Investec

OUT OF THE ORDINARY

Investec plc and Investec Limited

Reviewed combined consolidated financial results for the six months ended 30 September 2022

Group results summary for the six months ended 30 September 2022 (1H2023) compared to 30 September 2021 (1H2022)

- The Group continues to successfully navigate the uncertain macro backdrop that has persisted since the onset of the pandemic and has made significant progress against the strategic goals outlined at the 2019 Capital Markets Day
- Adjusted earnings per share increased 25.1% to 32.9p (1H2022: 26.3p), at the top end of previous guidance.
- Funds under management (FUM) decreased 7.6% to £59.0 billion (31 March 2022: £63.8 billion) reflecting the year-to-date decline in global markets. Net inflows were £202 million, with £464 million in discretionary FUM inflows partly offset by £261 million net outflows in non-discretionary FUM
- Net core loans grew 7.1% annualised to £31.0 billion (31 March 2022: £29.9 billion) largely driven by corporate lending in both core geographies and UK residential mortgage lending
- Revenue grew 18.9% as momentum continued in our client franchises in a highly volatile and uncertain operating environment and benefitted from rising global interest rates
- The cost to income ratio improved to 60.5% (1H2022: 64.0%)
- Pre-provision adjusted operating profit increased 29.5% to £435.2 million (1H2022: £336.0 million), demonstrating the strength and diversity of our client franchises
- Asset quality remains strong and well covered by collateral. Expected credit losses (ECL) impairment charges increased to £30.2 million (1H2022: £10.2 million), resulting in a credit loss ratio (CLR) of 15bps (1H2022: 7bps)
- Return on equity (ROE) was 13.0% (1H2022: 11.2%) and return on tangible equity (ROTE) was 13.9% (1H2022: 12.1%)
- Tangible net asset value (TNAV) per share has remained flat at 475.3p (31 March 2022: 476.6p). Net asset value (NAV) per share was 507.9p (31 March 2022: 510.0p). Strong earnings generation offset by the distribution of a 15% shareholding in Ninety One to shareholders
- The Group continued to make progress on its capital optimisation strategy. In conjunction with the initial share purchase programme previously announced, the Board has approved a proposed share purchase and a share buyback programme of up to R7 billion (c.£350 million) to be executed over the next 18 months
- Maintained strong capital and liquidity positions allowing us to navigate the current uncertain environment and support identified growth initiatives
- The Board has proposed an interim dividend of 13.5p per share (1H2022:11.0p), resulting in a payout ratio of 41.0%.

Fani Titi, Group Chief Executive commented:

“The Group’s earnings growth momentum continued, underpinned by strong revenues from our diversified client franchises and a focused approach to support our clients. We achieved adjusted earnings per share of 32.9p, a 25.1% improvement on the prior period, and at the top end of the previous guidance. Rising global interest rates, client acquisition and strong asset quality supported these results.

We have made good progress on our capital optimisation strategy as we seek to return excess capital from the South African balance sheet to shareholders. Today, we announce our intention to purchase and buy back up to R7 billion of our shares.

I am also pleased that the Board has proposed an interim dividend of 13.5p per share, a 22.7% increase on the prior period.

We have strong liquidity and capital levels and are well positioned to support all our stakeholders, including our clients, our people, and communities around us. We are proud of the progress we are making to entrench sustainability across every aspect of our business."

Key financial data

This announcement covers the results of Investec plc and Investec Limited (together "the Investec Group" or "Investec" or "the Group") for the six month period ended 30 September 2022 (1H2023). Unless stated otherwise, comparatives relate to the Group's operations for the six month period ended 30 September 2021 (1H2022). The average Rand/Pound Sterling exchange rate appreciated by c.1% relative to 1H2022.

Basic earnings per share were positively impacted by a gain of £155.1 million on implementation of the distribution of a 15% shareholding in Ninety One to shareholders on 30 May 2022.

Performance	**1H2023**	1H2022	Variance	% change	Neutral currency % change
Total operating income before expected credit losses (£'m)	1 131.3	951.1	180.1	18.9 %	18.6%
Operating costs (£'m)	(667.4)	(598.5)	(68.9)	11.5 %	11.2%
Adjusted operating profit (£'m)	405.0	325.7	79.3	24.3 %	23.9%
Adjusted earnings attributable to shareholders (£'m)	298.2	242.3	55.9	23.1 %	22.7%
Adjusted basic earnings per share (pence)	32.9	26.3	6.6	25.1 %	24.7%
Basic earnings per share (pence)	50.6	25.0	25.6	102.4%	101.6%
Headline earnings per share (pence)	32.0	24.7	7.3	29.6%	29.1%
Dividend per share (pence)	13.5	11.0	2.5	22.7%	
Dividend payout ratio	41.0%	41.8%			
CLR (credit loss ratio)	0.15%	0.07%			
Cost to income ratio	60.5%	64.0%			
ROE (return on equity)	13.0%	11.2%			
ROTE (return on tangible equity)	13.9%	12.1%			

Balance sheet	**1H2023**	FY2022	Variance	% change	Neutral currency % change
Funds under management (£'bn)	59.0	63.8	(4.8)	(7.6%)	(6.4%)
Customer accounts (deposits) (£'bn)	40.5	40.1	0.4	1.1%	3.4%
Net core loans and advances (£'bn)	31.0	29.9	1.1	3.5%	5.8%
Cash and near cash (£'bn)	15.9	17.2	(1.3)	(7.3%)	(3.4%)
NAV per share (pence)	507.9	510.0	(2.1)	(0.4%)	(0.4%)
TNAV per share (pence)	475.3	476.6	(1.2)	(0.3%)	(0.3%)

Salient features by geography	**1H2023**	1H2022	Variance	% change	% change in Rands
Investec Limited (Southern Africa)					
Adjusted operating profit (£'m)	230.6	190.4	40.2	21.1%	20.4%
Cost to income ratio	52.0%	53.4%			
ROE	14.8%	11.8%			
ROTE	14.9%	11.9%			
CET1	14.1%	13.9%			
Leverage	7.1%	7.6%			
Investec plc (UK & Other)					
Adjusted operating profit (£'m)	174.4	135.4	39.0	28.8%	n/a
Cost to income ratio	67.3%	72.8%			
ROE	11.1%	10.7%			
ROTE	12.6%	12.4%			
CET1	11.1%	11.1%			
Leverage	8.1%	7.8%			

Capital optimisation

Progress on AIRB:

Investec Limited is at the final stage of the approval process to migrate the remaining portfolios to Advanced Internal Ratings Based (AIRB) approach for capital measurement. On successful conversion to AIRB, the Group anticipate a 200bps uplift to the CET1 ratio reported at 30 September 2022. Investec plc is in the early stages of a process to migrate from the Standardised approach to the Internal Ratings Based (IRB) approach.

IEP Group restructure:

Post period end, the following restructure was approved by the shareholders of IEP and the Bud Group:

- The IEP Group and Bud Group shareholders have approved a restructure to facilitate an exit by certain IEP shareholders, including Investec, by way of a share buyback. The restructure entails the transfer of certain assets to a Newco, to facilitate the orderly disposal of those assets
- Newco has entered into binding transaction agreements to dispose of certain chemical assets that constitute a significant portion of IEP's carrying value in Investec's financial statements
- Both the restructure and the chemical assets disposal are subject to regulatory approvals and other conditions precedent typical for a transaction of this nature. Whilst the chemical assets disposal is anticipated to be concluded during 2023, the balance of the asset disposal process is anticipated to conclude over the next 24 months, subject to market conditions.

Share purchase and buy-back:

On 3 October 2022, the Group announced a c.£60 million (or R1.2 billion) share purchase programme pursuant to which Investec Limited would purchase Investec plc ordinary shares (the "PLC Share Purchase Programme").

In conjunction with the PLC Share Purchase Programme, the Board has now approved a proposed share purchase and a share buy-back programme of up to a total of R7 billion (c.£350 million), pursuant to which Investec Limited would purchase Investec plc ordinary shares and would buy back its own shares (the "Investec Purchase and Buyback Programme"). Investec anticipates that this programme will be executed over the next 18 months subject to market conditions. A further announcement about the commencement of the Investec Purchase and Buyback Programme is expected to be made in due course.

The Investec Purchase and Buyback Programme is in line with previously communicated strategic priorities that the Group intends to optimise its capital base given the capital surplus position in South Africa. To date, under the PLC Share Purchase Programme, Investec Limited has purchased approximately 6.9 million shares of Investec plc; these shares will be treated as treasury shares by the Group.

Shares acquired by Investec Limited under the Investec Purchase and Buyback Programme will be additional to the 10 million Investec Limited shares that were repurchased and cancelled by Investec Limited in the last twelve months.

Outlook

The Group continues to successfully navigate the uncertain macro backdrop that has persisted since the onset of the pandemic and has made significant progress against the strategic goals outlined at the 2019 Capital Markets Day. We have strong capital and robust liquidity levels, are firmly committed to our medium-term targets and well positioned to pursue identified growth initiatives in our chosen markets.

FY2023 guidance:

Based on financial performance for 1H2023, current business momentum and the increased uncertainty captured in the updated macro-economic forecast for the second half of the financial year, the Group currently expects:

- Revenue to be underpinned by rising interest rates, book growth, and client activity
- The cost to income ratio to remain within the Group target of <63%, notwithstanding inflationary pressures and continued investment for identified growth initiatives
- Normalisation of expected credit loss impairment charges and consequent credit loss ratio increase towards the Group's through-the-cycle (TTC) range of 25-35bps
- South Africa to continue to operate with a surplus capital position given excess capital generation and the anticipated CET1 uplift on full implementation of AIRB
- To continue the return of excess capital to shareholders
- ROE to remain within the 12-16% Group target range.

