INVESTEC PLC AND INVESTEC LIMITED 2020

(combined results) Reviewed combined consolidated financial results for the six months ended 30 September 2020

Investec

Basis of presentation

This announcement covers the results of Investec plc and Investec Limited (together "the Investec group" or "Investec" or "the group") for the six months ended 30 September 2020 (1H2021). Following the group's demerger of Investec Asset Management (now Ninety One) in March 2020, the group's results for the six months ended 30 September 2019 have been restated to reflect the asset management business as a discontinued operation. Unless stated otherwise, comparatives relate to the group's continuing operations for the six-month period ended 30 September 2019 (1H2020). The comparability of 1H2021 to the prior period is impacted by the economic effects of COVID-19 which prevailed over the period under review.

Fani Titi, Chief Executive commented:

"The first half of the financial year has been characterised by difficult and volatile market and economic conditions attributed primarily to COVID-19. As a result, group adjusted operating profit of £142.5 million was 48.4% behind the prior period and adjusted basic earnings per share of 11.2p was 50.0% behind the prior period, albeit ahead of pre-close guidance. We are encouraged by the resilience of our loan book, the performance of our core franchises against a tough backdrop and progress made on our strategic objectives. Tangible net asset value per share increased by an annualised 10.4% and a dividend of 5.5p has been declared.

I would like to thank my Investec colleagues for their commitment through the first half of an unprecedented year – all have risen to the challenge, shown resilience, and continued to deliver the same high level of client engagement and service for which Investec is well known. We also thank our clients for their continued support as well the members of our communities on the frontlines for their efforts in curtailing the impact of the pandemic.

We entered this crisis from a position of strength and continue to have a strong capital, funding and liquidity position, leaving us well placed, both operationally and financially, to navigate this evolving environment for the benefit of our clients and other stakeholders."

Financial performance

Over the period, we operated within a challenging economic backdrop, impacted by COVID-19 and associated lockdowns particularly in the first three months. This resulted in reduced economic activity and increased market volatility. Interest rates were sharply lower, client activity declined, and the average Rand against the Pound Sterling depreciated 20.6% compared to the prior period.

- **Resilient client franchises:** Wealth & Investment reported net inflows of £336 million and growth in funds under management (FUM) of 14.9% since 31 March 2020 to £51.1 billion. The Specialist Banking business saw good client acquisition in both geographies. Net core loans grew 1.0% since 31 March 2020 to £25.2 billion, with strong loan book growth in the UK Private Banking business offset by subdued corporate lending activity in both geographies and higher repayments. Our client engagement has been consistent and proactive, leveraging off the various digital platforms at our disposal.
- **Operating income:** Total revenue declined by 24.0% (17.8% in neutral currency) compared to 1H2020. Net interest income decreased by 15.6% impacted primarily by lower interest rates. Non-interest revenue declined by 30.7% impacted by lower lending fees, subdued client transactional activity, and lower investment and associate income. Risk management and risk reduction costs related to hedging our structured products book resulted in trading income declining by 100.6%. We have and will continue to take active steps to de-risk the profile of this book.
- **Costs:** Operating costs decreased by 14.0% (8.1% in neutral currency) driven by headcount containment, lower variable remuneration and a reduction in discretionary expenditure. Notwithstanding this reduction in costs, we continued to invest in growth initiatives and in technology.
- **Asset quality:** The group's annualised credit loss ratio (CLR) increased from 0.23% (1H2020) to 0.47% (1H2021), below the annualised 2H2020 CLR of 0.74%. Increased CLRs were largely model-driven with an absolute expected credit loss (ECL) impairment charge of £66.0 million (1H2020: £31.0 million).
- **Operating profit:** Adjusted operating profit was down 48.4% to £142.5 million (1H2020: £276.3 million).
- **Earnings per share:** Adjusted basic earnings per share decreased by 50.0% to 11.2p (1H2020: 22.4p), basic earnings per share declined by 49.5% to 9.6p (1H2020: 19.0p) and headline earnings per share decreased by 45.9% to 9.2p (1H2020: 17.0p).
- **Return on Equity (ROE):** The group generated an ROE of 5.3% (1H2020: 10.7%) and a return on tangible equity (ROTE) of 5.8% (1H2020: 11.8%).
- **Robust capital and liquidity:** At 30 September 2020, the common equity tier 1 (CET1) capital and leverage ratios were 11.6% and 7.0% respectively for Investec Limited (FIRB approach) and 10.7% and 7.8% respectively for Investec plc (standardised approach). Cash and near cash was £12.9 billion at 30 September 2020, representing 39.5% of customer deposits. Capital, leverage and liquidity ratios remain ahead of both internal board-approved minimum targets and regulatory requirements.
- **Growth in net asset value:** At 30 September 2020, net asset value (NAV) per share increased by 4.6% to 433.5p (31 March 2020: 414.3p) and tangible NAV (TNAV) per share increased by 5.2% to 397.4p (31 March 2020: 377.6p).

Supporting our people, clients and communities

As a group, we have taken decisive action in supporting our stakeholders through the economic and social impact of the pandemic.

With a large proportion of staff continuing to work from home, we are prioritising staff wellbeing and encouraging a flexible approach to working.

We have provided various forms of relief to our clients. Currently 6.3% of UK and 2.2% of South Africa's loans are under some form of relief. At the peak, this was 13.7% and 23.0% respectively. In addition, through the income generated in our Private Client Charitable Trusts, we have facilitated over R20 million in donations on behalf of clients.

For our communities, we have committed £3.6 million (64% allocated to date) to support the communities we live in with food security, economic continuity, healthcare, education and anti-gender-based violence-related assistance.

Dividend

The group endorses the objectives of guidance note G4/2020 from the Prudential Authority (PA) in South Africa and the recommendations of the UK Prudential Regulation Authority (PRA) in relation to the preservation of capital. The group did not declare a final divided in relation to the March 2020 financial year. Having considered the objectives of guidance note G4/2020 and ensuring prudence in terms of capital retention in our banking businesses, the group has declared an interim dividend of 5.5p (49.1% payout ratio).

Outlook and guidance

We expect the overall performance in 2H2021 to be ahead of the first half; underpinned by improving revenue trends relative to 1H2021 as client activity levels improve and liability repricing aids net interest income. Trading income from client flow will continue to be negatively impacted by risk management and risk reduction costs on hedging our structured products book. Costs are expected to decline by mid to high single digits for the full 2021 financial year compared to the prior year. Assuming no further deterioration in the macro-economic variables applied, we expect to report lower ECL provisions for the remaining six months of the year.

This guidance is subject to assumptions, which if altered, may result in a different financial performance compared to management expectations.

While the impact of COVID-19 has been felt across our business and the outlook is still uncertain, we remain confident in the fundamentals of our business and in our long-established client relationships. We have continued to make progress against our strategic objectives, positioning the business for growth in the long term, and expect to substantially complete our simplification process by the end of the financial year. As previously communicated, FY2022 targets remain under review.

Financial highlights – continuing operations[1]	**1H2021**	1H2020	Variance	% change	Neutral currency % change
Total operating income before expected credit losses	729.0	959.3	(230.3)	(24.0%)	(17.8%)
Operating costs	535.8	623.1	(87.3)	(14.0%)	(8.1%)
Adjusted operating profit (£'m)	142.5	276.3	(133.8)	(48.4%)	(40.9%)
Adjusted earnings attributable to shareholders (£'m)	104.4	212.3	(107.9)	(50.8%)	(43.4%)
Adjusted basic earnings per share (pence)	11.2	22.4	(11.2)	(50.0%)	(42.4%)
Basic earnings per share (pence)	9.6	19.0	(9.4)	(49.5%)	(41.1%)
Headline earnings per share (pence)	9.2	17.0	(7.8)	(45.9%)	(35.3%)
Dividend per share (pence)[2]	5.5	11.0			
Dividend payout ratio[2]	49.1%	38.1%			
Annualised CLR (credit loss ratio)	0.47%	0.23%			
Cost to income ratio	72.0%	67.0%			
ROE (return on equity)	5.3%	10.7%			
ROTE (return on tangible equity)	5.8%	11.8%			

	30 September 2020	31 March 2020	Variance	% change	Neutral currency % change
Third party funds under management (£'bn)	52.0	45.0	7.0	15.5%	14.6%
Customer accounts (deposits) (£'bn)	32.6	32.2	0.4	1.0%	(0.3%)
Core loans and advances (£'bn)	25.2	24.9	0.3	1.0%	(0.4%)
Cash and near cash (£'bn)	12.9	12.7	0.2	1.4%	—%
CET1 ratio – Investec Limited	11.6%	10.9%			
Leverage ratio[3] – Investec Limited	7.0%	6.4%			
CET1 ratio – Investec plc	10.7%	10.7%			
Leverage ratio[3] – Investec plc	7.8%	7.8%			
NAV per share (pence)	433.5	414.3	19.2	4.6%	4.7%
TNAV per share (pence)	397.4	377.6	19.8	5.2%	5.3%

1. Refer to the Notes for definitions. Continuing operations excludes the results of the asset management business (which was demerged in March 2020) from the comparative period, but includes the equity accounted earnings of the group's 25% retained stake in 1H2021.
2. The 1H2020 dividend per share and dividend payout ratio reflected above were prior to the demerger of the asset management business (Ninety One).
3. Current Leverage ratios calculated on an end quarter basis.

Enquiries

Investec Investor Relations
Results: Carly Newton: +44 (0) 20 7597 4493
General enquiries: +27 (0) 11 286 7070 or +44 (0) 20 7597 5546

Brunswick (SA PR advisers)
Graeme Coetzee
Tel: +27 11 502 7419 / +27 63 685 6053 (mobile)

Lansons (UK PR advisers)
Tom Baldock
Tel: +44 (0) 20 7566 9716 / +44 (0) 78 6010 1715 (mobile)

Presentation/conference call details
A presentation on the results will commence at 9:00 UK time/11:00 SA time on 19 November 2020. Viewing and telephone conference options as below:

- A live and delayed video webcast at www.investec.com
- Telephone conference:
  - SA participants: 010 201 6700/011 535 3500/0 800 203 599
  - UK participants: 0 333 300 1417
  - Rest of Europe and other participants: +27 11 535 3500/+27 10 201 6700
  - Australian participants: 02 8015 2168
  - North American participants: 1 508 924 4325

Alternatively, participants can pre-register for the conference call using the following link: www.investec.com/call

About Investec

Investec partners with private, institutional, and corporate clients, offering international banking, investments, and wealth management services in two principal markets, South Africa, and the UK, as well as certain other countries. The group was established in 1974 and currently has approximately 8,500 employees.

In 2002, Investec implemented a dual listed company structure with listings on the London and Johannesburg Stock Exchanges. In March 2020, the group successfully completed the demerger of Ninety One (formerly known as Investec Asset Management), which became separately listed on 16 March 2020. Investec's current market capitalisation is approximately £2.0 billion.

Johannesburg and London
Sponsor: Investec Bank Limited

Business overview

The commentary and trends that follow relate to Investec's continuing operations for the six months ended 30 September 2020 (1H2021). Unless stated otherwise, comparatives relate to the group's continuing operations for the six-month period ended 30 September 2019 (1H2020). The comparability of 1H2021 to the prior period is impacted by the economic effects of COVID-19 which prevailed over the period under review.

Giving consideration to the group's investment in Ninety One and other significant investments (previously included as a subset of the Specialist Bank) and in an effort to provide enhanced disclosure, the group's business segments have been revised to reflect each of the following as reportable segments across the UK & Other and Southern African geographies: Specialist Banking, Wealth & Investment, Group Investments and Group Costs.

Operating environment

At the onset of the COVID-19 crisis, we witnessed a proactive response from the South African government including the decision to implement one of the strictest lockdowns globally. This, coupled with decades-low interest rates (300bps rate cuts since January 2020), had a considerable impact on the South African business' financial performance. The South African economy also saw little equity capital market activity relative to its developed counterparts. In addition, rising debt to GDP, lack of structural reform, policy uncertainty, and resultant depressed business confidence continue to be headwinds, making for a challenging operating environment.

In the UK, at the group's financial year end we reported that Brexit, heightened UK political uncertainty and geopolitical tensions sparked by US trade wars had adversely impacted activity levels, making the operating environment very challenging. In addition, at that time, the UK was in the grips of a national lockdown imposed because of the COVID-19 global pandemic. Over the past six months, these difficulties have persisted; exacerbated by the economic crisis resulting from COVID-19 containment measures.

Segmental performance

Specialist Banking

Adjusted operating profit from the Specialist Banking business decreased by 52.9% to £105.8 million (1H2020: £224.8 million).

