have been accrued as receivable (or a binding agreement to distributed past earnings in future has been entered into by the subsidiary).

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 market rates of exchange 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 with the exception of differences on foreign currency borrowings to the extent that they are used to finance or provide a hedge against equity investments in foreign enterprises, which are taken directly to reserves together with the exchange difference on the net investment in these enterprises.

The results of foreign associates are translated at weighted average rates of exchange for the relevant period. The difference between the profit and loss translated at an average rate and the closing rate is recorded as a movement on reserves.

Investec plc

NOTES TO THE FINANCIAL STATEMENTS

at 30 September 2002

3. TAXATION

| | 30/9/02 £ | 31/3/02 £ |
|------------|--------------|--------------|
| 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:

| | 30/9/02 £ | 31/3/02 £ |
|--|--------------|--------------|
| Tax on profit on ordinary activities at UK rate of 30% | 6,915,143 | - |
| Intra-group dividends | (7,565,586) | - |
| Utilisation of capital losses | (7,926) | - |
| Group relief | 658,369 | - |
| | - | - |

4. DIVIDENDS PAYABLE

| | 30/9/02 £ | 31/3/02 £ |
|---------------------------------------|--------------|--------------|
| Equity dividends on ordinary shares*: | | |
| Interim proposed 26p (1992: nil) | 17,848,674 | - |

*The shareholders holding 5,985,000 Ordinary shares have waived their right to a dividend.

5. INVESTMENTS

| | Subsidiaries £ | Other £ | Total £ |
|--------------------|-------------------|------------|---------------|
| At 1.4.02 | 61,986 | - | 61,986 |
| Additions | 703,223,603 | 4,731 | 703,228,334 |
| Disposals | (281,788,578) | - | (281,788,578) |
| Exchange movements | 1,632 | - | 1,632 |
| At 30.9.02 | 421,498,643 | 4,731 | 421,503,374 |

In July 2002, in preparation for the Company's listing on the London Stock Exchange as part of a dual-listed structure, the Investec Group's businesses in United Kingdom, the United States, Israel and Australia were transferred to the Company which acquired the whole of the issued share capital (not already owned) of the following companies:

Investec SA, Holdings for a consideration of £582.1m satisfied by the issue of 50,334,493 shares and the assumption of £281.8m of indebtedness.

Investec Israel BV for a consideration of £60.1m satisfied by the issue of 9,737,282 shares.

The 54.4% of Investec Holdings Australia Limited not already owned by the Company's subsidiary, Investec Holding Company Limited, for a consideration of £56.6m satisfied by the issue of 9,493,928 shares.

GRS Overseas Establishment for a consideration of £4.2m satisfied by the issue of 701,346 shares and various other International subsidiaries for an aggregate consideration of £0.2m satisfied by the issue of 36,697 shares.

These holdings, with the exception of the holding in Investec Holdings Australia Limited, were then transferred to Investec Holding Company for an aggregate consideration of £646.6m satisfied by the issue of shares and the transfer of indebtedness of £281.8m.

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

Investec plc

NOTES TO THE FINANCIAL STATEMENTS

at 30 September 2002

5. INVESTMENTS (CONTINUED)

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 Holdings Australia Limited | * | Australia |
| Investec Australia Limited | * | Australia |
| Investec Holding Company Limited | * | Luxembourg |
| Investec SA | | |
| Investec Holdings (UK) Limited | | |
| Investec Group (UK) PLC | | |
| Carr Sheppards Crosthwaite Limited | | |
| Investec Asset Management Limited | | |
| Investec 1 Limited | | |
| Investec Bank (UK) Limited | | |
| Investec Asset Finance PLC | | |
| European Capital Company Limited | | |
| Investec Bank (Channel Islands) Limited | Guernsey | |
| Investec Bank (Jersey) Limited | Jersey | |
| Investec Bank (Switzerland) AG | Switzerland | |
| Investec Group Investments (UK) Limited | | |
| Investec Investment Holdings AG | Switzerland | |
| Guinness Mahon & Co Limited | | |
| Investec Trust Guernsey Limited | Guernsey | |
| Radcliffes Trust Company SA | Switzerland | |
| Theodores Trust & Law Group Limited | Jersey | |
| Investec USA Holdings | USA | |
| Investec Ernst and Company | USA | |
| Investec Inc | USA | |
| Investec Bank (Israel) Ltd (79.88%) | Israel | |

* Directly held by Investec plc. 45.6% of the capital of Investec Holding Australia Limited is held by Investec plc. The balance is held by Investec Holding Company Limited.

6. OTHER DEBTORS

| | 30/9/02 | 31/3/02 |
|------------------------------------|-------------------|---------------|
| | £ | £ |
| Amounts owed by group undertakings | 23,999,208 | 50,000 |
| Accrued income | 70 | - |
| | <u>23,999,278</u> | <u>50,000</u> |

The amounts owed by group undertakings are payable on demand.