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Presentation/conference call details
Investec management will host its interim results presentation live from Johannesburg on Thursday 17 November at 11h00 (SA)/9h00 (UK) time.

Please register for the presentation at: www.investec.com/investorrelations

A live video webcast of the presentation will be available on www.investec.com

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 8,500+ employees.

Investec has a dual listed company structure with primary listings on the London and Johannesburg Stock Exchanges.

Johannesburg and London
Sponsor: Investec Bank Limited

Group financial performance

Overview

Pre-provision adjusted operating profit increased, supported by continued client acquisition resulting in higher average advances, rising interest rates and increased client activity. Fee income in our Wealth & Investment businesses was negatively impacted by the effects of the market sell off on average FUM.

Fixed operating expenditure reflects the inflationary pressures and continued investment in technology and people, while variable remuneration increased given strong business performance.

Impairments were driven by updated forward looking macro-economic scenarios since FY2022 for the UK Bank partly offset by net model releases and recoveries in South Africa.

Pre-provision adjusted operating profit increased 29.5% to £435.2 million (1H2022: £336.0 million).
Revenue increased 18.9% to £1 131.3 million (1H2022: £951.1 million)

Net interest income increased 31.5% to £604.8 million (1H2022: £459.8 million) driven by higher average interest earning assets and rising interest rates.

Non-interest revenue (NIR) increased 7.1% to £526.5 million (1H2022: £491.4 million).

- Net fee and commission income increased 1.8% to £398.3 million (1H2022: £391.2 million) due to improved corporate client activity in South Africa, and in certain client franchises in the UK. This was partly offset by lower fee income from Wealth & Investment and UK equity capital markets activity due to market volatility and uncertainty during the period
- Investment income increased to £28.6 million (1H2022: £3.5 million), reflecting dividends received and realised gains on disposal of investments. This includes dividends received from Ninety One following the reclassification of this investment post the 15% distribution in May 2022. Ninety One results were previously equity accounted and reported in the post-taxation profit of associates and joint ventures line on the income statement
- Share of post-taxation profit of associates and joint venture holdings decreased to £27.5 million (1H2022: £41.5 million). The impact of lower associate earnings following the distribution of Ninety One in May 2022 was partly offset by higher earnings from IEP given improvement in the operational performance of the underlying investee companies within IEP
- Trading income arising from customer flow increased to £69.4 million from £65.1 million in the prior period, due to strong growth in client trading in both geographies, offset by lower mark-to-market (MTM) gains on IPF balance sheet hedging activities
- Net trading gains arising from balance sheet management and other trading activities were £9.4 million compared to a loss of £18.5 million in the prior period. The gains arise from MTM movements in the value of currency and interest rate hedges on the balance sheet
- Other operating loss of £6.7 million (1H2022: £8.5 million income) includes fair value movements of Ninety One shares held in the Group's staff share scheme to settle Ninety One share awards resulting from the initial demerger in 2020 and the distribution completed in May 2022. These shares are included in the Group's balance sheet in other assets. The corresponding liability is reflected in other liabilities with changes in the value of the liability expensed through staff expenses in operating costs.

Expected credit loss (ECL) impairment charges increased by £20.0 million to £30.2 million (1H2022: £10.2 million) resulting in a credit loss ratio of 15bps (1H2022: 7bps)

Asset quality remains strong, with exposures to a carefully defined target market well covered by collateral. The ECL charges increase was primarily driven by the deterioration in the UK forward-looking macro-economic outlook since March 2022 and Stage 3 ECL charge which remains below historical experience. This was partly offset by net model and management overlay releases and recoveries in SA. Given the uncertain economic outlook, the Group has maintained a level of post-model management overlays to account for risks assessed as inadequately reflected in the models.

Operating costs increased 11.5% to £667.4 million (1H2022: £598.5 million)

Fixed operating expenditure increased by 9.8% due to inflationary pressures, investment in technology and people and post-pandemic normalisation in discretionary expenditure. The cost to income ratio improved to 60.5% from 64.0% in the prior period

Since September 2019, fixed costs increased 3.9%, while revenue grew by 17.9% reflecting the heightened focus on cost discipline whilst continuing to generate strong revenue growth.

Taxation

The taxation charge on adjusted operating profit was £86.6 million (1H2022: £63.7 million), resulting in an effective tax rate of 21.3% (1H2022: 21.2%). In the UK, the effective tax rate is 22.8% (1H2022: 10.8%).

The lower effective tax rate in 1H2022 was due to higher deferred tax assets on the back of higher enacted tax rates. In SA, the effective tax rate normalised to 20.3% (1H2022: 27.3%), the higher rate in the prior period was driven by the impairment of certain deferred tax assets.

Profit or loss attributable to non-controlling interests

The profit attributable to non-controlling interests is £28.7 million compared to £16.7 million in the prior period and is attributable to the non-controlling interests in the Investec Property Fund (IPF).

Funding and liquidity

Customer deposits grew 2.1% annualised to £40.5 billion (31 March 2022: £40.1 billion) at 30 September 2022. Cash and near cash of £15.9 billion (£8.5 billion in Investec plc and R149.2 billion in Investec Limited) at 30 September 2022 represents approximately 39.2% of customer deposits. Loans and advances to customers as a percentage of customer deposits was 75.8%. 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 2022 with the three-month average of its LCR at 157.7% and an NSFR of 115.6%. Investec plc reported a LCR of 366% and a NSFR of 136% at 30 September 2022.

Capital adequacy and leverage ratios

Capital and leverage ratios remain sound, ahead of Board-approved minimum targets and regulatory requirements. The CET1 and leverage ratio were 14.1% and 7.1% for Investec Limited (increased AIRB scope) and 11.1% and 8.1% for Investec plc (Standardised approach) respectively.

Investec Limited made progress through the completion of the six months parallel run as part of the application to adopt AIRB for the measurement of capital on certain portfolios currently on the Foundation Internal Ratings Based (FIRB) approach. On full adoption of AIRB, the pro-forma CET1 ratio would increase by 200bps.

Segmental performance

Wealth & Investment

Adjusted operating profit from the Wealth & Investment businesses decreased 4.0% to £55.4 million (1H2022: £57.7 million) impacted by the decline in market levels in the period under review.

Wealth & Investment	Southern Africa					UK & Other				Total	
	1H2023	1H2022^	Variance			**1H2023**	1H2022^	Variance		**1H2023**	1H2022
	£'m	£'m	£'m	%	% in Rands	**£'m**	£'m	£'m	%	**£'m**	£'m
Operating income	56.0	53.7	2.3	4.4%	3.7%	169.9	169.6	0.3	0.2%	225.9	223.3
Operating costs	(40.8)	(39.7)	(1.1)	3.0%	2.3%	(129.7)	(125.9)	(3.8)	3.0%	(170.5)	(165.5)
Adjusted operating profit	**15.2**	**14.0**	**1.2**	**8.3%**	**7.6%**	**40.3**	**43.7**	**(3.4)**	**(7.9%)**	**55.4**	**57.7**

Totals and variance determined in £'000 which may result in rounding differences

^ Restated. Following a strategic review, our Swiss operations have been earmarked to play a key role in the Group's strategic expansion of its international wealth services. To ensure strategic alignment, the operational results of the Switzerland wealth business are now reported as part of the Southern Africa Wealth & Investment division (previously reported as part of UK & Other Wealth & Investment). The comparative period has been restated to reflect this change. There has been no change in the legal or ownership structures.

Southern Africa Wealth & Investment (in Rands)

Adjusted operating profit for SA Wealth & Investment increased by 8.3% to £15.2 million and in Rands increased by 7.6% to R300.7 million.

Total FUM decreased by 3.7% since March 2022 to £19.7 billion (31 March 2022: £20.5 billion) with discretionary and annuity net inflows of R2.1 billion offset by net outflows in non-discretionary FUM and foreign currency translation losses at period end due to Rand/Pound Sterling movements.

Revenue grew by 4.4% underpinned by inflows into the offshore investment range in the prior and current periods in discretionary portfolios and rising interest rates. Non-discretionary brokerage decreased markedly in the current period due to lower trading volumes given the heightened market volatility.

Operating costs increased 3.0%, driven by higher technology spend, inflationary pressures and post-pandemic normalisation of business expenses. Operating margins improved to 27.1% from 26.1% in 1H2022.

UK & Other Wealth & Investment

Adjusted operating profit for UK & Other Wealth & Investment decreased 7.9% to £40.3 million (1H2022: £43.7 million), reflecting the volatile and uncertain operating environment.

FUM decreased by 9.4% to £38.8 billion impacted by the declining market levels since 31 March 2022 (FY2022: £42.9 billion). Net inflows for 1H2023 were £443 million translating to a net organic growth in FUM of 2.1% (annualised). The elevated market volatility resulted in subdued client activity and delays in investment decisions, negatively impacting both inflows and commission-based fee income.

Revenue was flat, positively impacted by net organic flows in the current period and prior year and base rate increases which were offset by lower fee income due to lower average FUM given market sell off. Commission based income was also negatively impacted by the market conditions.

Operating costs were up 3.0% due to investment in technology, post-pandemic normalisation in discretionary expenditure and inflationary pressures. Operating margin was 23.6% (1H2022: 26.0%).