Specialist Banking	**Southern Africa**					**UK & Other**			
	1H2021	1H2020	Variance			**1H2021**	1H2020	Variance	
	£'m	£'m	£'m	%	% in Rands	**£'m**	£'m	£'m	%
Operating income	262.8	346.8	(84.1)	(24.2%)	(8.7%)	273.8	347.1	(73.3)	(21.1%)
ECL impairment charges	(24.2)	(14.9)	(9.3)	62.3%	95.8%	(39.9)	(16.1)	(23.8)	>100.0%
Operating costs	(145.6)	(186.6)	40.9	(21.9%)	(6.0%)	(221.5)	(251.6)	30.1	(12.0%)
(Profit)/loss attributable to NCI	—	—	—	—	—	0.5	0.1	0.5	>100.0%
Adjusted operating profit	**92.9**	**145.3**	**(52.5)**	**(36.1%)**	**(22.9%)**	**12.9**	**79.4**	**(66.5)**	**(83.8%)**

Totals and variance determined in £'000.

Southern Africa Specialist Banking

The South African business reported a decrease in adjusted operating profit of 22.9% in Rands. Client engagement has been proactive, resulting in good client acquisition across both our private and corporate client business over the period. While client activity was significantly impacted in the first quarter during the hard lockdown, in the second quarter, as lockdown measures eased, we saw increased point of sale and stockbroking activity along with a marked pick-up in demand for residential mortgages.

Notwithstanding this, net interest income decreased by 6.9% in Rands driven by the 300bps rate cut since January 2020 and assets repricing at a faster rate than liabilities. Non-interest revenue declined 13.7% in Rands. An increase in trading income was offset by subdued lending and transactional activity compared to the prior period and lower investment income as a result of lower realisations, dividend income and negative fair value adjustments given the prevailing economic backdrop.

ECL impairment charges increased, resulting in an annualised CLR of 0.35% (1H2020: 0.18%), below the annualised 2H2020 CLR of 0.55%. The increase since 31 March 2020 was driven primarily by updated assumptions applied in our models to capture the deterioration in macro-economic variables since year end.

Operating costs reduced by 6.0% in Rands period on period reflecting lower variable remuneration and cost containment across the business. However, a decline in revenues resulted in a cost to income ratio of 55.4% (1H2020: 53.8%).

Net core loans decreased by 1.6% since year end to R284.4 billion (31 March 2020: R288.9 billion). Private client lending held steady compared to 31 March 2020 while the corporate client lending book declined due to higher repayments and lower net new originations as corporates remained cautious.

Against this challenging backdrop, the business achieved an ROE and ROTE of 9.1% and 9.2% respectively relative to 13.5% and 13.6% at 30 September 2019.

UK & Other Specialist Banking

Adjusted operating profit for the overall UK & Other Specialist Bank declined by 83.8% to £12.9 million (1H2020: £79.4 million). Increased equity capital markets activity and good levels of lending turnover across private client and certain corporate client lending areas was offset by hedging costs related to our structured products book. These hedging costs contributed £53 million to the profit reduction of £66.5 million.

Our client franchises have shown resilience notwithstanding the two months of hard lockdown at the start of the reporting period. The private client banking business saw good origination and client acquisition. The mortgage book ended the half year on £2.8 billion, an increase of 10.8% since 31 March 2020. Net new client origination was c.8%, moving us closer to our target of at least 6,500 high net worth clients by March 2022 (c.5,400 clients at 30 September 2020).

Net interest income declined by 2.1% with growth in average core loans offset by lower interest rates. Non-interest revenue decreased by 43.5% as the recovery in equity capital market fees and an improvement in investment income was offset by lower lending fees and risk management and risk reduction costs associated with hedging our structured products book following market dislocation and dividend cancellations. We anticipate a similar level of risk management and risk reduction costs in the second half of the 2021 financial year in particular, as we continue to reduce the risk on the book. Risk reduction costs include the purchase of protection against a repeat of the severe market moves experienced in March and April 2020. For the 2022 financial year we expect risk management and risk reduction costs to be less than half of that anticipated in the current financial year, and progressively reducing in the 2023 financial year. This guidance is subject to assumptions, which if altered, may result in a different outcome to management expectations.

ECL impairment charges increased, resulting in an annualised CLR of 0.60% (1H2020: 0.28%), below the annualised 2H2020 CLR of 0.97%. The increase since 31 March 2020 was driven primarily by updated assumptions applied in our models to capture the deterioration in macro-economic variables since year end.

Operating costs decreased by 12.0% period on period primarily reflecting lower variable remuneration and a strong focus on cost discipline. As indicated in our pre-close trading announcement, we are enhancing efficiencies by more closely integrating business-enabling functions, resulting in a proposed headcount reduction in the UK banks' London office by approximately 210 roles or 13%.

Net core loans grew by 0.9% to £12.0 billion (31 March 2020: £11.9 billion) with strong growth in mortgages and other high net worth lending offset by a net book reduction in corporate and other lending. While there was good activity in some parts of the corporate space, particularly in fund finance, redemptions largely offset this.

The cost to income ratio of 80.7% (1H2020: 72.5%), ROE of 0.7% (1H2020: 9.0%) and ROTE of 0.8% (1H2020: 9.1%) were impacted by the foregoing factors.

Wealth & Investment

Adjusted operating profit from the Wealth & Investment business decreased by 8.2% to £40.8 million (1H2020: £44.5 million).

Wealth & Investment	**Southern Africa**					**UK & Other**			
	1H2021	1H2020	Variance			**1H2021**	1H2020	Variance	
	£'m	£'m	£'m	%	% in Rands	**£'m**	£'m	£'m	%
Operating income	36.5	43.4	(7.0)	(16.1%)	1.0%	155.1	162.3	(7.2)	(4.4%)
Operating costs	(24.5)	(29.4)	4.9	(16.6%)	0.4%	(126.2)	(131.8)	5.6	(4.3%)
Adjusted operating profit	**12.0**	**14.1**	**(2.1)**	**(14.9%)**	**2.3%**	**28.9**	**30.5**	**(1.6)**	**(5.2%)**

Totals and variance determined in £'000.

Southern Africa Wealth & Investment

Adjusted operating profit increased by 2.3% in Rands.

The South African business achieved net inflows of R478 million (R3.0 billion of discretionary and annuity inflows and non-discretionary custody asset outflows of R2.5 billion), which, together with favourable market movements, contributed to a 16.2% growth (in Rands) in FUM since year end. Revenue was supported by higher average discretionary and annuity FUM and increased levels of trading activity in the first quarter. Operating costs remained flat period on period translating to a lower cost to income ratio of 67.2% (1H2020: 67.7%).

UK & Other Wealth & Investment

Adjusted operating profit declined 5.2% to £28.9 million (1H2020: £30.5 million).

The UK Wealth & Investment business continued to report positive net organic growth in FUM over the period, with an annualised rate of growth of 1.9% – in line with the first half of the prior period. Net inflows of £315 million, along with favourable market movements and investment performance, contributed to FUM increasing by 13.4% since the start of the financial year. Operating income, down 4.4% on the prior period, was impacted by lower FUM at key billing dates relative to the prior period, the sale of the Irish wealth business in 2H2020 as well as lower interest rates; partly offset by an increase in transaction volumes.

Operating costs reduced by 4.3% or £5.6 million to £126.2 million, despite incurring once-off headcount reduction related costs and a £2.3 million increase in the Financial Services Compensation Scheme (FSCS) levy (1H2020: £3.8 million). The cost to income ratio was 81.4% (1H2020: 81.2%).

Group Investments

Group Investments represents assets held by Investec to create value over the medium term as opposed to trading assets. We have separated these assets from our core banking activities in order to make a more meaningful assessment of the underlying performance and value of the franchise businesses, and at the same time providing transparency of the standalone values of the assets classified as Group Investments.

They include the group's 25% holding in Ninety One, 47.4% stake in the IEP Group, 24.31% held in the Investec Property Fund (IPF), 9.1% holding in the Investec Australia Property Fund (IAPF) and some historical unlisted equity investments.

Adjusted operating profit from Group Investments decreased 56.3% to £13.2 million (1H2020: £30.3 million).

Group Investments	Southern Africa					UK & Other			
	1H2021	1H2020	Variance			**1H2021**	1H2020	Variance	
	£'m	£'m	£'m	%	% in Rands	**£'m**	£'m	£'m	%
Operating income (net of ECL charges)	(12.7)	59.6	(72.4)	(>100.0%)	(>100.0%)	11.8	—	11.8	100.0%
Operating costs	(0.6)	(0.4)	(0.2)	34.9%	62.5%	—	—	—	—
(Profit)/loss attributable to NCI	14.7	(28.9)	43.7	(>100.0%)	(>100.0%)	—	—	—	—
Adjusted operating profit	**1.4**	**30.3**	**(28.8)**	**(95.3%)**	**(94.5%)**	**11.8**	**—**	**11.8**	**100.0%**

Totals and variance determined in £'000.

The positive impact from the inclusion of the equity accounted earnings from the group's 25% stake in Ninety One and the mark-to-market on the group's holding in IAPF was offset by:

- muted rental collections and a decline in investment property valuations (particularly in the South African portfolio) experienced by IPF
- a reduction in the share of post taxation profit from IEP as some of its subsidiaries were unable to trade during the COVID-19 hard lockdown and a realisation in the prior period was not repeated
- negative mark-to-market adjustments on interest rate hedge positions in IPF and currency hedges related to the group's investment in IAPF.

Group Investments reported an ROE of 5.6% (1H2020: 13.5%).

Group Costs

Group costs decreased by 25.5% to £17.3 million (1H2020: £23.3 million). As indicated at year end, we expect group costs in FY2021 to be below £35 million.

Further information on key developments within each of the business units is provided in the group interim report published on the group's website: http://www.investec.com.

Performance by geography

	1H2021	**1H2020**	**% change**	**Neutral currency % change**
Investec Limited (Southern Africa)				
Adjusted operating profit (£'m)	99.1	182.2	(45.6%)	(34.3%)
Cost to income ratio	58.7%	53.2%		
ROE	8.1%	13.5%		
ROTE	8.1%	13.7%		
Investec plc (UK & Other)				
Adjusted operating profit (£'m)	43.4	94.1	(53.9%)	n/a
Cost to income ratio	81.1%	78.3%		
ROE	2.8%	7.5%		
ROTE	3.3%	9.2%		

Overview of financial performance

Total operating income before expected credit loss impairment charges

Total operating income before expected credit losses decreased 24.0% to £729.0 million (1H2020: £959.3 million) pointing to the impact of the economic challenges driven by COVID-19.

- Net interest income decreased 15.6% to £359.4 million (1H2020: £425.6 million) impacted by the endowment effect from interest rate cuts, assets repricing ahead of liabilities and limited loan book growth which remains below pre-COVID-19 levels. This resulted in a reduction in net interest margin of 41bps to 1.60% for the South African business and 25bps to 1.77% for the UK business.
- Net fee and commission income declined 17.9% to £324.8 million (1H2020: £395.7 million). Fees in the Wealth & Investment business declined moderately by 3.5% impacted by the sale of the Irish wealth business in 2H2020, lower UK FUM at key billing dates and Rand weakness (fees in the South African business were up in Rands but down in Pounds Sterling on the prior period). Fees in the Specialist Banking business were impacted primarily by lower lending and transactional activity, while Group Investment fees reflected lower rental income from IPF.
- Investment income decreased 70.5% to £16.9 million (1H2020: £57.1 million) primarily reflecting the negative impact of COVID-19 on investment property valuations in IPF.
- Share of post taxation profit of associates and joint venture holdings of £16.3 million (1H2020: £17.8 million) was positively impacted by the inclusion of associate earnings from the group's 25% holding in Ninety One, offset by lower earnings from the IEP Group due to lockdown and the non-repeat of a realisation in the prior period, as well as negative fair value adjustments in IPF's UK associate investment.
- Trading income arising from customer flow netted a loss of £8.5 million relative to a profit in the prior period of £62.8 million. Risk management and risk reduction costs on hedging our structured products book following the market dislocation and dividend cancellations was the major driver of the loss.
- Trading income arising from balance sheet management and other trading activities increased from a loss of £2.3 million in 1H2020 to a profit of £8.1 million for the period under review. The gain was driven primarily by the UK Specialist Bank where asset values improved following the extreme COVID-19 related volatility in the last quarter of FY2020.
- Other operating income of £12.0 million (1H2020: £2.6 million) primarily reflects the fair value movements of the Ninety One shares held in the group's staff share scheme as a result of the demerger and separate listing of Ninety One, whereby shareholders received one Ninety One share for every two Investec shares held. These shares are reflected on the group's balance sheet in Other assets. The equal and corresponding liability is reflected in Other liabilities with changes in the value of the liability expensed through staff costs in operating costs.

