

Investec Limited

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

Investec plc

Incorporated in England and Wales
 Registration number 3633621
 LSE share code: INVP
 JSE share code: INP
 ISIN: GB00B17BBQ50

As part of the dual listed company structure, Investec plc and Investec Limited notify both the London Stock Exchange and the JSE Limited of matters which are required to be disclosed under the Disclosure Guidance, Transparency Rules (DTR) and Listing Rules of the United Kingdom Listing Authority (the "UKLA") and/or the JSE Listing Requirements.

Accordingly, we advise of the following:

Investec Limited – Basel III disclosures at 31 December 2019**Capital disclosures**

The disclosures below are made with respect to Basel III quarterly disclosure requirements. Investec Limited holds capital in excess of regulatory requirements. Effective 1 April 2019, Investec Limited and Investec Bank Limited adopted the Foundation Internal Ratings Based (FIRB) approach for calculating regulatory capital. As such the below capital disclosures have been prepared on this basis.

As at 31 December 2019	Including unappropriated profits	
	Investec Limited*	IBL*
	R'mn	R'mn
Common equity tier 1 capital	37,098	39,230
Additional tier 1 capital	2,400	920
Tier 1 capital	39,498	40,150
Tier 2 capital	11,824	13,360
Total regulatory capital	51,322	53,510
Risk-weighted assets per risk type:		
Credit risk	261,085	258,312
Counterparty credit risk	6,328	6,351
Credit valuation adjustment risk	3,755	4,041
Equity risk	22,614	16,218
Market Risk	4,817	3,198
Operational risk	31,951	21,863
Total risk-weighted assets	330,550	309,983
Total minimum capital requirement	38,134	35,758
Capital ratios		
Common equity tier 1 ratio	11.2%	12.7%
Tier 1 ratio	11.9%	13.0%
Total capital adequacy ratio	15.5%	17.3%

Leverage ratio disclosures

As at 31 December 2019	Including unappropriated profits	
	Investec Limited*	IBL*
	R'mn	R'mn
Tier 1 capital	39,498	40,150
Total exposure	547,539	516,943
Leverage ratio	7.2%	7.8%

As at 31 December 2019	Excluding unappropriated profits	
	Investec Limited*	IBL*
	R'mn	R'mn
Common equity tier 1 capital	36,739	38,332
Additional tier 1 capital	2,409	920
Tier 1 capital	39,148	39,252
Tier 2 capital	11,941	13,359
Total regulatory capital	51,089	52,611
Risk-weighted assets per risk type:		
Credit risk	260,939	258,108
Counterparty credit risk	6,328	6,351
Credit valuation adjustment risk	3,755	4,041
Equity risk	22,614	16,218
Market Risk	4,817	3,198
Operational risk	31,951	21,863
Total risk-weighted assets	330,404	309,779
Total minimum capital requirement	38,117	35,734
Capital ratios		
Common equity tier 1 ratio	11.1%	12.4%
Tier 1 ratio	11.8%	12.7%
Total capital adequacy ratio	15.5%	17.0%

Leverage ratio disclosures

As at 31 December 2019	Excluding unappropriated profits	
	Investec Limited*	IBL*
	R'mn	R'mn
Tier 1 capital	39,148	39,252
Total exposure	547,481	516,861
Leverage ratio	7.2%	7.6%

* Where: IBL is Investec Bank Limited consolidated. The information for Investec Limited includes the information for IBL.

Liquidity disclosures

Liquidity coverage ratio (LCR)

The objective of the LCR is to promote the short-term resilience of the liquidity risk profile of banks by ensuring that they have sufficient high-quality liquid assets to survive a significant stress scenario lasting 30 calendar days.

The minimum LCR requirement in South Africa is 100%, for both Investec Bank Limited (IBL) (solo basis) and Investec Bank Limited (IBL) consolidated group.

In accordance with the provisions of section 6(6) of the South African Banks Act 1990 (Act No. 94 of 1990), banks are directed to comply with the relevant LCR disclosure requirements. This disclosure is in accordance with Pillar 3 of the Basel III liquidity accord, as specified by BCBS d400 (2017) and Directive D1/2018.

The following table sets out the LCR for IBL (solo basis) and IBL consolidated group for the quarter ending 31 December 2019:

	IBL (solo basis) – Total weighted value	IBL consolidated group – Total weighted value
High quality liquid assets (HQLA) (R'mn)	89,375	90,712
Net cash outflows (R'mn)	62,358	57,921
Actual LCR	143.6%	157.2%
Required LCR	100%	100%

The values in the table are calculated as the simple average of 92 calendar daily values over the period 1 October 2019 to 31 December 2019 for IBL (solo basis). IBL consolidated group values use daily values for IBL (solo basis), while those for other group entities use the average of October, November and December 2019 month-end values.

Net stable funding ratio (NSFR)

The objective of the NSFR is to promote the resilience in the banking sector by requiring banks to maintain a stable funding profile in relation to the composition of their assets and off-balance sheet activities on an ongoing structural basis. By ensuring that banks do not embark on excessive maturity transformation that is not sustainable, the NSFR is intended to reduce the likelihood that disruptions to a bank's funding sources would erode its liquidity position, increasing its risk of failure and potentially lead to broader systemic risk.

The minimum NSFR requirement in South Africa is 100%. This applies to both IBL (solo basis) and IBL consolidated group.

In accordance with the provisions of section 6(6) of the South African Banks Act 1990 (Act No. 94 of 1990), banks are directed to comply with the relevant NSFR disclosure requirements. This disclosure is in accordance with Pillar 3 of the Basel III liquidity accord, as specified by Directive 11/2015 and Directive 01/2018.

The following table sets out the NSFR for IBL (solo basis) and IBL consolidated group as at 31 December 2019:

	IBL (solo basis)	IBL consolidated group
Actual NSFR	113.0%	114.3%
Required NSFR	100%	100%

Further disclosures with respect to Investec Limited's and Investec Bank Limited's capital and liquidity will be provided on the Investec website in due course as required by the relevant regulations.

3 February 2020

Sponsor: Investec Bank Limited