Specialist Banking

Adjusted operating profit from Specialist Banking increased 28.6% to £331.6 million (1H2022: £257.9 million). Pre-provision adjusted operating profit increased 35.3% to £360.9 million (1H2022: £266.8 million).

Specialist Banking	Southern Africa					UK & Other				Total	
	1H2023	1H2022	Variance			**1H2023**	1H2022	Variance		**1H2023**	1H2022
	£'m	£'m	£'m	%	% in Rands	**£'m**	£'m	£'m	%	**£'m**	£'m
Operating income (before ECL)	407.0	352.7	54.3	15.4%	14.6%	435.7	328.7	107.0	32.5%	842.7	681.4
ECL impairment charges	(1.4)	(4.0)	2.6	(63.9%)	(71.6%)	27.9	(4.9)	(23.0)	>100%	(29.3)	(8.9)
Operating costs	(202.6)	(175.6)	(27.1)	15.4%	14.6%	(279.2)	(239.4)	(39.8)	16.6%	(481.8)	(414.9)
(Profit) /loss attributable to NCI	—	0.3	(0.3)	(100.0%)	(100.0%)	—	—	—	—%	—	0.3
Adjusted operating profit	**202.9**	**173.4**	**29.6**	**17.0%**	**16.4%**	**128.6**	**84.5**	**44.1**	**52.3%**	**331.6**	**257.9**

Totals and variance determined in £'000 which may result in rounding differences.

Southern Africa Specialist Banking (in Rands)
Adjusted operating profit increased 16.4% to R4 026 million (1H2022: R3 461 million).

Revenue increased 14.6%, positively impacted by higher average interest earning assets, rising interest rates, increased client activity and continued client acquisition in line with our growth strategy. This was also supported by positive investment income.

Net interest income increased 14.3% driven by higher average interest earning assets and rising interest rates.

Non-interest revenue increased 15.1% driven by:

- Higher fee income from increased utilisation of trade finance facilities and higher investment banking fees
- Investment income largely benefitted from non-repeat of prior period negative FV adjustments
- Trading income from customer flow grew as heightened volatility and rising interest rates drove increased client activity levels

– partially offset by

- Balance sheet management and other trading income reflects MTM losses on certain interest rate and currency swaps. These are timing differences arising where hedge accounting could not be applied to an economic hedge in terms of IFRS accounting
- Other operating income was negatively impacted by MTM losses since year end on Ninety One Limited shares held as assets in Group's balance sheet to fulfil employee share scheme obligations.

Expected credit loss impairment charges decreased 71.6%. ECL on core loans was a net recovery, resulting in a 1bps recovery in the current period versus a credit loss ratio of 4bps in the prior period. ECL net recovery was primarily driven by net model releases, reversal of impairments and recoveries on previously impaired loans. During the period, management overlays of R30 million relating to the residential mortgage book were released. The remaining management overlay at 30 September 2022 of R189 million (31 March 2022: R219 million) accounts for emerging risks assessed as inadequately reflected in the forward-looking model for commercial real estate lending clients.

The cost to income ratio was 49.8% (1H2022: 49.7%). Operating costs increased 14.6% driven by higher personnel expenses due to salary increases, increased headcount, variable remuneration and the post-pandemic normalisation of discretionary expenditure. Fixed costs increased 13.9%. This follows periods of well contained cost growth, resulting in a 5.4% compounded annual growth rate since September 2019.

Net core loans grew by 10.3% annualised to R313.7 billion (31 March 2022: R298.4 billion). Corporate lending portfolios grew by 16.6% year to date, driven by an increase in corporate credit demand. Advances to private clients reported subdued growth of 1.5% year to date as modest growth in other portfolios within Private Banking was largely offset by muted growth in commercial real estate lending as clients remained risk off.

UK & Other Specialist Banking
Adjusted operating profit increased by 52.3% to £128.6 million (1H2022: £84.5 million). Continued client acquisition supported the annualised loan book growth of 12.8% since 31 March 2022. Operating income growth was underpinned by higher average book, higher fees, rising interest rates and sustained client activity.

Net interest income increased 40.8% driven by higher average interest earning assets, with average lending books up 15.3% relative to 1H2022, and the positive effect of rising global interest rates.

Non-interest revenue increased 13.8% due to:

- Higher fees from increased activity levels in the private equity and power and infrastructure client franchises
- Investment income driven by dividend income and realised gains on disposal of investments.
- Increase in trading income from customer flows supported by higher hedging demand from clients given market volatility
- Trading income from balance sheet management and other trading activities growth was supported by the non-repeat of costs associated with the early redemption of a senior bond in the prior period

– offset by

- Lower fees and trading income from equity capital markets activities given the volatile and uncertain environment.

ECL impairment charges totalled £27.9 million, resulting in a credit loss ratio of 32bps (1H2022: 9bps). The increase in ECL charges was driven by the deterioration in forward-looking macro-economic assumptions, updated scenario weightings in our ECL models and Stage 3 ECL charges albeit still below historical experience. This follows limited impairment charges in the prior period given the significant government support available to UK households and companies during the pandemic. The management overlay of £16.8 million has been retained to account for the uncertainty that remains in the macro-economic environment, in particular, the ongoing UK political environment and associated market volatility.

The cost to income ratio improved to 64.1% (1H2022: 72.8%). Operating costs increased by 16.6% period-on-period primarily driven by an increase in variable remuneration in line with business performance, inflationary pressures and investment in people and technology. Fixed operating costs increased by 7.0%. The fixed operating costs trajectory since September 2019 reflects the impact of various strategic actions; with 1H2023 costs 1.7% ahead of September 2019 costs while revenue is 25.5% higher over the same period.

Net core loans grew by 12.8% annualised to £15.3 billion (31 March 2022: £14.4 billion) driven by residential mortgages (up 7.9%) and strong demand for corporate credit across multiple portfolios. A portion of the loan growth was the translation effects from the weakening of the Pound Sterling against the US Dollar and Euro during the period.

Group Investments
Group Investments includes the circa 10% holding in Ninety One, 47.4% stake in the IEP Group, 24.31% held in the Investec Property Fund (IPF) and other equity investments.

Group Investments	Southern Africa					UK & Other				Total	
	1H2023	1H2022	Variance			**1H2023**	1H2022	Variance		**1H2023**	1H2022
	£'m	£'m	£'m	%	% in Rands	**£'m**	£'m	£'m	%	**£'m**	£'m
Operating income (net of ECL charges)	49.7	28.6	21.1	73.7%	72.2%	12.1	16.5	(4.4)	(26.9%)	61.8	46.5
Operating costs	(0.8)	(0.9)	0.1	(6.0%)	(7.2%)	—	—	—	—	(0.8)	(0.9)
(Profit) attributable to NCI	(28.7)	(17.0)	(11.7)	(68.6%)	(66.8%)	—	—	—	—	(28.7)	(17.0)
Adjusted operating profit	**20.1**	**10.7**	**9.4**	**88.8%**	**87.8%**	**12.1**	**16.5**	**(4.4)**	**(26.9%)**	**32.2**	**27.2**

Totals and variance determined in £'000 which may result in rounding differences..

Adjusted operating profit from Group Investments increased by 18.6% to £32.2 million (1H2022: £27.2 million) driven by:

- Continued improvement in the operational performance of the underlying investee companies within IEP
- No repeat of prior period write downs on some of the group's equity investments.
- Net positive contribution from IPF

- offset by

- Lower share of associate earnings from Ninety One following the 15% distribution in May 2022 and consequent derecognition as an investment in associate.

Further information

Additional information on each of the business units is provided in the Group interim results analyst book published on the Group's website: http://www.investec.com.

On behalf of the boards of Investec plc and Investec Limited

Philip Hourquebie
Chair
16 November 2022

Fani Titi
Group Chief Executive

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 half-year results reflect the results and financial position of the combined DLC Group under UK adopted International Financial Reporting Standards (IFRS) which comply with IFRS as issued by the International Accounting Standards Board (IASB), 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.

Following a review of the liquidity, capital position, profitability, the business model and operational risks facing the business, the directors have a reasonable expectation that the Investec Group will be a going concern for a period of at least 12 months. The results for the six months ended 30 September 2022 has accordingly been prepared on the going concern basis.

Unless the context indicates otherwise, all comparatives included in the commentary above relate to the six months ended 30 September 2021.

Amounts represented on a neutral currency basis for income statement items assume that the relevant average exchange rates for the six months ended 30 September 2022 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 2022 remain the same as those at 31 March 2022.

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..

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 condition of these 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 ended 30 September 2022		Six months ended 30 September 2021		Year ended 31 March 2022	
Currency per GBP1.00	**Closing**	**Average**	**Closing**	**Average**	**Closing**	**Average**
South African Rand	20.05	19.80	20.29	19.94	19.24	20.28
Euro	1.14	1.17	1.16	1.16	1.18	1.18
US Dollar	1.11	1.22	1.35	1.39	1.31	1.37

Profit Forecast

The following matters highlighted in this announcement contain forward-looking statements:

- Revenue to be underpinned by rising interest rates, book growth, and client activity
- The cost to income ratio to remain within the Group target of <63%, notwithstanding inflationary pressures and continued investment for identified growth initiatives
- Normalisation of expected credit loss impairment charges and consequent credit loss ratio increase towards the Group's through-the-cycle (TTC) range of 25-35bps.
- South Africa to continue to operate with a surplus capital position given excess capital generation and the anticipated CET1 uplift on full implementation of AIRB
- To continue the return of excess capital to shareholders
- ROE to remain within the 12-16% Group target range.