Expected credit loss (ECL) impairment charges

Impairments increased to £66.0 million (1H2020: £31.0 million) and the annualised CLR was up from 0.23% for 1H2020 to 0.47% in the current period. The increase was primarily driven by updated macro-economic scenarios applied in our models. The group revised its macro-economic assumptions during the period with material downward revisions to key forecasted economic variables.

As mentioned earlier in the announcement, we have provided various forms of relief on request from some of our clients. At 30 September 2020, 9.0% of UK and 3.3% of South Africa's loan book was under some form of relief.

In South Africa, the Stage 1 coverage ratio increased to 0.5% (31 March 2020: 0.4%) driven by a higher forward-looking IFRS 9 provision build. Stage 2 and Stage 3 coverage ratios declined to 2.4% (31 March 2020: 2.8%) and 33.0% (31 March 2020: 42.1%) respectively. The decrease in Stage 2 coverage was driven primarily by certain counterparties with a high coverage ratio which migrated to Stage 3, while the decrease in Stage 3 coverage relates to the mix impact of some deals written off and some highly secured counters moving into Stage 3.

In the UK, the Stage 1 coverage ratio reduced to 0.3% (31 March 2020: 0.4%). The Stage 2 coverage ratio reduced to 3.4% (31 March 2020: 5.4%) as a significant proportion of the exposures that migrated into Stage 2 were from lower risk exposures, transferred into Stage 2 based on the deteriorating forward-looking view on their credit performance under current macro-economic expectations rather than specific credit concerns. The Stage 3 coverage ratio also declined to 26.7% (31 March 2020: 28.2%), and similarly to South Africa, related to the mix impact of deals written off relative to a few new highly collateralised deals migrating from Stage 2.

Operating costs

In line with our strategic objective to contain costs, management reduced the cost base for the six months ended 30 September 2020 by 14.0% to £535.8 million (1H2020: £623.1 million), driven by headcount containment, lower variable remuneration and a reduction in discretionary expenditure. However, due to lower revenues the cost to income ratio increased to 72.0% (1H2020: 67.0%).

Taxation

The taxation charge on adjusted operating profit from continuing operations was £20.9 million (1H2020: £41.5 million), resulting in an effective tax rate of 18.8% (1H2020: 14.4%). The increase was due to normalisation of the effective tax rate in South Africa.

Profit or loss attributable to other non-controlling interests

The loss attributable to other non-controlling interests of £15.3 million (1H2020: profit of £28.9 million) relates to the loss attributable to non-controlling interests in IPF.

Discontinued operations

There were no discontinued operations in the first half of the 2021 financial year. Discontinued operations in the comparative period reflect the asset management business which was demerged and separately listed as Ninety One in March 2020.

Basic EPS from continuing and discontinued operations was 9.6p, down 61.1% on the prior period (1H2020: 24.7p).

Earnings from the group's 25% holding in Ninety One in the current period have been equity accounted and included in share of post taxation profit of associates and joint venture holdings within continuing operations.

Balance sheet analysis

Since 31 March 2020:

- Ordinary shareholders' equity increased by 4.7% to £4.0 billion, mainly due to an increase in retained earnings.
- NAV per share increased 4.6% to 433.5 pence and TNAV per share (which excludes goodwill, software, and other intangible assets) increased 5.2% to 397.4 pence.
- The group's ROE decreased from 10.7% in 1H2020 to 5.3% and ROTE from 11.8% in 1H2020 to 5.8%.
- Net core loans and advances growth was muted, up 1.0% to £25.2 billion since year end. The South African book declined 1.6% in Rands to R284.4 billion, while in the UK, net core loans grew 0.9% to £12.0 billion.

Funding and liquidity

Customer deposits grew 1.0% to £32.6 billion (31 March 2020: £32.2 billion). Cash and near cash of £12.9 billion (£6.2 billion in Investec plc and R143.2 billion in Investec Limited) at 30 September 2020 represents 39.5% of customer deposits. Loans and advances to customers as a percentage of customer deposits remained at 76.4%.

The group comfortably exceeds Basel liquidity requirements for the Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR). Investec Bank Limited (consolidated group) ended the period to 30 September 2020 with the three-month average of its LCR at 164.1% and an NSFR of 113.9%. For Investec plc the LCR and NSFR are calculated using the relevant EU regulation, applying our own interpretations where required. The LCR reported to the PRA at 30 September 2020 was 335% and the internally calculated NSFR was 126% at 30 September 2020.

Capital adequacy and leverage ratios

The group maintained capital and leverage ratios ahead of both internal board-approved minimum targets and regulatory requirements. Capital ratios for Investec plc and Investec Limited are summarised in the table below.

The group targets a minimum CET1 ratio above 10%, a tier 1 ratio above 11% and a total capital adequacy ratio range of 14% to 17% on a consolidated basis for each of Investec plc and Investec Limited, respectively.

Investec Limited's application for conversion to the Advanced Internal Ratings Based (AIRB) approach remains under review by the South African Prudential Authority. Approval has been granted for Investec Limited to commence with its six month parallel run for certain AIRB models. Full conversion to AIRB is expected to result in a circa 2% uplift to the CET1 ratio.

	30 September 2020	31 March 2020
Investec plc[1]	**Standardised approach**	**Standardised approach**
Total capital ratio	14.8%	14.9%
Tier 1 ratio	12.4%	12.4%
Common equity tier 1 ratio	10.7%	10.7%
Common equity tier 1 ratio ('fully loaded'[3])	10.2%	10.3%
Leverage ratio (current)	7.8%	7.8%
Leverage ratio ('fully loaded'[3])	7.3%	7.4%
Leverage ratio – current UK leverage ratio framework[4]	8.7%	8.9%
Investec Limited[2]	**FIRB approach**	**FIRB approach**
Total capital adequacy ratio	15.5 %	15.0%
Tier 1 ratio	12.2%	11.5%
Common equity tier 1 ratio	11.6 %	10.9%
Common equity tier 1 ratio ('fully loaded'[3])	11.6 %	10.9%
Leverage ratio (current)	7.0%	6.4%
Leverage ratio ('fully loaded'[3])	6.9%	6.3%

1 The capital adequacy disclosures follow Investec's normal basis of presentation to show a consistent basis of calculation across the jurisdictions in which the group operates. For Investec plc this does not include the deduction of foreseeable charges and dividends when calculating CET1 capital as required under the Capital Requirements Regulation and European Banking Authority technical standards. The impact of this deduction totalling £18 million for Investec plc (31 March 2020: £0) would lower the CET1 ratio by 12bps (31 March 2020: 0bps).

2 Investec Limited's capital information includes unappropriated profits. If unappropriated profits are excluded from the capital information, Investec Limited's CET1 ratio would be 36bps (31 March 2020: 24bps) lower.

3 The CET 1 fully loaded ratio and the fully loaded leverage ratio assume full adoption of IFRS 9 and full adoption of all CRD IV rules or South African Prudential Authority regulations, as applicable in the relevant jurisdictions. As a result of the adoption of IFRS 9 Investec plc and IBP elected to designate its subordinated fixed rate medium-term notes due in 2022 at fair value. By the time of full adoption of IFRS 9 in 2023, these subordinated liabilities will have reached final maturity and will be redeemed at par value. The remaining interest rate portion of the fair value adjustment at 30 September 2020 of £6 million (post-taxation), has therefore been excluded from the fully loaded ratios as it will be released into profit and loss over the remaining life of the instrument.

4 Investec plc is not subject to the UK leverage ratio framework, however for comparative purposes this ratio has been disclosed. This framework excludes qualifying central bank balances from the calculation of the leverage exposure measure.

Remuneration targets

Investec remains committed to setting stretching yet attainable targets, particularly in the current economic environment. In the group's 2020 integrated annual report it was noted that the group intended publishing the remuneration targets for the 2020 Long-Term Incentive award and the 2021 Short-Term Incentive ahead of the group's 2020 annual general meeting (AGM).

However, given the continuing uncertainty at that time, and in line with the guidance from the Investment Association, on 24 July 2020 the group announced its intention to delay the setting and disclosing of remuneration incentive targets until its interim results announcement for the six months ending 30 September 2020. The group consulted with shareholders on this matter.

Whilst there is still a high level of uncertainty relating to the full impact of COVID-19, the Committee has set what it believes are stretching yet attainable targets as outlined in the group's 2020 interim report.

On behalf of the boards of Investec plc
and Investec Limited

Perry Crosthwaite
Chairman

Fani Titi
Chief Executive

18 November 2020

Notes to the commentary section above

Presentation of financial information

Investec operates under a Dual Listed Companies (DLC) structure with primary listings of Investec plc on the London Stock Exchange and Investec Limited on the JSE Limited.

In terms of the contracts constituting the DLC structure, Investec plc and Investec Limited effectively form a single economic enterprise in which the economic and voting rights of ordinary shareholders of the companies are maintained in equilibrium relative to each other. The directors of the two companies consider that for financial reporting purposes, the fairest presentation is achieved by combining the results and financial position of both companies.

Accordingly, these interim results reflect the results and financial position of the combined DLC group under International Financial Reporting Standards (IFRS), denominated in Pounds Sterling. In the commentary above, all references to Investec or the group relate to the combined DLC group comprising Investec plc and Investec Limited.

Unless the context indicates otherwise, all comparatives included in the commentary above relate to the six months ended 30 September 2019.

Amounts represented on a neutral currency basis for income statement items assume that the relevant average exchange rates for the six months to 30 September 2020 remain the same as those in the prior period. Amounts represented on a neutral currency basis for balance sheet items assume that the relevant closing exchange rates at 30 September 2020 remain the same as those at 31 March 2020.

Neutral currency information is considered as pro-forma financial information as per the JSE Listings Requirements and is therefore the responsibility of the group's board of directors. Pro-forma financial information was prepared for illustrative purposes and because of its nature may not fairly present the issuer's financial position, changes in equity, or results of operations. The external auditors issued a limited assurance report in respect of the neutral currency information. The report is available for inspection at the registered office of Investec upon request.

Foreign currency impact

The group's reporting currency is Pounds Sterling. Certain of the group's operations are conducted by entities outside the UK. The results of operations and the financial position of the individual companies are reported in the local currencies in which they are domiciled, including Rands, Australian Dollars, Euros and US Dollars. These results are then translated into Pounds Sterling at the applicable foreign currency exchange rates for inclusion in the group's combined consolidated financial statements. In the case of the income statement, the weighted average rate for the relevant period is applied and, in the case of the balance sheet, the relevant closing rate is used.

The following table sets out the movements in certain relevant exchange rates against Pounds Sterling over the period:

	Six months to 30 Sept 2020		Year to 31 Mar 2020		Six months to 30 Sept 2019	
Currency per GBP1.00	**Period end**	**Average**	**Period end**	**Average**	**Period end**	**Average**
South African Rand	21.58	22.05	22.15	18.78	18.69	18.28
Australian Dollar	1.80	1.85	2.03	1.87	1.82	1.82
Euro	1.10	1.12	1.13	1.15	1.13	1.13
US Dollar	1.29	1.27	1.24	1.27	1.23	1.26

Accounting policies, significant judgements and disclosures

These reviewed condensed combined consolidated financial results have been prepared in terms of the recognition and measurement criteria of International Financial Reporting Standards, and the presentation and disclosure requirements of IAS 34, "Interim Financial Reporting".

The accounting policies applied in the preparation of the results for the six months to 30 September 2020 are consistent with those adopted in the financial statements for year ended 31 March 2020.

The effective date of the demerger of the asset management business was 13 March 2020 and admission of the Ninety One Limited shares and the Ninety One plc shares to the Johannesburg Stock Exchange and London Stock Exchange was effected on 16 March 2020. The global asset management business has been disclosed as a discontinued operation and the income statement for the prior period has been appropriately re-presented. Refer to the discontinued operations note for further detail.

Interest Rate Benchmark Reform (IBOR reform) Phase 2 amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16

Phase 2 of the IASB's IBOR project addresses the wider accounting issues arising from the IBOR reform. This was published in August 2020 and is awaiting endorsement. The amendments are effective for annual reporting periods beginning on or after 1 January 2021 with early application permitted. Conversion from LIBOR to alternative risk-free rates (RFRs) is expected to increase as RFR-based products become more widely available and key market-driven conversion events occur.

The combined consolidated financial results for the period ended 30 September 2020 have been reviewed by Ernst & Young LLP & Ernst & Young Inc., who expressed an unmodified review conclusion. A copy of the auditors' review opinion is available for inspection at the company's registered office together with the financial statements identified in the auditors' report or on our website at www.investec.com.