7. CREDITORS FALLING DUE WITHIN ONE YEAR

| | 30/9/02 | 31/3/02 |
|----------------------------------|-------------------|---------------|
| | £ | £ |
| Amount due to group undertakings | 27,885,291 | 61,986 |
| Accruals and deferred income | 630,633 | - |
| Proposed dividend | 17,848,674 | - |
| | <u>46,364,598</u> | <u>61,986</u> |

Investec plc

NOTES TO THE FINANCIAL STATEMENTS

at 30 September 2002

8. CALLED UP SHARE CAPITAL

| Authorised: | No of shares | 30/9/02 | No of shares | 31/3/02 |
|--|---------------------|----------------------|---------------------|----------------------|
| | | £ | | £ |
| Ordinary shares of 10p each | - | - | 10,000,000,000 | 1,000,000,000 |
| Special voting share of £0.001 each | 1 | - | - | - |
| Ordinary shares of £0.001 each | 999,950,000,000 | 999,950,000 | - | - |
| Special converting shares of £0.001 each | 55,500,000 | 55,500 | - | - |
| Dividend Access Share (Non South African) of £0.001 each | 1 | - | - | - |
| Dividend Access Share (South African) of £0.001 each | 1 | - | - | - |
| | | <u>1,000,005,500</u> | | <u>1,000,000,000</u> |
| Allotted, called up and fully paid: | No of shares | 30/9/02 | No of shares | 31/3/02 |
| | | £ | | £ |
| Ordinary shares of 10p each | - | - | 500,000 | 50,000 |
| Special voting share of £0.001 each | 1 | - | - | - |
| Ordinary shares of £0.001 each | 74,633,746 | 74,634 | - | - |
| Special converting shares of £0.001 each | 38,399,028 | 38,400 | - | - |
| Dividend Access Share (Non South African) of £0.001 each | 1 | - | - | - |
| Dividend Access Share (South African) of £0.001 each | 1 | - | - | - |
| | | <u>113,034</u> | | <u>50,000</u> |

On 19 June 2002, Investec Limited subscribed for 3,299 Ordinary Shares of £0.10 each and Investec Bank (Nominees) Limited subscribed for 1 Ordinary Share.

On 5 July each Ordinary Share of £0.10 was sub-divided into 100 Ordinary Shares of £0.001 each, the rights attaching to all but 330,000 of the then issued Ordinary Shares were amended such that they became deferred shares and 999,838,000,000 unissued Ordinary Shares were cancelled.

On 18 July, as set out in note 4, 70,303,746 Ordinary Shares of £0.001 each were issued to Investec Limited in consideration for the transfer of the Investec Group's International businesses to the Company.

On 18 July 2002, the Company repurchased and cancelled 50,000,000 of the deferred shares of £0.001 each in issue.

On 19 July 2002, 38,399,028 PLC Special Converting Shares of £0.001 each, 1 PLC Special Voting Share of £0.001 each, 1 UK Dividend Access Share (Non South African) of £0.001 and 1 UK Dividend Access Share (South African) of £0.001 were issued by way of bonus issue from reserves.

On 22 July 2002, 4 million Ordinary Shares of £0.001 were issued at £8.30 per share to strengthen the Company's capital base, support organic growth and for general corporate purposes.

NOTES TO THE FINANCIAL STATEMENTS

at 30 September 2002

9. RESERVES

| | Share premium | Capital redemption reserve | Profit and loss account | Total Reserves |
|-----------------------|--------------------|----------------------------|-------------------------|--------------------|
| | £ | £ | £ | £ |
| At 31/3/02 | - | - | - | - |
| Transfer | - | 50,000 | (50,000) | - |
| Issue of new shares | 421,333,969 | - | - | 421,333,969 |
| Bonus issue of shares | (38,400) | - | - | (38,400) |
| Share issue expenses | (27,472,352) | - | - | (27,472,352) |
| Retained profit | - | - | 5,201,803 | 5,201,803 |
| At 30/9/02 | <u>393,823,217</u> | <u>50,000</u> | <u>5,151,803</u> | <u>399,025,020</u> |

10. RECONCILIATION OF SHAREHOLDERS' EQUITY

| | 30/9/02 | 31/3/02 |
|--------------------------------|--------------------|---------------|
| | £ | £ |
| Issue of shares | 421,358,603 | 49,998 |
| Share issue expenses | (27,472,352) | - |
| Retained profit for the period | 5,201,803 | - |
| Opening shareholders' equity | <u>50,000</u> | <u>2</u> |
| Closing shareholders' equity | <u>399,138,054</u> | <u>50,000</u> |