The basis of preparation of this statement and the assumptions upon which it was based are set out below. This statement is subject to various risks and uncertainties and other factors – 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 in this Profit Forecast.

Any forward-looking statements made are based on the knowledge of the Group at 16 November 2022.

This forward-looking statement represents a profit forecast under the Listing Rules. The Profit Forecast relates to the year ending 31 March 2023.

The financial information on which the Profit Forecast was based is the responsibility of the Directors of the Group and has not been reviewed and reported on by the Group's auditors.

Basis of preparation
The Profit Forecast has been properly compiled using the assumptions stated below, and on a basis consistent with the accounting policies adopted in the Group's 31 March 2022 audited annual financial statements, which are in accordance with IFRS.

Assumptions
The Profit Forecast has been prepared on the basis of the following assumptions during the forecast period:

Factors outside the influence or control of the Investec Board:

- There will be no material change in the political and/or economic environment that would materially affect the Investec Group
- There will be no material change in legislation or regulation impacting on the Investec Group's operations or its accounting policies
- There will be no business disruption that will have a significant impact on the Investec Group's operations, whether for the economic effects of increased geopolitical tensions or otherwise
- The Rand/Pound Sterling and US Dollar/Pound Sterling exchange rates and the tax rates remain materially unchanged from the prevailing rates detailed above
- There will be no material changes in the structure of the markets, client demand or the competitive environment
- There will be no material change to the facts and circumstances relating to legal proceedings and uncertain tax matters.

Estimates and judgements
In preparation of the Profit Forecast, the Group makes estimations and applies judgement that could affect the reported amount of assets and liabilities within the reporting period. Key areas in which judgement is applied include:

- Valuation of unlisted investments primarily in the private equity, direct investments portfolios and embedded derivatives. Key valuation inputs are based on the most relevant observable market inputs, adjusted where necessary for factors that specifically apply to the individual investments and recognising market volatility
- The determination of ECL against assets that are carried at amortised cost and ECL relating to debt instruments at fair value through other comprehensive income (FVOCI) involves the assessment of future cash flows which is judgmental in nature
- Valuation of investment properties is performed by capitalising the budget net income of the property at the market related yield applicable at the time
- The Group's income tax charge and balance sheet provision are judgmental in nature. This arises from certain transactions for which the ultimate tax treatment can only be determined by final resolution with the relevant local tax authorities. The Group recognises in its tax provision certain amounts in respect of taxation that involve a degree of estimation and uncertainty where the tax treatment cannot finally be determined until a resolution has been reached by the relevant tax authority. The carrying amount of this provision is often dependent on the timetable and progress of discussions and negotiations with the relevant tax authorities, arbitration processes and legal proceedings in the relevant tax jurisdictions in which the Group operates. Issues can take many years to resolve and assumptions on the likely outcome would therefore have to be made by the Group
- Where appropriate, the Group has utilised expert external advice as well as experience of similar situations elsewhere in making any such provisions. Determination of interest income and interest expense using the effective interest rate method involves judgement in determining the timing and extent of future cash flows.

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 the presentation and disclosure requirements of IAS 34, "Interim Financial Reporting" and IFRS as adopted by the UK which comply with IFRS' as issued by the IASB. At 30 September 2022, UK adopted IFRS are identical in all material respects to current IFRS applicable to the Group, with differences only in the effective dates of certain standards.

The accounting policies applied in the preparation of the results for the six months ended 30 September 2022 are consistent with those adopted in the financial statements for year ended 31 March 2022.

The external auditors of Investec PLC performed a review of the combined consolidated financial results for the period ended 30 September 2022 in fulfilment of DTR 4.2.9R(1) of the UK Financial Conduct Authority. The review was conducted in accordance with International Standard on Review Engagements 2410 (UK) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council and their unmodified review conclusion is available for inspection at the registered office of Investec PLC, upon request, 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 interim financial statements for the six months ended 30 September 2022 are available on the Group's website:

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 16 November 2022.
- The information in the Group's announcement for the six months ended 30 September 2022, which was approved by the Board of Directors on 16 November 2022, does not constitute statutory accounts as defined in Section 435 of the UK Companies Act 2006. The 31 March 2022 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: www.investec.com

Definitions

- 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. Non-IFRS measures such as adjusted operating profit are considered as pro forma financial information as per the JSE Listing 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.
- Adjusted earnings is calculated by adjusting basic earnings attributable to shareholders for the amortisation of acquired intangible assets, non-operating items including strategic actions, and 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.
- Headline earnings is adjusted earnings plus the after tax financial effect of strategic actions and the amortisation of acquired intangible assets. Headline earnings is an earnings measure required to be calculated and disclosed by the JSE and is calculated in accordance with the guidance provided in Circular 1/2021.
- Headline earnings per share (HEPS) is calculated as headline earnings divided by the weighted average number of ordinary shares in issue during the year.
- Basic earnings is earnings attributable to ordinary shareholders as defined by IAS33 Earnings Per Share.
- Dividend payout ratio is calculated as the dividend per share divided by adjusted earnings per share.
- Pre-provision adjusted operating profit is calculated as: Total operating income before expected credit loss impairment charges, net of operating costs and net of operating profits or losses attributable to other non-controlling interests.
- The credit loss ratio is calculated as expected credit loss (ECL) impairment charges on gross core loans as a percentage of average gross core loans 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 is defined as net loans to customers plus net own originated securitised assets.
- NCI is non-controlling interests.

Financial assistance

Shareholders are referred to Special Resolution number 30, which was approved at the annual general meeting held on 4 August 2022, 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 2022 to 30 September 2022 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 appreciated by 0.7% against the comparative six-month period ended 30 September 2021, and the closing rate has depreciated by 4.2% since 31 March 2022. The following tables provide an analysis of the impact of the Rand on our reported numbers.

	Results in Pounds Sterling					Results in Rands		
	Six months to 30 Sept 2022	Six months to 30 Sept 2021	% change	**Neutral currency^ Six months to 30 Sept 2022**	Neutral currency % change	**Six months to 30 Sept 2022**	Six months to 30 Sept 2021	% change
Adjusted operating profit before taxation (million)	£405	£326	24.3%	£404	23.9%	R8 024	R6 496	23.5%
Earnings attributable to shareholders (million)	£478	£250	91.2%	£476	90.4%	R9 470	R4 977	90.3%
Adjusted earnings attributable to shareholders (million)	£298	£242	23.1%	£297	22.7%	R5 911	R4 832	22.3%
Adjusted earnings per share	32.9p	26.3p	25.1%	32.8p	24.7%	652c	524c	24.4%
Basic earnings per share	50.6p	25.0p	102.4%	50.4p	101.6%	1003c	499c	101.0%
Headline earnings per share	32.0p	24.7p	29.6%	31.9p	29.1%	663c	494c	34.2%

	Results in Pounds Sterling					Results in Rands		
	At 30 Sept 2022	At 31 March 2022	% change	**Neutral currency^^ At 30 Sept 2022**	Neutral currency % change	**At 30 Sept 2022**	At 31 March 2022	% change
Net asset value per share	507.9p	510.0p	(0.4%)	508p	(0.4%)	10 185c	9 810c	3.8%
Tangible net asset value per share	475.3p	476.6p	(0.3%)	475.4p	(0.3%)	9 531c	9 167c	4.0%
Total equity (million)	£5 678	£5 740	(1.1%)	£5 807	1.2%	R113 858	R110 410	3.1%
Total assets (million)	£59 547	£58 914	1.1%	£60 839	3.3%	R1 194 067	R1 133 219	5.4%
Core loans (million)	£30 997	£29 934	3.5%	£31 659	5.8%	R621 511	R575 773	7.9%
Cash and near cash balances (million)	£15 904	£17 161	(7.3%)	£16 220	(5.5%)	R318 920	R330 089	(3.4%)
Customer accounts (deposits) (million)	£40 545	£40 118	1.1%	£41 466	3.4%	R813 029	R771 675	5.4%
Funds under management (million)	£58 981	£63 800	(7.6%)	£59 748	(6.4%)	R1 182 724	R1 227 209	(3.6%)

^ For income statement items we have used the average Rand: Pound Sterling exchange rate that was applied in the prior period, i.e. 19.94.

^^ For balance sheet items we have assumed that the Rand: Pound Sterling closing exchange rate has remained neutral since 31 March 2022.