The financial results have been prepared under the supervision of Nishlan Samujh, the Group Finance Director. The financial statements for the six months ended 30 September 2020 are available on the group's website:

http://www.investec.com

Proviso

- Please note that matters discussed in this announcement may contain forward-looking statements which are subject to various risks and uncertainties and other factors, including, but not limited to:
  - changes in the political and/or economic environment that would materially affect the Investec group
  - changes in the economic environment caused by the resulting lockdowns and government programmes aimed to stimulate the economy
  - changes in legislation or regulation impacting the Investec group's operations or its accounting policies
  - changes in business conditions that will have a significant impact on the Investec group's operations
  - changes in exchange rates and/or tax rates from the prevailing rates outlined in this announcement.
  - changes in the structure of the markets, client demand or the competitive environment.
- 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 18 November 2020.
- The information in the group's announcement for the six months ended 30 September 2020, which was approved by the board of directors on 18 November 2020, does not constitute statutory accounts as defined in Section 435 of the UK Companies Act 2006. The 31 March 2020 financial statements were filed with the registrar and were unqualified with the audit report containing no statements in respect of sections 498(2) or 498(3) of the UK Companies Act.
- The financial information on which forward-looking statements are based is the responsibility of the directors of the group and has not been reviewed and reported on by the group's auditors.

This announcement is available on the group's website: http://www.investec.com

Definitions

- Total group represents the group's results including the results of discontinued operations in the prior period.
- Adjusted operating profit refers to operating profit before goodwill, acquired intangibles and strategic actions and after adjusting for earnings attributable to other non-controlling interests. Trends within the divisional sections relate to adjusted operating profit before group costs. Adjusted operating profit is considered an important measure by Investec of the profit realised by the group in the ordinary course of operations. In addition, it forms the basis of the dividend payout policy. Non-IFRS measures such as adjusted operating profit are considered as pro-forma financial information as per the JSE Listings Requirements. The pro-forma financial information is the responsibility of the group's Board of Directors. Pro-forma financial information was prepared for illustrative purposes and because of its nature may not fairly present the issuer's financial position, changes in equity or results of operations. The external auditors issued a limited assurance report in respect of the pro-forma financial information. The report is available for inspection at the registered office of Investec upon request.
- Adjusted earnings attributable to shareholders is defined as earnings attributable to shareholders before goodwill, acquired intangibles and strategic actions and after the deduction of earnings attributable to perpetual preference shareholders and Other Additional Tier 1 security holders.
- Adjusted basic earnings per share is calculated as adjusted earnings attributable to shareholders divided by the weighted average number of ordinary shares in issue during the year.
- Dividend payout ratio is calculated as the dividend per share divided by adjusted earnings per share.
- The credit loss ratio is calculated as expected credit loss (ECL) impairment charges on gross core loans and advances as a percentage of average gross core loans and advances subject to ECL.
- The cost to income ratio is calculated as: operating costs divided by operating income before expected credit loss impairment charges (net of operating profits or losses attributable to other non-controlling interests).
- Return on average ordinary shareholders' equity (ROE) is calculated as adjusted earnings attributable to ordinary shareholders divided by average ordinary shareholders' equity.
- Return on average tangible ordinary shareholders' equity (ROTE) is calculated as adjusted earnings attributable to ordinary shareholders divided by average tangible ordinary shareholders' equity.
- Core loans and advances is defined as net loans and advances to customers plus net own originated securitised assets.
- NCI is non-controlling interests.

Financial assistance

Shareholders are referred to Special Resolution number 3, which was approved at the annual general meeting held on 6 August 2020, relating to the provision of direct or indirect financial assistance in terms of Section 45 of the South African Companies Act, No 71 of 2008 to related or inter-related companies. Shareholders are hereby notified that in terms of S45(5)(a) of the South African Companies Act, the boards of directors of Investec Limited and Investec Bank Limited provided such financial assistance during the period 1 April 2020 to 30 September 2020 to various group subsidiaries.

Johannesburg and London

Sponsor: Investec Bank Limited

Exchange rates between local currencies and Pounds Sterling have fluctuated over the period. The most significant impact arises from the volatility of the Rand. The average Rand: Pound Sterling exchange rate over the period has depreciated by 20.6% against the comparative six month period ended 30 September 2019, and the closing rate has appreciated by 2.6% since 31 March 2020. The following tables provide an analysis of the impact of the Rand on our reported numbers.

	Results in Pounds Sterling					Results in Rands		
Continuing operations	**Six months to 30 Sept 2020**	Six months to 30 Sept 2019*	% change	**Neutral currency^ Six months to 30 Sept 2020**	Neutral currency % change	**Six months to 30 Sept 2020**	Six months to 30 Sept 2019*	% change
Adjusted operating profit before taxation (million)	£142	£276	(48.4%)	£163	(40.9%)	R3 143	R5 045	(37.7%)
Earnings attributable to shareholders (million)	£109	£202	(46.2%)	£126	(40.0%)	R2 405	R3 692	(34.9%)
Adjusted earnings attributable to shareholders (million)	£104	£212	(50.8%)	£120	(43.4%)	R2 309	R3 877	(40.4%)
Adjusted earnings per share	11.2p	22.4p	(50.0%)	12.9p	(42.4%)	248c	409c	(39.4%)
Basic earnings per share	9.6p	19.0p	(49.5%)	11.2p	(41.1%)	212c	346c	(38.7%)
Diluted basic earnings per share	9.5p	18.3p	(48.1%)	11.1p	(41.1%)	211c	333c	(36.3%)
Headline earnings per share	9.2p	17.0p	(45.9%)	11.0p	(35.3%)	213c	302c	(29.5%)

	Results in Pounds Sterling					Results in Rands		
Total group	**Six months to 30 Sept 2020**	Six months to 30 Sept 2019*	% change	**Neutral currency^ Six months to 30 Sept 2020**	Neutral currency % change	**Six months to 30 Sept 2020**	Six months to 30 Sept 2019*	% change
Adjusted operating profit before taxation (million)	£142	£374	(61.9%)	£163	(56.4%)	R3 143	R6 823	(53.9%)
Earnings attributable to shareholders (million)	£109	£256	(57.4%)	£126	(50.8%)	R2 405	R4 678	(48.6%)
Adjusted earnings attributable to shareholders (million)	£104	£274	(62.0%)	£120	(56.2%)	R2 309	R4 997	(53.8%)
Adjusted earnings per share	11.2p	28.9p	(61.2%)	12.9p	(55.4%)	248c	527c	(52.9%)
Basic earnings per share	9.6p	24.7p	(61.1%)	11.2p	(54.7%)	212c	450c	(52.9%)
Diluted basic earnings per share	9.5p	23.8p	(60.1%)	11.1p	(53.4%)	211c	434c	(51.4%
Headline earnings per share	9.2p	22.7p	(59.9%)	11.0p	(51.5%)	213c	486c	(56.2%)
Interim dividend per share	5.5p	11.0p	(50.0%)	n/a	n/a	112c	211c	(46.9%)

	Results in Pounds Sterling					Results in Rands		
	At 30 Sept 2020	At 31 March 2020	% change	**Neutral currency^^ At 30 Sept 2020**	Neutral currency % change	**At 30 Sept 2020**	At 31 March 2020	% change
Net asset value per share	433.5p	414.3p	4.6%	433.7p	4.7%	9 355c	9 178c	1.9%
Net tangible asset value per share	397.4p	377.6p	5.2%	397.6p	5.3%	8 575c	8 365c	2.5%
Total equity (million)	£5 075	£4 898	3.6%	£5 007	2.2%	R109 509	R108 495	0.9%
Total assets (million)	£50 665	£50 656	—%	£49 982	(1.3%)	R1 093 199	R1 122 162	(2.6%)
Core loans (million)	£25 160	£24 911	1.0%	£24 817	(0.4%)	R542 955	R551 878	(1.6%)
Cash and near cash balances (million)	£12 861	£12 683	1.4%	£12 688	—%	R277 504	R280 960	(1.2%)
Customer deposits (million)	£32 552	£32 221	1.0%	£32 112	(0.3%)	R702 373	R713 774	(1.6%)
Third party funds under management (million)	£51 988	£45 018	15.5%	£51 573	14.6%	R1 121 753	R1 043 735	7.5%

* Restated to reflect continuing operations.

^ For income statement items we have used the average Rand: Pound Sterling exchange rate that was applied in the prior period, i.e. 18.28.

^^ For balance sheet items we have assumed that the Rand: Pound Sterling closing exchange rate has remained neutral since 31 March 2020.

Condensed combined consolidated income statement

£'000	Six months to 30 Sept 2020	Six months to 30 Sept 2019*	Year to 31 March 2020
Interest income	1 014 392	1 379 676	2 698 420
Interest expense	(654 971)	(954 027)	(1 845 416)
Net interest income	**359 421**	**425 649**	**853 004**
Fee and commission income	344 650	422 133	837 590
Fee and commission expense	(19 842)	(26 408)	(47 118)
Investment income	16 859	57 079	39 268
Share of post taxation profit of associates and joint venture holdings	16 272	17 754	27 244
Trading income/(loss) arising from			
– customer flow	(8 527)	62 771	63 254
– balance sheet management and other trading activities	8 144	(2 318)	26 720
Other operating income	11 983	2 609	6 877
Total operating income before expected credit loss impairment charges	**728 960**	**959 269**	**1 806 839**
Expected credit loss impairment charges	(65 974)	(31 021)	(133 301)
Operating income	**662 986**	**928 248**	**1 673 538**
Operating costs^	(535 755)	(623 092)	(1 186 427)
Operating profit before goodwill, acquired intangibles and strategic actions	**127 231**	**305 156**	**487 111**
Impairment of goodwill	—	—	(145)
Impairment of associates and joint venture holdings	—	—	(45 400)
Amortisation of acquired intangibles	(7 603)	(7 954)	(16 104)
Amortisation of acquired intangibles of associates	(4 625)	—	—
Closure and rundown of the Hong Kong direct investments business	(2 158)	(49 469)	(89 257)
Operating profit	**112 845**	**247 733**	**336 205**
Financial impact of group restructures	—	12 757	(25 725)
Profit before taxation from continuing operations	**112 845**	**260 490**	**310 480**
Taxation on operating profit before goodwill, acquired intangibles and strategic actions	(20 892)	(41 482)	(54 690)
Taxation on acquired intangibles and strategic actions	1 558	12 101	21 693
Profit after taxation from continuing operations	**93 511**	**231 109**	**277 483**
Profit after taxation from discontinued operations	—	69 085	954 979
Profit after taxation	**93 511**	**300 194**	**1 232 462**
Loss/(profit) attributable to other non-controlling interests	15 255	(28 863)	(67 952)
Profit attributable to non-controlling interests of discontinued operations	—	(15 172)	(29 347)
Earnings attributable to shareholders	**108 766**	**256 159**	**1 135 163**

* Restated to reflect continuing operations.

^ Depreciation on operating leased assets of £0.4 million (30 September 2019: £0.8 million; 31 March 2020: £1.4 million) which was previously reported as a separate line item, has been included in operating costs. The prior period has been restated to reflect the same basis.

Consolidated statement of total comprehensive income

£'000	Six months to 30 Sept 2020	Six months to 30 Sept 2019*	Year to 31 March 2020
Profit after taxation from continuing operations	93 511	231 109	277 483
Other comprehensive income/(loss) from continuing operations:			
Items that may be reclassified to the income statement			
Fair value movements on cash flow hedges taken directly to other comprehensive income^	(4 427)	(22 259)	(40 304)
Fair value movements on debt instruments at FVOCI taken directly to other comprehensive income^	84 566	(1 901)	(139 977)
(Gain)/loss on realisation of debt instruments at FVOCI recycled through the income statement^	(1 446)	9 502	(5 503)
Foreign currency adjustments on translating foreign operations	17 837	39 948	(314 078)
Items that will never be reclassified to the income statement			
Effect of rate change on deferred taxation relating to adjustment for IFRS 9	828	(503)	(1 761)
Fair value movements on equity instruments at FVOCI taken directly to other comprehensive income	736	—	(3 931)
Remeasurement of net defined benefit pension liability	(32)	20	(1 217)
Movement in post retirement benefit liabilities	—	—	51
Net (loss)/gain attributable to own credit risk	(1 725)	1 451	9 515
Total comprehensive income/(loss) from continuing operations	**189 848**	**257 367**	**(219 722)**
Total comprehensive income/(loss) attributable to ordinary shareholders from continuing operations	177 381	203 112	(235 960)
Total comprehensive (loss)/income attributable to non-controlling interests from continuing operations	(1 159)	31 902	(28 022)
Total comprehensive income attributable to perpetual preferred securities from continuing operations	13 626	22 353	44 260
Total comprehensive income/(loss) from continuing operations	**189 848**	**257 367**	**(219 722)**
Profit after taxation from discontinued operations	—	69 085	954 979
Other comprehensive income from discontinued operations:			
Items that will never be reclassified to the income statement			
Foreign currency adjustments on translating foreign operations	—	337	(13 980)
Remeasurement of net defined benefit pension liability	—	(1 217)	—
Total comprehensive income from discontinued operations	**—**	**68 205**	**940 999**
Total comprehensive income attributable to ordinary shareholders from discontinued operations	—	53 033	914 448
Total comprehensive income attributable to non-controlling interests from discontinued operations	—	15 172	26 551
Total comprehensive income from discontinued operations	**—**	**68 205**	**940 999**
Profit after taxation	93 511	300 194	1 232 462
Other comprehensive income:			
Items that may be reclassified to the income statement			
Fair value movements on cash flow hedges taken directly to other comprehensive income^	(4 427)	(22 259)	(40 304)
Fair value movements on debt instruments at FVOCI taken directly to other comprehensive income^	84 566	(1 901)	(139 977)
(Gain)/loss on realisation of debt instruments at FVOCI recycled through the income statement^	(1 446)	9 502	(5 503)
Foreign currency adjustments on translating foreign operations	17 837	40 285	(328 058)
Items that will never be reclassified to the income statement			
Effect of rate change on deferred taxation relating to adjustment for IFRS 9	828	(503)	(1 761)
Fair value movements on equity instruments at FVOCI taken directly to other comprehensive income	736	—	(3 931)
Re-measurement of net defined benefit pension asset	(32)	(1 197)	(1 217)
Movement in post retirement benefit liabilities	—	—	51
Net (loss)/gain attributable to own credit risk	(1 725)	1 451	9 515
Total comprehensive income	**189 848**	**325 572**	**721 277**
Total comprehensive income attributable to ordinary shareholders	171 379	256 145	678 488
Total comprehensive income attributable to non-controlling interests	(1 159)	47 074	(1 471)
Total comprehensive income attributable to perpetual preferred securities	19 628	22 353	44 260
Total comprehensive income	**189 848**	**325 572**	**721 277**

* Restated to reflect continuing operations.