Condensed combined consolidated income statement

£'000	**Six months to 30 Sept 2022**	Six months to 30 Sept 2021	Year to 31 March 2022
Interest income	1 342 691	985 473	1 951 209
Interest expense	(737 908)	(525 699)	(1 005 939)
Net interest income	**604 783**	**459 774**	**945 270**
Fee and commission income	424 451	414 181	864 639
Fee and commission expense	(26 168)	(22 966)	(46 423)
Investment income	28 618	3 491	27 974
Share of post-taxation profit of associates and joint venture holdings	27 454	41 502	79 556
Trading income/(loss) arising from			
– customer flow	69 373	65 141	128 277
– balance sheet management and other trading activities	9 408	(18 452)	(21 128)
Other operating (loss)/ income	(6 651)	8 461	12 190
Total operating income before expected credit loss impairment charges	**1 131 268**	**951 132**	**1 990 355**
Expected credit loss impairment charges	(30 201)	(10 237)	(28 828)
Operating income	**1 101 067**	**940 895**	**1 961 527**
Operating costs	(667 399)	(598 453)	(1 233 948)
Operating profit before goodwill, acquired intangibles and strategic actions	**433 668**	**342 442**	**727 579**
Impairment of goodwill	(805)	—	(1 962)
Amortisation of acquired intangibles	(7 978)	(7 773)	(15 477)
Amortisation of acquired intangibles of associates	(1 542)	(4 628)	(9 249)
Closure and rundown of the Hong Kong direct investments business	(280)	(596)	(1 203)
Operating profit	**423 063**	**329 445**	**699 688**
Net gain/(implementation costs) on distribution of associate to shareholders	154 407	—	(2 427)
Profit before taxation	**577 470**	**329 445**	**697 261**
Taxation on operating profit before goodwill, acquired intangibles and strategic actions	(86 630)	(63 720)	(143 309)
Taxation on acquired intangibles and strategic actions	15 956	620	2 422
Profit after taxation	**506 796**	**266 345**	**556 374**
Profit attributable to non-controlling interests	(28 673)	(16 712)	(40 170)
Earnings attributable to shareholders	**478 123**	**249 633**	**516 204**
Earnings attributable to ordinary shareholders	458 521	230 266	475 469
Earnings attributable to perpetual preferred securities and other Additional Tier 1 security holders	19 602	19 367	40 735

Earnings per share

	Six months to 30 Sept 2022	Six months to 30 Sept 2021	Year to 31 March 2022
Earnings per share – pence	**50.6**	25.0	52.0
Diluted earnings per share – pence	**48.9**	24.4	50.2

Combined consolidated statement of total comprehensive income

£'000	Six months to 30 Sept 2022	Six months to 30 Sept 2021	Year to 31 March 2022
Profit after taxation	506 796	266 345	556 374
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^	38 843	(5 822)	(4 311)
Fair value movements on debt instruments at FVOCI taken directly to other comprehensive income^	(70 679)	4 004	(301)
Gain on realisation of debt instruments at FVOCI recycled through the income statement^	(1 208)	(847)	(2 010)
Foreign currency adjustments on translating foreign operations	(35 211)	14 903	173 160
Items that will not be reclassified to the income statement			
Effect of rate change on deferred taxation relating to adjustment for IFRS 9	—	1 049	617
Fair value movements on equity instruments at FVOCI taken directly to other comprehensive income^	1 373	1 043	3 420
Remeasurement of net defined benefit pension liability	—	—	40
Net gain attributable to own credit risk^	85	4 928	11 095
Total comprehensive income	**439 999**	**285 603**	**738 084**
Total comprehensive income attributable to ordinary shareholders	413 897	247 456	629 300
Total comprehensive income attributable to non-controlling interests	6 500	18 780	68 049
Total comprehensive income attributable to perpetual preferred securities	19 602	19 367	40 735
Total comprehensive income	**439 999**	**285 603**	**738 084**

^ These amounts are net of taxation of £2.2million taxation credit (30 September 2021: £3.4 million taxation charge; 31 March 2022: £3.5 million taxation charge) except for the impact of rate changes on deferred tax as shown separately above.

Combined consolidated balance sheet

At £'000	30 Sept 2022	31 March 2022^	30 Sept 2021^
Assets			
Cash and balances at central banks	5 167 277	5 998 270	3 957 654
Loans and advances to banks	2 412 298	2 552 061	2 445 892
Non-sovereign and non-bank cash placements	660 133	684 983	475 875
Reverse repurchase agreements and cash collateral on securities borrowed	4 424 813	4 609 778	3 820 376
Sovereign debt securities	4 736 838	4 148 867	3 837 115
Bank debt securities	1 096 296	1 515 210	1 440 998
Other debt securities	1 263 504	1 229 287	1 246 231
Derivative financial instruments	1 811 234	1 617 240	1 206 299
Securities arising from trading activities	1 401 320	683 329	1 085 375
Investment portfolio	1 119 352	912 872	928 741
Loans and advances to customers	30 728 533	29 561 088	27 966 330
Own originated loans and advances to customers securitised	270 700	375 763	372 602
Other loans and advances	191 420	128 284	109 006
Other securitised assets	158 120	123 888	133 690
Interests in associated undertakings and joint venture holdings	347 723	734 434	695 756
Current taxation assets	59 221	33 653	38 141
Deferred taxation assets	255 300	259 370	216 290
Other assets	1 906 278	2 139 354	1 810 435
Property and equipment	296 896	335 420	344 729
Investment properties	807 313	820 555	788 540
Goodwill	257 228	258 404	259 842
Software	12 420	9 443	11 363
Other acquired intangible assets	37 527	44 152	51 700
Non-current assets classified as held for sale	38 430	79 229	75 752
	59 460 174	**58 854 934**	**53 318 732**
Other financial instruments at fair value through profit or loss in respect of liabilities to customers	87 023	59 549	56 662
	59 547 197	**58 914 483**	**53 375 394**
Liabilities			
Deposits by banks	3 402 916	3 178 668	2 294 873
Derivative financial instruments	2 988 558	2 608 042	2 051 243
Other trading liabilities	250 774	275 589	225 498
Repurchase agreements and cash collateral on securities lent	1 022 070	863 285	1 179 581
Customer accounts (deposits)	40 544 710	40 118 412	36 353 007
Debt securities in issue	1 691 297	2 043 640	1 971 123
Liabilities arising on securitisation of own originated loans and advances	176 287	238 370	155 200
Liabilities arising on securitisation of other assets	90 025	95 885	104 215
Current taxation liabilities	55 709	41 631	54 104
Deferred taxation liabilities	18 991	19 624	19 448
Other liabilities	2 349 474	2 315 841	1 959 885
	52 590 811	**51 798 987**	**46 368 177**
Liabilities to customers under investment contracts	84 202	56 475	54 018
Insurance liabilities, including unit-linked liabilities	2 841	3 074	2 644
	52 677 854	**51 858 536**	**46 424 839**
Subordinated liabilities	1 191 100	1 316 191	1 436 763
	53 868 954	**53 174 727**	**47 861 602**
Equity			
Ordinary share capital	247	247	247
Ordinary share premium	1 264 700	1 516 024	1 517 852
Treasury shares	(344 893)	(318 987)	(296 714)
Other reserves	(673 607)	(650 228)	(767 299)
Retained income	4 346 438	4 069 776	3 939 028
Ordinary shareholders' equity	**4 592 885**	**4 616 832**	**4 393 114**
Perpetual preference share capital and premium	153 539	174 869	174 579
Shareholders' equity excluding non-controlling interests	**4 746 424**	**4 791 701**	**4 567 693**
Other Additional Tier 1 securities in issue	405 093	411 683	373 705
Non-controlling interests	526 726	536 372	572 394
– Perpetual preferred securities issued by subsidiaries	—	—	73 006
– Non-controlling interests in partially held subsidiaries	526 726	536 372	499 388
Total equity	**5 678 243**	**5 739 756**	**5 513 792**
Total liabilities and equity	**59 547 197**	**58 914 483**	**53 375 394**

^ Restated as detailed below.

Condensed consolidated statement of changes in equity

£'000	**Six months to 30 Sept 2022**	Six months to 30 Sept 2021	Year to 31 March 2022
Balance at the beginning of the period	5 739 756	5 312 496	5 312 496
Total comprehensive income	439 999	285 603	738 084
Share-based payments adjustments	2 350	9 515	23 932
Dividends paid to ordinary shareholders	(134 797)	(72 361)	(178 418)
Dividends paid to perpetual preference shareholders included in non-controlling interests and Other Additional Tier 1 security holders	(19 602)	(19 367)	(40 735)
Dividends paid to non-controlling interests	(16 146)	(14 721)	(29 287)
Share buyback of ordinary share capital	(6 682)	—	(36 150)
Repurchase of perpetual preference shares	(14 771)	—	(77 835)
Issue of Other Additional Tier 1 security instruments	—	38 294	67 552
Net equity impact of non-controlling interest movements	—	—	443
Employee benefit liability recognised	(9 377)	—	—
Movement of treasury shares	(19 818)	(26 718)	(47 114)
Net equity movements of interests in associated undertakings	—	1 051	6 788
Distribution to shareholders	(282 669)	—	—
Balance at the end of the period	**5 678 243**	**5 513 792**	**5 739 756**

Condensed consolidated cash flow statement

£'000	**Six months to 30 Sept 2022**	Six months to 30 Sept 2021^	Year to 31 March 2022
Net cash (outflow)/inflow from operating activities	(710 149)	456 768	3 071 540
Net cash inflow from investing activities	10 364	35 705	35 565
Net cash outflow from financing activities	(346 039)	(204 181)	(587 923)
Effects of exchange rates on cash and cash equivalents	6 655	6 554	90 928
Net (decrease)/ increase in cash and cash equivalents	**(1 039 169)**	**294 846**	**2 610 110**
Cash and cash equivalents at the beginning of the period	9 099 740	6 489 630	6 489 630
Cash and cash equivalents at the end of the period	**8 060 571**	**6 784 476**	**9 099 740**

^ Restated as detailed below.

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 non-controlling interests.

For the six months to 30 September 2022 £'000	Private Client	Specialist Banking						
	Wealth & Investment^	Private Banking	Corporate, Investment Banking and Other	Group Investments	Group Costs	Total Group	% change	% of total
UK and Other	40 254	29 370	99 275	12 056	(6 568)	174 387	28.8%	43.1%
Southern Africa	15 184	89 679	113 260	20 148	(7 663)	230 608	21.1%	56.9%
Adjusted operating profit	**55 438**	**119 049**	**212 535**	**32 204**	**(14 231)**	**404 995**	**24.3%**	**100.0%**
Non-controlling interest*						28 673		
Adjusted operating profit before non-controlling interests						**433 668**		
% change	**(4.0%)**	**6.3%**	**45.7%**	**18.6%**	**(16.5%)**	**24.3%**		
% of total	**13.7%**	**29.4%**	**52.4%**	**8.0%**	**(3.5)%**	**100.0%**		
Total assets £'mn	**1 238**	**16 511**	**40 138**	**1 660**	**—**	**59 547**		

For the six months to 30 September 2021 £'000	Private Client	Specialist Banking					
	Wealth & Investment^	Private Banking	Corporate, Investment Banking and Other	Group Investments	Group Costs	Total Group	% of total
UK and Other	43 715	11 290	73 205	16 490	(9 339)	135 361	41.6%
Southern Africa	14 019	100 735	72 644	10 674	(7 703)	190 369	58.4%
Adjusted operating profit	**57 734**	**112 025**	**145 849**	**27 164**	**(17 042)**	**325 730**	**100.0%**
Non-controlling interest*						16 712	
Adjusted operating profit before non-controlling interests						**342 442**	
% of total	**17.7%**	**34.4%**	**44.8%**	**8.3%**	**(5.2)%**	**100.0%**	
Total assets^^ £'mn	**1 213**	**14 970**	**35 370**	**1 822**	**—**	**53 375**	

* Profit attributable to non-controlling interests predominantly relates to the Investec Property Fund Limited.

^ Following a strategic review, our Swiss operations have been earmarked to play a key role in the Group's strategic expansion of its international wealth services. To ensure strategic alignment, the operational results of the Switzerland wealth business are now reported as part of the Southern Africa Wealth & Investment division (previously reported as part of UK & Other Wealth & Investment). The comparative period has been restated to reflect this change. There has been no change in the legal or ownership structures.

^^ Restated as detailed below.

Net fee and commission income

For the six months to 30 September 2022 £'000	UK and Other	Southern Africa	Total
Wealth & Investment net fee and commission income	**161 902**	**51 900**	**213 802**
Fund management fees/fees for funds under management	143 457	33 379	176 836
Private client transactional fees*	18 446	19 747	38 193
Fee and commission expense	(1)	(1 226)	(1 227)
Specialist Banking net fee and commission income	**61 671**	**95 635**	**157 306**
Specialist Banking fee and commission income**	69 374	110 942	180 316
Specialist Banking fee and commission expense	(7 703)	(15 307)	(23 010)
Group Investments net fee and commission income	**—**	**27 175**	**27 175**
Group Investments fee and commission income**	—	29 106	29 106
Group Investments fee and commission expense	—	(1 931)	(1 931)
Net fee and commission income	**223 573**	**174 710**	**398 283**
Annuity fees (net of fees payable)	151 754	128 027	279 781
Deal fees	71 819	46 683	118 502

* Trust and fiduciary fees amounted to £0.2 million (2021: £0.2 million) and are included in Private client transactional fees.
** Included in Group Investments and Specialist Banking is fee and commission income of £38.4 million (2021: £36.8 million) for operating lease income which is out of the scope of IFRS 15 – Revenue from contracts with customers.

Net gain on distribution of associate to shareholders

On 30 May 2022, c.15% shareholding in Ninety One DLC was distributed to ordinary shareholders. The distribution resulted in the shareholding in Ninety One DLC being reduced from 25% to c.10%. The reduction in shareholding resulted in the loss of significant influence and the remaining stake in Ninety One DLC will be accounted for at fair value through other comprehensive income.

Gain on loss of significant influence of Ninety One	£'000
The gain on the distribution is calculated as follows:	
Fair value of the distribution	282 669
Remaining shares held in Ninety One	244 590
Derecognition of the previously equity accounted investment in Ninety One	(386 019)
Foreign currency translation reserve recycled to the income statement on distribution	13 906
Gain on the distribution of Ninety One shares before tax	**155 146**
Implementation costs	(739)
Gain on distribution of Ninety One shares before tax	**154 407**
Taxation benefit (release of deferred taxation)	14 405
Gain on distribution of Ninety One shares net of taxation and implementation costs	**168 812**

Balance sheet restatements

Loans and advances to banks and other liabilities
As at 30 September 2021, within the Wealth & Investment business there was a gross up on-balance sheet in loans and advances to banks and other liabilities as a result of client funds being recorded on balance sheet. The September 2021 balance sheet has been restated to correct the gross up previously reported. This change has no impact on the income statement.

Derivative financial instruments to other assets
As at 30 September 2021 and 31 March 2022, initial margin on collateral, which is not available as an offset to individual exposures, was recorded in derivative financial instruments liabilities instead of other assets. The comparative balance sheets have been restated for the reclassification. This change has no impact on the comparative income statements.

The impact of this change on the 30 September 2021 balance sheet is:

£'000	At 30 September 2021 as previously reported	Restatement	At 30 September 2021 restated
Assets			
Loans and advances to banks	2 602 105	(156 213)	2 445 892
Other assets	1 733 188	77 247	1 810 435
Total assets	53 454 360	(78 966)	53 375 394
Liabilities			
Derivative financial instruments	1 973 996	77 247	2 051 243
Other liabilities	2 116 098	(156 213)	1 959 885
Total liabilities	47 940 568	(78 966)	47 861 602

The impact of this change on the 31 March 2022 balance sheet is:

£'000	At 31 March 2022 as previously reported	Restatement	At 31 March 2022 restated
Assets			
Other assets	2 068 615	70 739	2 139 354
Total assets	58 843 744	70 739	58 914 483
Liabilities			
Derivative financial instruments	2 537 303	70 739	2 608 042
Total liabilities	53 103 988	70 739	53 174 727

The impact of this change on the 30 September 2021 cash flow statement is:

£'000	At 30 September 2021 as previously reported	Restatement	At 30 September 2021 restated
Net cash outflow from operating activities	551 100	(94 332)	456 768
Cash and cash equivalents at the beginning of the year	6 551 511	(61 881)	6 489 630
Cash and cash equivalents at the end of the year	6 940 689	(156 213)	6 784 476

There is no impact on the 31 March 2022 cash flow statement.

Historical German dividend tax arbitrage transactions

Investec Bank plc has previously been notified by the Office of the Public Prosecutor in Cologne, Germany, that it and certain of its current and former employees may be involved in possible charges relating to historical involvement in German dividend tax arbitrage transactions (known as cum-ex transactions). Investigations are ongoing and no formal proceedings have been issued against Investec Bank plc by the Office of the Public Prosecutor. In addition, Investec Bank plc received certain enquiries in respect of client tax reclaims for the periods 2010-2011 relating to the historical German dividend arbitrage transactions from the German Federal Tax Office (FTO) in Bonn. Since issuing our 31 March 2022 Annual Report, the FTO has provided more information in relation to their claims and Investec Bank plc has sought further information and clarification.

Investec Bank plc is co-operating with the German authorities and continues to conduct its own internal investigation into the matters in question. A provision is held to reflect the potential financial outflows that could arise as a result of this matter. There are factual issues to be resolved which may have legal consequences, including financial penalties.

In relation to potential civil claims; whilst Investec Bank plc is not a claimant nor a defendant to any civil claims in respect of cum-ex transactions, Investec Bank plc has received third party notices in relation to two civil proceedings in Germany and may elect to join the proceedings as a third party participant. Investec Bank plc has itself served third party notices on various participants to these historic transactions in order to preserve statute of limitation on any potential future claims that Investec Bank plc may seek to bring against those parties, should Investec Bank plc incur any liability in the future. Investec Bank plc has also entered into standstill agreements with some third parties in order to suspend the limitation period in respect of the potential civil claims. While Investec Bank plc is not a claimant nor a defendant to any civil claims at this stage, it cannot rule out the possibility of civil claims by or against Investec Bank plc in future in relation to the relevant transactions.

The Group has not provided further disclosure with respect to these historical dividend arbitrage transactions because it has concluded that such disclosure may be expected to seriously prejudice its outcome.

Analysis of assets and liabilities by measurement category

At 30 September 2022 £'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	—	5 167 277	—	5 167 277
Loans and advances to banks	—	2 412 298	—	2 412 298
Non-sovereign and non-bank cash placements	19 460	640 673	—	660 133
Reverse repurchase agreements and cash collateral on securities borrowed	1 160 419	3 264 394	—	4 424 813
Sovereign debt securities	3 695 069	1 041 769	—	4 736 838
Bank debt securities	595 987	500 309	—	1 096 296
Other debt securities	446 968	816 536	—	1 263 504
Derivative financial instruments	1 811 234	—	—	1 811 234
Securities arising from trading activities	1 401 320	—	—	1 401 320
Investment portfolio	1 119 352	—	—	1 119 352
Loans and advances to customers	2 173 708	28 554 825	—	30 728 533
Own originated loans and advances to customers securitised	—	270 700	—	270 700
Other loans and advances	—	191 420	—	191 420
Other securitised assets	86 320	71 800	—	158 120
Interests in associated undertakings and joint venture holdings	—	—	347 723	347 723
Current taxation assets	—	—	59 221	59 221
Deferred taxation assets	—	—	255 300	255 300
Other assets	404 345	969 743	532 190	1 906 278
Property and equipment	—	—	296 896	296 896
Investment properties	—	—	807 313	807 313
Goodwill	—	—	257 228	257 228
Software	—	—	12 420	12 420
Other acquired intangible assets	—	—	37 527	37 527
Non-current assets classified as held for sale	15 931	—	22 499	38 430
	12 930 113	**43 901 744**	**2 628 317**	**59 460 174**
Other financial instruments at fair value through profit or loss in respect of liabilities to customers	87 023	—	—	87 023
	13 017 136	**43 901 744**	**2 628 317**	**59 547 197**
Liabilities				
Deposits by banks	—	3 402 916	—	3 402 916
Derivative financial instruments	2 988 558	—	—	2 988 558
Other trading liabilities	250 774	—	—	250 774
Repurchase agreements and cash collateral on securities lent	214 326	807 744	—	1 022 070
Customer accounts (deposits)	3 734 638	36 810 072	—	40 544 710
Debt securities in issue	22 302	1 668 995	—	1 691 297
Liabilities arising on securitisation of own originated loans and advances	—	176 287	—	176 287
Liabilities arising on securitisation of other assets	90 025	—	—	90 025
Current taxation liabilities	—	—	55 709	55 709
Deferred taxation liabilities	—	—	18 991	18 991
Other liabilities	122 216	1 416 799	810 459	2 349 474
	7 422 839	**44 282 813**	**885 159**	**52 590 811**
Liabilities to customers under investment contracts	84 202	—	—	84 202
Insurance liabilities, including unit-linked liabilities	2 841	—	—	2 841
	7 509 882	**44 282 813**	**885 159**	**52 677 854**
Subordinated liabilities	—	1 191 100	—	1 191 100
	7 509 882	**45 473 913**	**885 159**	**53 868 954**

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).