^ These amounts are net of taxation expense/(credit) of £22.3 million Six months to 30 September 2019: (£1.5 million); year to 31 March 2020: (£55.8 million).

Condensed combined consolidated balance sheet

At £'000	30 Sept 2020	31 March 2020	30 Sept 2019
Assets			
Cash and balances at central banks	2 477 636	3 932 048	3 988 832
Loans and advances to banks	3 079 807	2 666 851	2 242 874
Non-sovereign and non-bank cash placements	363 350	632 610	678 717
Reverse repurchase agreements and cash collateral on securities borrowed	4 124 591	2 964 603	1 621 424
Sovereign debt securities	4 898 936	4 593 893	5 987 916
Bank debt securities	590 173	604 921	619 328
Other debt securities	1 427 174	1 430 419	1 234 781
Derivative financial instruments	1 885 922	2 034 399	1 256 794
Securities arising from trading activities	929 143	1 044 445	1 762 831
Investment portfolio	994 543	998 935	946 499
Loans and advances to customers	24 855 877	24 588 074	25 065 947
Own originated loans and advances to customers securitised	307 532	324 638	378 171
Other loans and advances	100 659	132 486	145 034
Other securitised assets	122 892	134 865	133 523
Interests in associated undertakings and joint venture holdings	722 227	701 311	407 743
Deferred taxation assets	256 581	265 896	260 766
Other assets	1 912 025	1 934 428	2 393 348
Property and equipment	341 343	356 573	484 359
Investment properties	799 588	863 864	1 000 603
Goodwill	270 991	270 625	360 128
Software*	13 045	14 643	18 467
Other acquired intangible assets*	66 224	71 657	80 799
Non-current assets classified as held for sale	87 248	58 905	—
	50 627 507	**50 621 089**	**51 068 884**
Other financial instruments at fair value through profit or loss in respect of liabilities to customers	37 178	35 227	8 657 879
	50 664 685	**50 656 316**	**59 726 763**
Liabilities			
Deposits by banks	3 319 727	3 498 254	2 929 180
Derivative financial instruments	1 793 033	2 248 849	1 729 053
Other trading liabilities	577 821	509 522	700 611
Repurchase agreements and cash collateral on securities lent	1 692 050	1 577 346	983 895
Customer accounts (deposits)	32 551 697	32 220 976	32 039 291
Debt securities in issue	1 815 257	1 737 191	2 936 491
Liabilities arising on securitisation of own originated loans and advances	73 042	76 696	79 667
Liabilities arising on securitisation of other assets	109 107	110 679	116 544
Current taxation liabilities	95 940	51 308	166 482
Deferred taxation liabilities	50 727	44 788	23 194
Other liabilities	2 025 931	2 211 487	2 399 113
	44 104 332	**44 287 096**	**44 103 521**
Liabilities to customers under investment contracts	34 494	32 845	8 650 085
Insurance liabilities, including unit-linked liabilities	2 684	2 382	7 794
	44 141 510	**44 322 323**	**52 761 400**
Subordinated liabilities	1 447 948	1 436 361	1 594 961
	45 589 458	**45 758 684**	**54 356 361**
Equity			
Ordinary share capital	247	247	247
Ordinary share premium	1 517 852	1 517 852	2 336 194
Treasury shares	(261 729)	(272 881)	(284 430)
Other reserves	(910 668)	(976 297)	(557 009)
Retained income	3 699 652	3 593 384	2 730 044
Ordinary shareholders' equity	**4 045 354**	**3 862 305**	**4 225 046**
Perpetual preference share capital*	172 349	168 518	195 161
Shareholders' equity excluding non-controlling interests	**4 217 703**	**4 030 823**	**4 420 207**
Other Additional Tier 1 securities in issue	296 809	295 593	304 047
Non-controlling interests	560 715	571 216	646 148
- Perpetual preferred securities issued by subsidiaries	71 106	69 259	82 101
– Non-controlling interests in partially held subsidiaries	489 609	501 957	564 047
Total equity	**5 075 227**	**4 897 632**	**5 370 402**
Total liabilities and equity	**50 664 685**	**50 656 316**	**59 726 763**

* Software of £13.0 million (31 March 2020: £14.6 million; 30 September 2019: £18.5 million), which was previously reported within intangible assets, is now reported as a separate line item. The prior periods have been re-presented to reflect the same basis. Perpetual preference share premium of £172.3 million (31 March 2020: £168.5 million; 30 September 2019: £195.1 million), which was previously reported within share premium, is now reported within perpetual preference share capital and premium. The prior periods have been re-presented to reflect the same basis.

Condensed consolidated statement of changes in equity

£'000	Six months to 30 Sept 2020	Six months to 30 Sept 2019	Year to 31 March 2020
Balance at the beginning of the period	4 897 632	5 251 014	5 251 014
Total comprehensive income	189 848	325 572	721 277
Share-based payments adjustments	18 353	29 770	39 336
Dividends paid to ordinary shareholders	—	(134 778)	(244 323)
Dividends paid to perpetual preference shareholders and Other Additional Tier 1 security holders	—	(7 511)	(14 857)
Dividends paid to perpetual preference shareholders included in non-controlling interests and Other Additional Tier 1 security holders	(19 628)	(14 842)	(29 403)
Dividends paid to non-controlling interests	(11 028)	(34 003)	(79 106)
Issue of ordinary shares	—	64 647	64 647
Issue of equity by subsidiaries	—	—	45 256
Net equity impact of non-controlling interest movements	1 687	1 966	(27 100)
Employee benefit liability recognised	—	—	(7 570)
Movement of treasury shares	(1 861)	(109 046)	(121 298)
Net equity movements of interests in associated undertakings	225	(2 387)	(2 387)
Distribution to shareholders	—	—	(697 854)
Balance at the end of the period	**5 075 228**	**5 370 402**	**4 897 632**

Condensed consolidated cash flow statement

£'000	Six months to 30 Sept 2020	Six months to 30 Sept 2019	Year to 31 March 2020
Cash inflow from operating activities	178 552	376 031	547 812
Increase in operating assets	(2 457 502)	(2 328 228)	(5 795 856)
(Decrease)/increase in operating liabilities	(759 756)	1 553 483	5 715 897
Net cash (outflow)/inflow from operating activities	**(3 038 706)**	**(398 714)**	**467 853**
Net cash outflow from investing activities	(6 967)	(20 885)	(350 855)
Net cash outflow from financing activities	(59 855)	(367 773)	(603 247)
Effects of exchange rates on cash and cash equivalents	41 935	22 834	(435 149)
Net decrease in cash and cash equivalents	**(3 063 593)**	**(764 538)**	**(921 398)**
Cash and cash equivalents at the beginning of the period	6 193 708	7 115 106	7 115 106
Cash and cash equivalents at the end of the period	**3 130 115**	**6 350 568**	**6 193 708**

Cash and cash equivalents is defined as including: cash and balances at central banks, on demand loans and advances to banks and non-sovereign and non-bank cash placements (all of which have a maturity profile of less than three months).

Combined consolidated segmental analysis

Segmental geographical and business analysis of adjusted operating profit before goodwill, acquired intangibles, non-operating items, taxation and after other non-controlling interests.

For the six months to 30 September £'000	UK and Other	Southern Africa	Total group
2020			
Wealth & Investment	28 877	11 960	40 837
Specialist Banking	12 903	92 870	105 773
Group Investments^	11 791	1 428	13 219
Group costs	(10 208)	(7 135)	(17 343)
Continuing operations adjusted operating profit	**43 363**	**99 123**	**142 486**
Discontinued operations	—	—	—
Total group adjusted operating profit	**43 363**	**99 123**	**142 486**
Other non-controlling interests^			(15 255)
Operating profit before non-controlling interests			**127 231**
2019*			
Wealth & Investment	30 455	14 053	44 508
Specialist Banking	79 448	145 339	224 787
Group Investments	—	30 270	30 270
Group costs	(15 839)	(7 433)	(23 272)
Continuing operations adjusted operating profit	**94 064**	**182 229**	**276 293**
Discontinued operations	58 974	38 355	97 329
Total group adjusted operating profit	**153 038**	**220 584**	**373 622**
Other non-controlling interests**			28 863
Operating profit before non-controlling interests			**402 485**

* Restated to reflect continuing operations.
** (Profit)/loss attributable to other non-controlling interests predominantly relates to the Investec Property Fund Limited.
^ In terms of IFRS 8 Operating segments, management concluded that key operating decision makers of Investec currently reviewed the operating results of the following operating segments:
- Investec Specialist Bank
- Investec Wealth & Investment
- Group Investments
- Group costs

Accordingly, the results of Group Investments have been disclosed as a separate segment for the first time in the 30 September 2020 half year results. Group Investments was previously presented as a subset component of the Investec Specialist Bank.

Net fee and commission income

For the six months to 30 September 2020 £'000	UK and Other	Southern Africa	Total
Wealth & Investment net fee and commission income	**153 004**	**36 236**	**189 240**
Fund management fees/fees for funds under management	129 086	20 484	149 570
Private client transactional fees	24 303	16 384	40 687
Fee and commission expense	(385)	(632)	(1 017)
Specialist Banking net fee and commission income	**66 883**	**45 655**	**112 538**
Corporate and institutional transactional and advisory services	66 785	33 749	100 534
Private client transactional fees	6 226	24 603	30 829
Fee and commission expense	(6 128)	(12 697)	(18 825)
Group Investments net fee and commission income	**–**	**23 030**	**23 030**
Net fee and commission income	**219 887**	**104 921**	**324 808**
Annuity fees (net of fees payable)	137 486	94 011	231 497
Deal fees	82 401	10 910	93 311

Included in Specialist Banking corporate and institutional and advisory services is net fee income of £32.7 million (2019: £36.2 million) for operating lease income which is out of the scope of IFRS 15 – Revenue from contracts with customers.

Discontinued operations

Asset Management business

During the prior financial year on 13 March 2020, the group successfully completed the demerger of Ninety One (formerly known as Investec Asset Management), which became separately listed on 16 March 2020. The loss of control of Investec Asset Management was effected through the distribution of Ninety One shares to shareholders.

The table below presents the income statement from discontinued operations included in the total group income statement for the six months to 30 September 2019 and the year to 31 March 2020.

Combined consolidated income statement of discontinued operations

	Six months to 30 September 2019			Year to 31 March 2020		
£'000	**UK and Other**	**Southern Africa**	**Total**	**UK and Other**	**Southern Africa**	**Total**
Net interest income	(1 207)	2 202	995	(2 235)	3 962	1 727
Net fee and commission income	204 392	94 983	299 375	392 591	191 388	583 979
Investment income	(158)	8	(150)	(2 042)	35	(2 007)
Trading income/(loss) arising from						
– balance sheet management and other trading activities	4 054	(95)	3 959	1 634	(76)	1 558
Other operating income	3 822	584	4 406	4 697	745	5 442
Total operating income before expected credit loss impairment charges	**210 903**	**97 682**	**308 585**	**394 645**	**196 054**	**590 699**
Expected credit loss impairment charges	—	—	—	—	—	—
Operating income	**210 903**	**97 682**	**308 585**	**394 645**	**196 054**	**590 699**
Operating costs	(151 929)	(59 327)	(211 256)	(285 542)	(115 398)	(400 940)
Operating profit before strategic actions and non-controlling interests	**58 974**	**38 355**	**97 329**	**109 103**	**80 656**	**189 759**
Profit attributable to non-controlling interests from discontinued operations	(9 743)	(5 429)	(15 172)	(18 106)	(11 241)	(29 347)
Operating profit	**49 231**	**32 926**	**82 157**	**90 997**	**69 415**	**160 412**
Gain on distribution net of implementation costs	(4 125)	(4 454)	(8 579)	549 263	270 970	820 233
Profit before taxation	**45 106**	**28 472**	**73 578**	**640 260**	**340 385**	**980 645**
Taxation on operating profit before strategic actions	(9 961)	(10 931)	(20 892)	(19 112)	(22 088)	(41 200)
Taxation on strategic actions	645	582	1 227	1 253	(15 066)	(13 813)
Earnings attributable to shareholders from discontinued operations	**35 790**	**18 123**	**53 913**	**622 401**	**303 231**	**925 632**

Restatements

The group remains committed to its objective to simplify and focus the business in pursuit of disciplined growth over the long-term.

In this regard the following strategic actions were effected in the prior financial year ended 31 March 2020:

- Demerger of the asset management business
- Closure of Click & Invest which formed part of the UK wealth management business
- Sale of the Irish Wealth & Investment business
- Restructure of the Irish branch
- Sale of UK Property Fund
- Closure and rundown of the Hong Kong direct investments business.

We elected to separately disclose the financial impact of these strategic actions as the financial impact from group restructures and the rundown of portfolios where operations have ceased.

The effective date of the Asset Management business demerger was 13 March 2020 and admission of the Ninety One Limited shares and the Ninety One plc shares to the Johannesburg Stock Exchange and London Stock Exchange was effected on 16 March 2020. The global asset management business has been disclosed as a discontinued operation and the income statement for the prior period has been appropriately re-presented.

Depreciation on operating leased assets of £0.4 million (30 September 2019: £0.8 million; 31 March 2020: £1.4 million), which was previously reported as a separate line item on the income statement, has been included in operating costs. The prior period has been restated to reflect the same basis.

Software of £13.0 million (31 March 2020: £14.6 million; 30 September 2019: £18.5 million), which was previously reported within Intangible assets, is now reported as a separate line item. The prior periods have been re-presented to reflect the same basis.

Perpetual preference share premium of £172.3 million (31 March 2020: £168.5 million; 30 September 2019: £195.1 million), which was previously reported within share premium, is now reported within Perpetual preference share capital and premium. The prior periods have been re-presented to reflect the same basis.

The re-presentation of software and the perpetual preference share premium was done to provide users enhanced clarity on the values used to calculate net asset values and the various ROE ratios.

Financial impact of strategic actions

£'000	**Six months to 30 Sept 2020**	Six months to 30 Sept 2019	Year to 31 March 2020
Closure and rundown of the Hong Kong direct investments business*	(2 158)	(49 469)	(89 257)
Financial impact of group restructures	—	12 757	(25 725)
Closure of Click & Invest	—	(4 020)	(4 309)
Sale of the Irish Wealth & Investment business	—	18 959	19 741
Restructure of the Irish branch	—	(1 265)	(41 110)
Other	—	(917)	(47)
Financial impact of strategic actions – continuing operations	**(2 158)**	**(36 712)**	**(114 982)**
Taxation on financial impact of strategic actions from continuing operations	381	10 497	19 856
Net financial impact of strategic actions – continuing operations	**(1 777)**	**(26 215)**	**(95 126)**
Gain on distribution of Ninety One shares net of taxation and implementation costs	—	(8 579)	806 420
Net financial impact of strategic actions – Total group	**(1 777)**	**(34 794)**	**711 294**

* Included within the balance are fair value losses of £0.1 million (September 2019: £44.6 million, March 2020: £83.2 million).

Restatements continued

£'000	Six months to 30 Sept 2019 as previously reported	Representation as a discontinued operation	**Six months to 30 Sept 2019 restated**
Interest income	1 382 062	(2 386)	1 379 676
Interest expense	(955 418)	1 391	(954 027)
Net interest income	**426 644**	**(995)**	**425 649**
Fee and commission income	818 827	(396 694)	422 133
Fee and commission expense	(123 727)	97 319	(26 408)
Investment income	56 929	150	57 079
Share of post taxation profit of associates and joint venture holdings	17 754	–	17 754
Trading income arising from			
– customer flow	62 771	–	62 771
– balance sheet management and other trading activities	1 641	(3 959)	(2 318)
Other operating income	7 015	(4 406)	2 609
Total operating income before expected credit loss impairment charges	**1 267 854**	**(308 585)**	**959 269**
Expected credit loss impairment charges	(31 021)	–	(31 021)
Operating income	**1 236 833**	**(308 585)**	**928 248**
Operating costs	(834 348)	211 256	(623 092)
Operating profit before goodwill, acquired intangibles and strategic actions	**402 485**	**(97 329)**	**305 156**
Amortisation of acquired intangibles	(7 954)	–	(7 954)
Closure and rundown of the Hong Kong direct investments business	(49 469)	–	(49 469)
Operating profit	**345 062**	**(97 329)**	**247 733**
Financial impact of group restructures	4 178	8 579	12 757
Profit before taxation	**349 240**	**(88 750)**	**260 490**
Taxation on operating profit before goodwill, acquired intangibles and strategic actions	(62 374)	20 892	(41 482)
Taxation on acquired intangibles and strategic actions	13 328	(1 227)	12 101
Profit after taxation from continuing operations	**300 194**	**(69 085)**	**231 109**
Profit after taxation from discontinued operations	**–**	**69 085**	**69 085**
Profit after taxation	**300 194**	**–**	**300 194**
Profit attributable to other non-controlling interests	(28 863)	–	(28 863)
Profit attributable to non-controlling interests of discontinued operations	(15 172)	–	(15 172)
Earnings attributable to shareholders	**256 159**	**–**	**256 159**
Earnings per share (pence)			
– Basic	24.7		24.7
– Diluted	23.8		23.8
– Basic for continuing operations	n/a		19.0
– Diluted for continuing operations	n/a		18.3
Adjusted earnings per share (pence)			
– Basic	28.9		28.9
– Diluted	27.8		27.8
– Basic for continuing operations	n/a		22.4
– Diluted for continuing operations	n/a		21.6
Headline earnings per share (pence)			
– Basic	22.7		22.7
– Diluted	21.9		21.9
– Basic for continuing operations	n/a		17.0
– Diluted for continuing operations	n/a		16.4

Analysis of assets and liabilities by measurement category

At 30 September 2020 £'000	Total instruments at fair value	Amortised cost	Non-financial instruments or scoped out of IFRS 9	**Total**
Assets				
Cash and balances at central banks	—	2 477 636	—	2 477 636
Loans and advances to banks	—	3 079 807	—	3 079 807
Non-sovereign and non-bank cash placements	11 159	352 191	—	363 350
Reverse repurchase agreements and cash collateral on securities borrowed	991 402	3 133 189	—	4 124 591
Sovereign debt securities	4 573 107	325 829	—	4 898 936
Bank debt securities	402 812	187 361	—	590 173
Other debt securities	578 762	848 412	—	1 427 174
Derivative financial instruments	1 885 922	—	—	1 885 922
Securities arising from trading activities	929 143	—	—	929 143
Investment portfolio	994 543	—	—	994 543
Loans and advances to customers	2 112 911	22 742 966	—	24 855 877
Own originated loans and advances to customers securitised	—	307 532	—	307 532
Other loans and advances	—	100 659	—	100 659
Other securitised assets	110 370	12 522	—	122 892
Interests in associated undertakings	—	—	722 227	722 227
Deferred taxation assets	—	—	256 581	256 581
Other assets	177 037	1 008 152	726 836	1 912 025
Property and equipment	—	—	341 343	341 343
Investment properties	—	—	799 588	799 588
Goodwill	—	—	270 991	270 991
Software	—	—	13 045	13 045
Other acquired intangible assets	—	—	66 224	66 224
Non-current assets classified as held for sale	—	—	87 248	87 248
	12 767 168	**34 576 256**	**3 284 083**	**50 627 507**
Other financial instruments at fair value through profit or loss in respect of liabilities to customers	37 178	—	—	37 178
	12 804 346	**34 576 256**	**3 284 083**	**50 664 685**
Liabilities				
Deposits by banks	313	3 319 414	—	3 319 727
Derivative financial instruments	1 793 033	—	—	1 793 033
Other trading liabilities	577 821	—	—	577 821
Repurchase agreements and cash collateral on securities lent	437 204	1 254 846	—	1 692 050
Customer accounts (deposits)	1 596 301	30 955 396	—	32 551 697
Debt securities in issue	241 175	1 574 082	—	1 815 257
Liabilities arising on securitisation of own originated loans and advances	—	73 042	—	73 042
Liabilities arising on securitisation of other assets	109 107	—	—	109 107
Current taxation liabilities	—	—	95 940	95 940
Deferred taxation liabilities	—	—	50 727	50 727
Other liabilities	97 581	1 153 822	774 528	2 025 931
	4 852 535	**38 330 602**	**921 195**	**44 104 332**
Liabilities to customers under investment contracts	34 494	—	—	34 494
Insurance liabilities, including unit-linked liabilities	2 684	—	—	2 684
	4 889 713	**38 330 602**	**921 195**	**44 141 510**
Subordinated liabilities	355 364	1 092 584	—	1 447 948
	5 245 077	**39 423 186**	**921 195**	**45 589 458**

Financial instruments at fair value

The table below analyses recurring fair value measurements for financial assets and financial liabilities. These fair value measurements are categorised into different levels in the fair value hierarchy based on the inputs to the valuation technique used.

The different levels are identified as follows:

Level 1 – quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 – inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

		Fair value category		
At 30 September 2020 **£'000**	**Total instruments at fair value**	Level 1	Level 2	Level 3
Assets				
Non-sovereign and non-bank cash placements	11 159	—	11 159	—
Reverse repurchase agreements and cash collateral on securities borrowed	991 402	7	991 395	—
Sovereign debt securities	4 573 107	4 573 107	—	—
Bank debt securities	402 812	241 995	160 817	—
Other debt securities	578 762	140 226	304 201	134 335
Derivative financial instruments	1 885 922	3 037	1 852 971	29 914
Securities arising from trading activities	929 143	904 633	19 203	5 307
Investment portfolio	994 543	95 624	8 961	889 958
Loans and advances to customers	2 112 911	—	1 076 157	1 036 754
Other securitised assets	110 370	—	3 017	107 353
Other assets	177 037	177 037	—	—
Other financial instruments at fair value through profit or loss in respect of liabilities to customers	37 178	37 178	—	—
	12 804 346	**6 172 844**	**4 427 881**	**2 203 621**
Liabilities				
Deposits by banks	313	—	—	313
Derivative financial instruments	1 793 033	1 482	1 760 034	31 517
Other trading liabilities	577 821	324 851	252 970	—
Repurchase agreements and cash collateral on securities lent	437 204	3	437 201	—
Customer accounts (deposits)	1 596 301	11	1 596 290	—
Debt securities in issue	241 175	—	241 175	—
Liabilities arising on securitisation of other assets	109 107	—	—	109 107
Other liabilities	97 581	—	56 257	41 324
Liabilities to customers under investment contracts	34 494	—	34 494	—
Insurance liabilities, including unit-linked liabilities	2 684	—	2 684	—
Subordinated liabilities	355 364	355 364	—	—
	5 245 077	**681 711**	**4 381 105**	**182 261**
Net financial assets at fair value	**7 559 269**	**5 491 133**	**46 776**	**2 021 360**

Transfers between level 1 and level 2

There were no transfers between level 1 and level 2 in the current and prior year.