At 30 September 2022 **£'000**	**Total instruments at fair value**	Fair value category Level 1	Level 2	Level 3
Assets				
Non-sovereign and non-bank cash placements	19 460	—	19 460	—
Reverse repurchase agreements and cash collateral on securities borrowed	1 160 419	—	1 160 419	—
Sovereign debt securities	3 695 069	3 695 069	—	—
Bank debt securities	595 987	353 928	242 059	—
Other debt securities	446 968	101 808	238 584	106 576
Derivative financial instruments	1 811 234	758	1 750 711	59 765
Securities arising from trading activities	1 401 320	1 393 804	3 074	4 442
Investment portfolio	1 119 352	198 872	2 597	917 883
Loans and advances to customers	2 173 708	—	898 362	1 275 346
Other securitised assets	86 320	—	—	86 320
Other assets	404 345	356 236	48 109	—
Non-current assets classified as held for sale	15 931	—	—	15 931
Other financial instruments at fair value through profit or loss in respect of liabilities to customers	87 023	87 023	—	—
	13 017 136	**6 187 498**	**4 363 375**	**2 466 263**
Liabilities				
Derivative financial instruments	2 988 558	98 432	2 827 757	62 369
Other trading liabilities	250 774	114 976	135 798	—
Repurchase agreements and cash collateral on securities lent	214 326	—	214 326	—
Customer accounts (deposits)	3 734 638	—	3 734 638	—
Debt securities in issue	22 302	—	22 302	—
Liabilities arising on securitisation of other assets	90 025	—	—	90 025
Other liabilities	122 216	—	71 202	51 014
Liabilities to customers under investment contracts	84 202	—	84 202	—
Insurance liabilities, including unit-linked liabilities	2 841	—	2 841	—
	7 509 882	**213 408**	**7 093 066**	**203 408**
Net financial assets/(liabilities) at fair value	**5 507 254**	**5 974 090**	**(2 729 691)**	**2 262 855**

Transfers between level 1 and level 2
There were no transfers between level 1 and level 2 in the current period.

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 and Local Volatility	Discount rate, risk-free rate, volatilities, forex forward points and spot rates, interest rate swap curves and credit curves
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 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 and Local Volatility	Discount rate, risk-free rate, volatilities, forex forward points and spot rates, interest rate swap curves and credit curves
Other trading liabilities	Discounted cash flow model, Hermite interpolation, industry standard derivative pricing models including Local Volatility	Discount rate, risk-free rate, volatilities, forex forward points and spot rates, interest rate swap curves and credit 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, Hermite interpolation, industry standard derivative pricing models including Local Volatility	Discount rate, risk-free rate, volatilities, forex forward points and spot rates, interest rate swap curves and credit 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 financial 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 2022	**873 708**	**1 252 232**	**93 087**	**179 641**	**2 398 668**
Total gains or (losses)	31 762	35 863	(428)	10 595	77 792
In the income statement	31 762	42 765	(428)	10 595	84 694
In the statement of comprehensive income	—	(6 902)	—	—	(6 902)
Purchases	10 921	706 508	—	84	717 513
Sales	(5 097)	(387 469)	—	(12 514)	(405 080)
Issues	468	5 131	—	—	5 599
Settlements	(8 104)	(450 371)	(6 339)	(10 387)	(475 201)
Transfers into level 3	7 053	—	—	—	7 053
Foreign exchange adjustments	7 172	113 452	—	19 295	139 919
Balance at 30 September 2022	**917 883**	**1 275 346**	**86 320**	**186 714**	**2 466 263**

For the six months to 30 September 2022, investment portfolio of £7.1 million was transferred from level 2 to level 3 due to significant inputs to the valuation model becoming unobservable in the market.

£'000	Liabilities arising on securitisation of other assets	Other balance sheet liabilities	Total
Liabilities			
Balance at 1 April 2022	**95 885**	**95 187**	**191 072**
Total losses in the income statement	47	12 080	12 127
Settlements	(5 907)	—	(5 907)
Transfers out of level 3	—	(8)	(8)
Foreign exchange adjustments	—	6 124	6 124
Balance at 30 September 2022	**90 025**	**113 383**	**203 408**

Derivative financial instrument liabilities of £8 000 were transferred from level 3 to level 2. 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 and statement of other comprehensive income recognised on level 3 financial instruments:

For the six months to 30 September 2022 £'000	Total	Realised	Unrealised
Total gains included in the income statement for the period			
Net interest income	40 650	31 639	9 011
Investment income*	31 192	5 427	25 765
Trading income arising from customer flow	535	—	535
Trading income arising from balance sheet management and other trading activities	190	—	190
	72 567	**37 066**	**35 501**
Total gains or (losses) included in other comprehensive income for the period			
Gain on realisation on debt instruments at FVOCI recycled through the income statement	433	433	—
Fair value movements on debt instruments at FVOCI taken directly to other comprehensive income	(6 902)	—	(6 902)
	(6 469)	**433**	**(6 902)**

* Included within the investment income statement balance are fair value gains of £0.2 million presented within operational items in the income statement.

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 following table shows the sensitivity of these fair values to reasonably possible alternative assumptions, determined at a transactional level:

At 30 September 2022	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	106 576	Potential impact on income statement		3 376	(6 191)
		Credit spreads	1.05%-2.1%	149	(320)
		Cash flow adjustments	CPR 9.9%	506	(432)
		Other^	^	2 721	(5 439)
Derivative financial instruments	59 765	Potential impact on income statement		4 811	(5 449)
		Volatilities	6%-18.9%	23	(45)
		Underlying asset value^^	^^	4 150	(4 151)
		Cash flow adjustment	CPR 9.9%	23	(23)
		Other^	^	615	(1 230)
Securities arising from trading activities	4 442	Potential impact on income statement			
		Cash flow adjustments	CPR 11.5%	575	(161)
Investment portfolio	917 883	Potential impact on income statement		109 529	(149 694)
		Price earnings multiple	5.5x-14.2x	9 692	(19 307)
		Underlying asset value^^	^^	8 902	(18 942)
		EBITDA	**	12 785	(14 692)
		Discount rate	13%-17%	630	(688)
		Cash flows	**	1 154	(1 154)
		Underlying asset value^^	^^	1 917	(3 342)
		Precious and industrial metal prices	(5%)-5%	1 366	(1 366)
		Property prices	#	49 929	(49 929)
		Other^	^	23 154	(40 274)
Loans and advances to customers	1 275 346	Potential impact on income statement		28 847	(46 312)
		Credit spreads	0.26%-9.83%	11 218	(22 478)
		Property value	**	11 686	(11 740)
		Price earnings multiple	3.5x-4.2x	1 917	(5 467)
		Underlying asset value^^	^^	1 813	(2 202)
		Other^	^	2 213	(4 425)
		Potential impact on other comprehensive income		14 206	(25 655)
		Credit spreads	0.43%-6.58%	13 717	(24 187)
		Other	^	489	(1 468)
Other securitised assets*	86 320	Potential impact on income statement			
		Cash flow adjustments	CPR 9.9%	666	(682)
Non-current assets classified as held for sale	15 931	Potential impact on income statement			
		Discount rate	13%-16%	1 348	—
Total level 3 assets	**2 466 263**			**163 358**	**(234 144)**
Liabilities					
Derivative financial instruments	62 369	Potential impact on income statement		(5 128)	3 177
		Volatilities	18.9 %	(3)	5
		Underlying asset value^^	^^	(5 125)	3 172
Liabilities arising on securitisation of other assets*	90 025	Potential impact on income statement			
		Cash flow adjustments	CPR 9.9%	(304)	309
Other liabilities	51 014	Potential impact on income statement			
		Property prices	#	(6 915)	6 915
Total level 3 liabilities	**203 408**			**(12 347)**	**10 401**
Net level 3 assets	**2 262 855**			**151 011**	**(223 743)**

* 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, cash flows and property values have been stressed on an investment-by-investment and loan-by-loan basis in order to obtain favourable and unfavourable valuations.

Property values are the underlying input for the valuations where the capitalisation rate when valuing these properties has been stressed by 0.25bps.

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 value 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.