Measurement of financial assets and liabilities at level 2

The table below sets out information about the valuation techniques used at the end of the reporting period in measuring financial instruments categorised as level 2 in the fair value hierarchy:

	Valuation basis/techniques	Main inputs
Assets		
Non-sovereign and non-bank cash placements	Discounted cash flow model	Yield curves
Reverse repurchase agreements and cash collateral on securities borrowed	Discounted cash flow model, Hermite interpolation, Black-Scholes	Yield curves, discount rates, volatilities
Bank debt securities	Discounted cash flow model	Yield curves
Other debt securities	Discounted cash flow model	Yield curves, NCD curves and swap curves, discount rates, external prices, broker quotes
Derivative financial instruments	Discounted cash flow model, Hermite interpolation, industry standard derivative pricing models including Black-Scholes	Yield curves, risk free rate, volatilities, forex forward points and spot rates, interest rate swap curves and credit curves, discount rates
Securities arising from trading activities	Standard industry derivative pricing model Discounted cash flow model	Interest rate curves, implied bond spreads, equity volatilities, yield curves
Investment portfolio	Discounted cash flow model, relative valuation model Comparable quoted inputs	Discount rate and fund unit price, net assets
Loans and advances to customers	Discounted cash flow model	Yield curves
Other securisied assets	Discounted cash flow model	Yield curves
Liabilities		
Derivative financial instruments	Discounted cash flow model, Hermite interpolation, industry standard derivative pricing models including Black-Scholes	Yield curves, discount rates, risk free rate, volatilities, forex forward points and spot rates, interest rate swap curves and credit curves
Other trading liabilities	Discounted cash flow model	Yield curves
Repurchase agreements and cash collateral on securities lent	Discounted cash flow model, Hermite interpolation	Yield curves, discount rates
Customer accounts (deposits)	Discounted cash flow model	Yield curves, discount rates
Debt securities in issue	Discounted cash flow model	Yield curves
Other liabilities	Discounted cash flow model	Yield curves
Liabilities to customers under investment contracts	Current price of underlying unitised assets	Listed prices
Insurance liabilities, including unit-linked liabilities	Current price of underlying unitised assets	Listed prices

Level 3 instruments

The following tables show a reconciliation of the opening balances to the closing balances for level 3 financial instruments. All instruments are at fair value through profit or loss.

£'000	Investment portfolio	Loans and advances to customers	Other securitised assets	Other balance sheet assets	Total
Assets					
Balance at 1 April 2020	**848 670**	**1 101 666**	**106 218**	**178 840**	**2 235 394**
Total gains or losses in the income statement	(6 431)	19 257	4 401	6 954	24 181
In the income statement	(6 431)	18 834	4 401	6 954	23 758
In the statement of comprehensive income	—	423	—	—	423
Purchases	47 125	364 392	—	265	411 782
Sales	(13 387)	(216 725)	—	(1 424)	(231 536)
Settlements	(1 363)	(231 773)	(3 266)	(10 680)	(247 082)
Transfers into level 3	—	7 802	—	141	7 943
Transfers out of level 3	—	—	—	(156)	(156)
Foreign exchange adjustments	15 344	(7 865)	—	(4 384)	3 095
Balance at 30 September 2020	**889 958**	**1 036 754**	**107 353**	**169 556**	**2 203 621**

For the six months to 30 September 2020, following a review of the valuation methodology of a number of financial instruments, the following reclassifications were made during the period: loans and advances to customers of £7.8 million from level 2 to level 3; other assets of £0.1 million from level 2 to level 3; and derivative assets of £0.1 million and derivative liabilities of £0.1 million from level 3 to level 2.

£'000	Liabilities arising on securitisation of other assets	Other balance sheet liabilities	Total
Liabilities			
Balance at 1 April 2020	**110 679**	**27 602**	**138 281**
Total gains or losses in the income statement	3 191	6 867	10 058
In the income statement	3 191	6 867	10 058
In the statement of comprehensive income	—	—	—
Purchases	—	39 893	39 893
Settlements	(4 763)	(937)	(5 700)
Transfers into level 3	—	—	—
Transfers out of level 3	—	(153)	(153)
Foreign exchange adjustments	—	(118)	(118)
Balance as at 30 September 2020	**109 107**	**73 154**	**182 261**

The group transfers between levels within the fair value hierarchy when the significance of the unobservable inputs change or if the valuation methods change.

The following table quantifies the gains or (losses) included in the income statement recognised on level 3 financial instruments:

For the six months to 30 September 2020 £'000	Total	Realised	Unrealised
Total gains or (losses) included in the income statement for the year			
Net interest income/(expense)	31 652	20 435	11 217
Fee and commission (expense)	—	—	—
Investment income	(13 390)	14 006	(27 396)
Trading income arising from customer flow	(4 562)	—	(4 562)
	13 700	**34 441**	**(20 741)**
Total gains or (losses) included in other comprehensive income for the year			
Gains on realisation on debt instruments at FVOCI recycled through the income statement	(1 031)	(1 031)	—
Fair value movements on debt instruments at FVOCI taken directly to other comprehensive income	423	—	423
	(608)	**(1 031)**	**423**

Sensitivity of fair values to reasonably possible alternative assumptions by level 3 instrument type

The fair value of financial instruments in level 3 are measured using valuation techniques that incorporate assumptions that are not evidenced by prices from observable market data. The below valuations have been considered taking the global pandemic of COVID-19 into consideration. The following table shows the sensitivity of these fair values to reasonably possible alternative assumptions, determined at a transactional level:

				Potential impact on the income statement	
At 30 September 2020	**Balance sheet value** £'000	Significant unobservable input changed	Range which unobservable input has been changed	**Favourable changes** £'000	**Unfavourable changes** £'000
Assets					
Other debt securities	134 335	Potential impact on income statement		4 971	(11 884)
		Credit spreads	0.29%-0.89%	15	(97)
		Cash flow adjustments	CPR 5.3%	984	(984)
		Discount rate	0.0605	1	(7)
		Underlying asset value^^	^^	437	(194)
		Other^	^	3 534	(10 602)
Derivative financial instruments	29 914	Potential impact on income statement		5 053	(5 929)
		Volatilities	3.6% - 21.6%	236	(708)
		Underlying asset value^^	^^	4 661	(4 753)
		Other^	^	156	(468)
Securities arising from trading activities	5 307	Potential impact on income statement			
		Cash flow adjustments	CPR 9.8%	891	(1 514)
Investment portfolio	889 958	Potential impact on income statement		108 106	(176 998)
		Price earnings multiple	4.2x -11.92x	6 045	(12 564)
		Underlying asset value^^	^^	8 053	(9 814)
		EBITDA	**	25 874	(22 648)
		Discount rate	(0.6%)/1.4%	985	(1 044)
		Cash flows	**	1 920	(1 426)
		Property values	(10%)/10%	32 812	(32 812)
		Precious and industrial metal prices	(6%)/6%	762	(1 270)
		Underlying asset value	#	2 013	(5 145)
		Other^	^	29 642	(90 275)
Loans and advances to customers	1 036 754	Potential impact on income statement		32 496	(61 423)
		Credit spreads	0.04% -5.3%	10 288	(16 908)
		Price earnings multiple	3.5x-7x	3 955	(502)
		Discount rate	0.05	75	(220)
		Underlying asset value^^	^^	1 211	(2 945)
		Property values	(5%)/5%	232	(232)
		Cash flows	*	1 954	(3 229)
		Underlying asset value	#	249	(249)
		Other^	^	14 532	(37 138)
		Potential impact on other comprehensive income			
		Credit spreads	0.082% -37.86%	9 387	(18 622)
Other securitised assets	107 353	Potential impact on income statement			
		Cash flow adjustments	CPR 5.3%	53	(78)
Total level 3 assets	**2 203 621**			**160 957**	**(276 448)**

At 30 September 2020	Balance sheet value £'000	Significant unobservable input changed	Range which unobservable input has been changed	Potential impact on the income statement: Favourable changes £'000	Potential impact on the income statement: Unfavourable changes £'000
Liabilities					
Deposits by banks	313	Potential impact on income statement			
		Underlying asset value^^	^^	(31)	94
Derivative financial instruments	31 517	Potential impact on income statement		(4 837)	5 278
		Volatilities	3.6% -21.6%	(221)	662
		Underlying asset value^^	^^	(4 616)	4 616
Liabilities arising on securitisation of other assets	109 107	Potential impact on income statement			
		Cash flow adjustments	CPR 5.3%	(435)	380
Other liabilities	41 324	Potential impact on income statement			
		Property values	(10%)/10%	(4 681)	4 681
Total level 3 liabilities	**182 261**			**(9 984)**	**10 433**
Net level 3 assets	**2 021 360**				

* The sensitivity of the fair value of liabilities arising on securitisation of other assets has been considered together with other securitised assets.
^ Other – The valuation sensitivity has been assessed by adjusting various inputs such as expected cash flows, discount rates, earnings multiples rather than a single input. It is deemed appropriate to reflect the outcome on a portfolio basis for the purposes of this analysis as the sensitivity of the assets cannot be determined through the adjustment of a single input.
^^ Underlying asset values are calculated by reference to a tangible asset, for example property, aircraft or shares.
** The EBITDA and cash flows have been stressed on an investment-by-investment basis in order to obtain favourable and unfavourable valuations.
\# Net asset asset values are calculated by reference to the fair value of the assets and liabilities within the entity.

In determining the value of level 3 financial instruments, the following are the principal input that can require judgement:

Credit spreads
Credit spreads reflect the additional yield that a market participant would demand for taking exposure to the credit risk of an instrument. The credit spread for an instrument forms part of the yield used in a discounted cash flow calculation. In general a significant increase in a credit spread in isolation will result in a movement in fair value that is unfavourable for the holder of a financial instrument.

Discount rates
Discount rates (including WACC) are used to adjust for the time value of money when using a discounted cash flow valuation method. Where relevant, the discount rate also accounts for illiquidity, market conditions and uncertainty of future cash flows.

Volatilities
Volatility is a key input in the valuation of derivative products containing optionality. Volatility is a measure of the variability or uncertainty in returns for a given derivative underlying. It represents an estimate of how much a particular underlying instrument, parameter or index will change in value over time.

Cash flows
Cash flows relate to the future cash flows which can be expected from the instrument and requires judgement.

EBITDA
The company's earnings before interest, taxes, depreciation and amortisation. This is the main input into a price earnings multiple valuation method.

Price-earnings multiple
The price earnings ratio is an equity valuation multiple. It is a key driver in the valuation of unlisted investments.

Property values and precious and industrial metals
The property value and precious and industrial metals is a key driver of future cash flows on these investments.

Underlying asset value
In instances where cash flows have links to referenced assets, the underlying asset value is used to determine the fair value. The underlying asset valuation is derived using observable market prices sourced from broker quotes, specialist valuers or other reliable pricing sources

The following table sets out the fair value of financial instruments held at amortised cost when the carrying value is not a reasonable approximation of fair value.

At 30 September 2020 £'000	Carrying amount	Fair value
Assets		
Cash and balances at central banks	2 477 636	2 477 632
Loans and advances to banks	3 079 807	3 078 702
Non-sovereign and non-bank cash placements	352 191	352 188
Reverse repurchase agreements and cash collateral on securities borrowed	3 133 189	3 133 275
Sovereign debt securities	325 829	331 453
Bank debt securities	187 361	194 421
Other debt securities	848 412	842 159
Loans and advances to customers	22 742 966	22 750 272
Own originated loans and advances to customers securitised	307 532	307 530
Other loans and advances	100 659	98 422
Other assets	1 008 152	1 007 996
Liabilities		
Deposits by banks	3 319 414	3 336 577
Repurchase agreements and cash collateral on securities lent	1 254 846	1 259 412
Customer accounts (deposits)	30 955 396	31 012 834
Debt securities in issue	1 574 082	1 600 818
Liabilities arising on securitisation of own originated loans and advances	73 042	73 042
Other liabilities	1 153 821	1 152 726
Subordinated liabilities	1 092 585	1 172 099

Events after the reporting date

The significant judgements and estimates applied to prepare the interim financial statements as at 30 September 2020 reflected the impact of COVID-19 and the resulting impact on the economy as at the balance sheet date. These judgements, specifically those relating to the impairment of loans and advances and valuation of fair value instruments, were determined by considering a range of economic scenarios including the adverse impact of COVID-19 and by applying the guidance issued by various international regulators and standard setting bodies.

The action of various governments and central banks, in particular in the United Kingdom and South Africa, provides an indication of the potential severity of the downturn and that the recovery environment could be significantly different from past crises with a duration which is also difficult to predict. Subsequent to the balance sheet date, it was announced that various vaccine trials proved to be more than 90% effective and resultingly had a very positive impact on global markets. It still remains very difficult to predict when a full scale role out of the vaccine will take place. In South Africa various government and social programmes were launched, aimed at reducing the impact of COVID-19 and to stimulate the economy and in the UK previously launched schemes have been extended in an attempt to mitigate the economic impact of COVID-19.

The group believes that the significant judgements and estimates made at the balance sheet date took account of the impact of COVID-19 and the results of subsequent event procedures performed by management up to 18 November 2020 did not identify additional information that requires these judgements and estimates to be updated. Management is satisfied that there were no such items of sufficient significance to warrant additional disclosure. However, should the COVID-19 crisis cause disruption to global economic activity for a longer period than forecasted, this could put additional upward pressure on the group ECLs and downward pressure on other valuations.

Investec Bank plc owns the appointed asset manager of Investec Australia Property Fund (IAPF). On 18 November 2020, the IAPF shareholders voted to purchase the asset management company for an amount of AUD$40m subject to certain conditions.