Fair value of financial assets and liabilities at amortised cost

At 30 September 2022 £'000	Carrying amount	Fair value approximates carrying amount	Balances where fair values do not approximate carrying amounts	Fair value of balances that do not approximate carrying amounts
Assets				
Cash and balances at central banks	5 167 277	5 167 277	—	—
Loans and advances to banks	2 412 298	2 412 298	—	—
Non-sovereign and non-bank cash placements	640 673	640 673	—	—
Reverse repurchase agreements and cash collateral on securities borrowed	3 264 394	1 515 360	1 749 034	1 748 058
Sovereign debt securities	1 041 769	109 662	932 107	936 191
Bank debt securities	500 309	5 257	495 052	487 752
Other debt securities	816 536	229 471	587 065	573 656
Loans and advances to customers	28 554 825	14 134 058	14 420 767	14 696 300
Own originated loans and advances to customers securitised	270 700	270 700	—	—
Other loans and advances	191 420	101 808	89 612	89 299
Other securitised assets	71 800	71 800	—	—
Other assets	969 743	969 743	—	—
	43 901 744	**25 628 107**	**18 273 637**	**18 531 256**
Liabilities				
Deposits by banks	3 402 916	900 969	2 501 947	2 568 465
Repurchase agreements and cash collateral on securities lent	807 744	536 286	271 458	276 316
Customer accounts (deposits)	36 810 072	22 475 378	14 334 694	14 286 635
Debt securities in issue	1 668 995	310 216	1 358 779	1 325 890
Liabilities arising on securitisation of own originated loans and advances	176 287	176 287	—	—
Other liabilities	1 416 799	1 413 186	3 613	2 605
Subordinated liabilities	1 191 100	384 956	806 144	809 213
	45 473 913	**26 197 278**	**19 276 635**	**19 269 124**

Investec plc

Incorporated in England and Wales
Registration number: 3633621
LSE ordinary share code: INVP
JSE ordinary 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 40

Notice is hereby given that a final dividend number 40, being a gross dividend of 13.50000 pence (2021: 11.00000 pence) per ordinary share has been declared by the Board from income reserves in respect of the six months ended 30 September 2022, payable to shareholders recorded in the shareholders' register of the Company at the close of business on Friday 9 December 2022.

- For Investec plc shareholders, registered on the United Kingdom share register, through a dividend payment by Investec plc from income reserves of 13.50000 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 13.50000 pence per ordinary share.

The relevant dates relating to the payment of dividend number 40 are as follows:

Last day to trade cum-dividend	
On the Johannesburg Stock Exchange (JSE)	Tuesday 6 December 2022
On the London Stock Exchange (LSE)	Wednesday 7 December 2022
Shares commence trading ex-dividend	
On the Johannesburg Stock Exchange (JSE)	Wednesday 7 December 2022
On the London Stock Exchange (LSE)	Thursday 8 December 2022
Record date (on the JSE and LSE)	Friday 9 December 2022
Payment date (on the JSE and LSE)	Monday 9 January 2023

Share certificates on the South African branch register may not be dematerialised or rematerialised between Wednesday 7 December 2022 and Friday 9 December 2022, both dates inclusive, nor may transfers between the United Kingdom share register and the South African branch register take place between Wednesday 7 December 2022 and Friday 9 December 2022, 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 13.50000 pence, equivalent to a gross dividend of 278.00000 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 16 November 2022
- 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 278.00000 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 222.40000 cents per share (gross dividend of 278.00000 cents per share less Dividend Tax of 55.60000 cents per share) per share paid by Investec Limited on the SA DAS share.

By order of the Board

David Miller
Company Secretary
16 November 2022

Investec Limited

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

Ordinary share dividend announcement
Declaration of dividend number 133
Notice is hereby given that final dividend number 133, being a gross dividend of 278.00000 cents (2021: 230.00000 cents) per ordinary share has been declared by the Board from income reserves in respect of the six months ended 30 September 2022 payable to shareholders recorded in the shareholders' register of the Company at the close of business on Friday 9 December 2022.

The relevant dates relating to the payment of dividend number 133 are as follows:

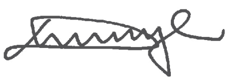
Last day to trade cum-dividend	Tuesday 6 December 2022
Shares commence trading ex-dividend	Wednesday 7 December 2022
Record date	Friday 9 December 2022
Payment date	Monday 9 January 2023

The final gross dividend of 278.00000 cents per ordinary share has been determined by converting the Investec plc distribution of 13.50000 pence per ordinary share into Rands using the Rand/Pound Sterling average buy/sell forward rate at 11h00 (SA time) on Wednesday 16 November 2022.

Share certificates may not be dematerialised or rematerialised between Wednesday 7 December 2022 and Friday 9 December 2022 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 308 907 870 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 278.00000 cents per ordinary share
- Shareholders who are not exempt from paying the Dividend Tax will receive a net dividend of 222.40000 cents per ordinary share (gross dividend of 278.00000 cents per ordinary share less Dividend Tax of 55.60000 cents per ordinary share).

By order of the Board



Niki van Wyk
Company Secretary
16 November 2022

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 33
Notice is hereby given that preference dividend number 33 has been declared by the Board from income reserves for the period 1 April 2022 to 30 September 2022 amounting to a gross preference dividend of 11.44521 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 9 December 2022.

For shares trading on the Johannesburg Stock Exchange (JSE), the dividend of 11.44521 pence per preference share is equivalent to a gross dividend of 235.26659 cents per share, which has been determined using the Rand/Pound Sterling average buy/sell forward rate as at 11h00 (SA time) on Wednesday 16 November 2022.

The relevant dates relating to the payment of dividend number 33 are as follows:

Last day to trade cum-dividend	
On the Johannesburg Stock Exchange (JSE)	Tuesday 6 December 2022
On the International Stock Exchange (TISE)	Wednesday 7 December 2022
Shares commence trading ex-dividend	
On the Johannesburg Stock Exchange (JSE)	Wednesday 7 December 2022
On the International Stock Exchange (TISE)	Thursday 8 December 2022
Record date (on the JSE and TISE)	Friday 9 December 2022
Payment date (on the JSE and TISE)	Friday 23 December 2022

Share certificates may not be dematerialised or rematerialised between Wednesday 7 December 2022 and Friday 9 December 2022, both dates inclusive, nor may transfers between the United Kingdom share register and the South African branch register take place between Wednesday 7 December 2022 and Friday 9 December 2022 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 188.21327 cents per preference share for preference shareholders liable to pay the Dividend Tax and 235.26659 cents per preference share for preference shareholders exempt from paying the Dividend Tax.

By order of the Board

David Miller
Company Secretary
16 November 2022

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 23
Notice is hereby given that preference dividend number 23 has been declared by the Board from income reserves for the period 1 April 2022 to 30 September 2022 amounting to a gross preference dividend of 402.51369 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 9 December 2022.

The relevant dates relating to the payment of dividend number 23 are as follows:

Last day to trade cum-dividend	Tuesday 6 December 2022
Shares commence trading ex-dividend	Wednesday 7 December 2022
Record date	Friday 9 December 2022
Payment date	Friday 23 December 2022

Share certificates may not be dematerialised or rematerialised between Wednesday 7 December 2022 and Friday 9 December 2022, 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 322.01095 cents per preference share for preference shareholders liable to pay the Dividend Tax and 402.51369 cents per preference share for preference shareholders exempt from paying the Dividend Tax.

By order of the Board

David Miller
Company Secretary
16 November 2022

Investec Limited

Incorporated in the Republic of South Africa
Registration number: 1925/002833/06
JSE share code: INL
JSE hybrid code: INPR
JSE debt code: INLV
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 36
Notice is hereby given that preference dividend number 36 has been declared by the Board from income reserves for the period 1 April 2022 to 30 September 2022 amounting to a gross preference dividend of 329.08429 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 9 December 2022.

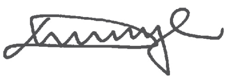
The relevant dates for the payment of dividend number 36 are as follows:

Last day to trade cum-dividend	Tuesday 6 December 2022
Shares commence trading ex-dividend	Wednesday 7 December 2022
Record date	Friday 9 December 2022
Payment date	Friday 23 December 2022

Share certificates may not be dematerialised or rematerialised between Wednesday 7 December 2022 and Friday 9 December 2022 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 is 26 142 992 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 263.26743 cents per preference share for shareholders liable to pay the Dividend Tax and 329.08429 cents per preference share for preference shareholders exempt from paying the Dividend Tax.

By order of the Board



Niki van Wyk
Company Secretary
16 November 2022

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

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

Registrars in the United Kingdom:
Computershare Investor Services PLC
The Pavilions, Bridgwater Road, Bristol
BS99 6ZZ, United Kingdom

Company Secretary:
David Miller

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

Registered office:
100 Grayston Drive
Sandown, Sandton
2196 South Africa

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

Company Secretary:
Niki van Wyk

Directors:
Philip Hourquebie[1] (Chair)
Fani Titi[2] (Chief Executive)
Nishlan Samujh[2] (Finance Director)
Richard Wainwright[2] (Executive Director)
Ciaran Whelan[3] (Executive Director)
Henrietta Baldock[1]
Zarina Bassa[2] (Senior Independent Director)
Stephen Koseff[2]
Nicky Newton-King[2]
Jasandra Nyker[2]
Vanessa Olver[2*]
Khumo Shuenyane[2]
Philisiwe Sibiya[2]
Brian Stevenson[1]

1 British
2 South African
3 Irish
* Appointed 18 May 2022

David Friedland resigned 5 August 2022

Sponsor:
Investec Bank Limited