The group is further not aware of any other events after the reporting date as defined by IAS 10 Events after the Reporting Period, that would require the financial statements to be adjusted or which would require additional disclosures.

Investec plc
Incorporated in England and Wales
Registration number: 3633621
LSE ordinary share code: INVP
JSE share code: INP
ISIN: GB00B17BBQ50
LEI: 2138007Z3U5GWDN3MY22

Ordinary share dividend announcement

In terms of the DLC structure, Investec plc shareholders registered on the United Kingdom share register may receive all or part of their dividend entitlements through dividends declared and paid by Investec plc on their ordinary shares and/or through dividends declared and paid on the SA DAN share issued by Investec Limited.

Investec plc shareholders registered on the South African branch register may receive all or part of their dividend entitlements through dividends declared and paid by Investec plc on their ordinary shares and/or through dividends declared and paid on the SA DAS share issued by Investec Limited.

Declaration of dividend number 36

Notice is hereby given that an interim dividend number 36, being a gross dividend of 5.5 pence (2019: 11 pence) per ordinary share has been declared by the Board from income reserves in respect of the six months ended 30 September 2020 payable to shareholders recorded in the shareholders' register of the company at the close of business on Friday, 11 December 2020.

- For Investec plc shareholders, registered on the United Kingdom share register, through a dividend payment by Investec plc from income reserves of 5.5 pence per ordinary share
- For Investec plc shareholders, registered on the South African branch register, through a dividend payment by Investec Limited, on the SA DAS share, payable from income reserves, equivalent to 5.5 pence per ordinary share.

The relevant dates relating to the payment of dividend number 36 are as follows:

Last day to trade cum-dividend	
On the Johannesburg Stock Exchange (JSE)	Tuesday, 08 December 2020
On the London Stock Exchange	Wednesday, 09 December 2020
Shares commence trading ex-dividend	
On the Johannesburg Stock Exchange	Wednesday, 09 December 2020
On the London Stock Exchange	Thursday, 10 December 2020
Record date (on the JSE and LSE)	Friday, 11 December 2020
Payment date (on the JSE and LSE)	Monday, 04 January 2021

Share certificates on the South African branch register may not be dematerialised or rematerialised between Wednesday, 09 December 2020 and Friday, 11 December 2020, both dates inclusive, nor may transfers between the United Kingdom share register and the South African branch register take place between Wednesday, 09 December 2020 and Friday, 11 December 2020, both dates inclusive.

Additional information for South African resident shareholders of Investec plc

- Shareholders registered on the South African branch register are advised that the distribution of 5.5 pence, equivalent to a gross dividend of 112 cents per share, has been arrived at using the Rand/Pound Sterling average buy/sell forward rate, as determined at 11h00 (SA time) on Wednesday, 18 November 2020
- Investec plc United Kingdom tax reference number: 2683967322360
- The issued ordinary share capital of Investec plc is 696 082 618 ordinary shares
- The dividend paid by Investec plc to South African resident shareholders registered on the South African branch register and the dividend paid by Investec Limited to Investec plc shareholders on the SA DAS share are subject to South African Dividend Tax (Dividend Tax) of 20% (subject to any available exemptions as legislated)
- Shareholders registered on the South African branch register who are exempt from paying the Dividend Tax will receive a net dividend of 112 cents per share paid by Investec Limited on the SA DAS share
- Shareholders registered on the South African branch register who are not exempt from paying the Dividend Tax will receive a net dividend of 89.6 cents per share (gross dividend of 112 cents per share less Dividend Tax of 22.4 cents per share) paid by Investec Limited on the SA DAS share.

By order of the board

D Miller
Company Secretary
18 November 2020

Investec Limited
Incorporated in the Republic of South Africa
Registration number: 1925/002833/06
JSE ordinary share code: INL
NSX ordinary share code: IVD
BSE ordinary share code: INVESTEC
ISIN: ZAE000081949
LEI: 213800CU7SM6O4UWOZ70

Ordinary share dividend announcement

Declaration of dividend number 129

Notice is hereby given that interim dividend number 129, being a gross dividend of 112 cents (2019: 211 cents) per ordinary share has been declared by the Board from income reserves in respect of the six months ended 30 September 2020 payable to shareholders recorded in the shareholders' register of the company at the close of business on Friday, 11 December 2020.

The relevant dates relating to the payment of dividend number 129 are as follows:

Last day to trade cum-dividend	Tuesday, 08 December 2020
Shares commence trading ex-dividend	Wednesday, 09 December 2020
Record date	Friday, 11 December 2020
Payment date	Monday, 04 January 2021

The interim gross dividend of 112 cents per ordinary share has been determined by converting the Investec plc distribution of 5.5 pence per ordinary share into Rands using the Rand/Pounds Sterling average buy/sell forward rate at 11h00 (SA time) on Wednesday, 18 November 2020.

Share certificates may not be dematerialised or rematerialised between Wednesday, 09 December 2020 and Friday, 11 December 2020, both dates inclusive.

Additional information to take note of:

- Investec Limited South African tax reference number: 9800/181/71/2
- The issued ordinary share capital of Investec Limited is 318 904 709 ordinary shares
- The dividend paid by Investec Limited is subject to South African Dividend Tax (Dividend Tax) of 20% (subject to any available exemptions as legislated)
- Shareholders who are exempt from paying the Dividend Tax will receive a net dividend of 112 cents per ordinary share
- Shareholders who are not exempt from paying the Dividend Tax will receive a net dividend of 89.6 cents per ordinary share (gross dividend of 112 cents per ordinary share less Dividend Tax of 22.4 cents per ordinary share).

By order of the board

N van Wyk
Company Secretary
18 November 2020

Investec plc
Incorporated in England and Wales
Registration number: 3633621
Share code: INPP
ISIN: GB00B19RX541
LEI: 2138007Z3U5GWDN3MY22

Preference share dividend announcement

Non-redeemable non-cumulative non-participating preference shares ("preference shares")

Declaration of dividend number 29

Notice is hereby given that preference dividend number 29 has been declared by the board from income reserves for the period 01 April 2020 to 30 September 2020 amounting to a gross preference dividend of 5.51508 pence per preference share payable to holders of the non-redeemable non-cumulative non-participating preference shares as recorded in the books of the company at the close of business on Friday, 11 December 2020.

For shares trading on the Johannesburg Stock Exchange (JSE), the dividend of 5.51508 pence per preference share is equivalent to a gross dividend of 112.42435 cents per share, which has been determined using the Rand/Pound Sterling average buy/sell forward rate as at 11h00 (SA time) on Wednesday, 18 November 2020.

The relevant dates for the payment of dividend number 29 are as follows:

Last day to trade cum-dividend	
On the Johannesburg Stock Exchange (JSE)	Tuesday, 08 December 2020
On the International Stock Exchange (TISE)	Wednesday, 09 December2020
Shares commence trading ex-dividend	
On the Johannesburg Stock Exchange (JSE)	Wednesday, 09 December 2020
On the International Stock Exchange (TISE)	Thursday, 10 December 2020
Record date (on the JSE and TISE)	Friday,11 December 2020
Payment date (on the JSE and TISE)	Wednesday, 23 December 2020

Share certificates may not be dematerialised or rematerialised between Wednesday,09 December 2020 and Friday, 11 December 2020, both dates inclusive, nor may transfers between the United Kingdom share register and the South African branch register take place between Wednesday, 09 December 2020 and Friday, 11 December 2020, both dates inclusive.

Additional information for South African resident shareholders of Investec plc

- Investec plc United Kingdom tax reference number: 2683967322360
- The issued preference share capital of Investec plc is 2 754 587 preference shares
- The dividend paid by Investec plc to shareholders recorded on the South African branch register is subject to South African Dividend Tax (Dividend Tax) of 20% (subject to any available exemptions as legislated)
- The net dividend amounts to 89.93948 cents per preference share for preference shareholders liable to pay the Dividend Tax and 112.42435 cents per preference share for preference shareholders exempt from paying the Dividend Tax.

By order of the board

D Miller
Company Secretary
18 November 2020

Investec plc
Incorporated in England and Wales
Registration number: 3633621
JSE share code: INPPR
ISIN: GB00B4B0Q974
LEI: 2138007Z3U5GWDN3MY22

Rand-denominated preference share dividend announcement

Rand-denominated non-redeemable non-cumulative non-participating perpetual preference shares ("preference shares")

Declaration of dividend number 19

Notice is hereby given that preference dividend number 19 has been declared by the board from income reserves for the period 01 April 2020 to 30 September 2020 amounting to a gross preference dividend of 350.65412 cents per preference share payable to holders of the Rand-denominated non-redeemable non-cumulative non-participating perpetual preference shares as recorded in the books of the company at the close of business on Friday,11 December 2020.

The relevant dates relating to the payment of dividend number 18 are as follows:

Last day to trade cum-dividend	Tuesday, 08 December 2020
Shares commence trading ex-dividend	Wednesday, 09 December 2020
Record date	Friday, 11 December 2020
Payment date	Wednesday, 23 December 2020

Share certificates may not be dematerialised or rematerialised between Wednesday, 09 December 2020 and Friday, 11 December 2020, both dates inclusive.

Additional information for South African resident shareholders of Investec plc

- Investec plc United Kingdom tax reference number: 2683967322360
- The issued Rand-denominated preference share capital of Investec plc is 131 447 preference shares
- The dividend paid by Investec plc to shareholders recorded on the South African branch register is subject to South African Dividend Tax (Dividend Tax) of 20% (subject to any available exemptions as legislated)
- The net dividend amounts to 280.52330 cents per preference share for preference shareholders liable to pay the Dividend Tax and 350.65412 cents per preference share for preference shareholders exempt from paying the Dividend Tax.

By order of the board

D Miller
Company Secretary
18 November 2020

Investec Limited
Incorporated in the Republic of South Africa
Registration number: 1925/002833/06
JSE share code: INPR
NSX ordinary share code: IVD
BSE ordinary share code: INVESTEC ISIN: ZAE000063814
LEI: 213800CU7SM6O4UWOZ70

Preference share dividend announcement

Non-redeemable non-cumulative non-participating preference shares ("preference shares")

Declaration of dividend number 32

Notice is hereby given that preference dividend number 32 has been declared by the board from income reserves for the period 01 April 2020 to 30 September 2020 amounting to a gross preference dividend of 287.42940 cents per preference share payable to holders of the non-redeemable non-cumulative non-participating preference shares as recorded in the books of the company at the close of business on Friday, 11 December 2020.

The relevant dates for the payment of dividend number 32 are as follows:

Last day to trade cum-dividend	Tuesday, 08 December 2020
Shares commence trading ex-dividend	Wednesday, 09 December 2020
Record date	Friday, 11 December 2020
Payment date	Monday, 14 December 2020

Share certificates may not be dematerialised or rematerialised between Wednesday, 09 December 2020 and Friday, 11 December 2020, both dates inclusive.

Additional information to take note of

- Investec Limited South African tax reference number: 9800/181/71/2
- The issued preference share capital of Investec Limited as at 13 November 2020 is 31 001 466 preference shares
- The dividend paid by Investec Limited is subject to South African Dividend Tax (Dividend Tax) of 20% (subject to any available exemptions as legislated)
- The net dividend amounts to 229.94352 cents per preference share for shareholders liable to pay the Dividend Tax and 287.42940 cents per preference share for preference shareholders exempt from paying the Dividend Tax.

By order of the board

N van Wyk
Company Secretary
18 November 2020

Investec plc
Incorporated in England and Wales
(Registration number 3633621)
JSE ordinary share code: INP
LSE ordinary share code: INVP
ISIN: GB00B17BBQ50

Registered office:
30 Gresham Street, London
EC2V 7QP, United Kingdom

Transfer secretaries:
Computershare Investor Services (Pty) Ltd
Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196

Company Secretary:
D Miller•

Investec Limited
Incorporated in the Republic of South Africa
(Registration number 1925/002833/06)
JSE ordinary share code: INL
NSX ordinary share code: IVD
BSE ordinary share code: INVESTEC
ISIN: ZAE000081949

Registered office:
100 Grayston Drive
Sandown, Sandton, 2196

Transfer secretaries:
Computershare Investor Services (Pty) Ltd
Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196

Company Secretary:
N van Wyk

Directors:
PKO Crosthwaite• (Chairman)
F Titi (Chief Executive Officer)
NA Samujh (Finance Director)
RJ Wainwright* (Executive)
JKC Whelan^ (Executive)
HC Baldock•
ZBM Bassa
D Friedland
PA Hourquebie•
CR Jacobs^
S Koseff*
Rt. Hon. Lord Malloch-Brown KCMG•
PG Sibiya
KL Shuenyane
•British ΔDutch ^Irish

*Appointed 17 September 2020
IR KantorΔ resigned 06 August 2020

Sponsor:
Investec Bank Limited