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14 March 2013

Investec Limited

Incorporated in the Republic of South Africa

Registration number 1925/002833/06

JSE share code: INL

ISIN: ZAE000081949

Investec plc

Incorporated in England and Wales

Registration number 3633621

JSE share code: INP

ISIN: GB00B17BBQ50

Investec Limited and Investec plc
(together "Investec")

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 and Transparency Rules and the Listing Rules of the United Kingdom Listing Authority and/or the JSE Listings Requirements.

Accordingly we advise the following:

Investec Asset Management Senior Management to Acquire 15% Shareholding in Investec Asset Management**1. Introduction and summary**

- The Boards of Directors of Investec announce that they have reached an agreement with Forty Two Point Two ("NewCo") and the senior management team (the "Participants") of Investec Asset Management Limited and Investec Asset Management Holdings Pty Limited (together "Investec Asset Management") to acquire an initial 15% shareholding (the "Interest") in Investec Asset Management for GBP 180 million in cash.
- NewCo has also been granted an option (the "Option") to acquire up to a further 5% of Investec Asset Management equity over the next seven years (together with the Interest, the "Transaction").
- The Participants, led by Investec Asset Management Chief Executive Officer, Hendrik du Toit, comprise 40 senior management and employees of Investec Asset Management.
- The option for NewCo to acquire up to a further 5% of Investec Asset Management equity over the next seven years will provide an opportunity for wider participation amongst Investec Asset Management employees.
- The Transaction is conditional upon, among other things, the approval of shareholders of Investec plc and Investec Limited at General Meetings to be convened for that purpose as well as certain regulatory approvals.
- Subject to the conditions being met, completion of the Transaction is expected to take place by the end of July 2013.

2. Background to and reasons for the Transaction

As a specialist bank and asset manager, Investec has focused on developing a balanced and diversified portfolio of businesses serving the needs of select market niches where it can compete effectively. Investec's strategic objectives over the past five years have included increasing the proportion of its non-lending revenue base which the group has largely achieved through the strengthening and development of its wealth and asset management businesses. These businesses currently contribute approximately 40% of the Investec group's operating profit before tax and are important and core components of its business model.

A stable and long-standing senior management team of Investec Asset Management has been central to its success to date and senior management experience is well recognised in the industry. To enhance the long-term success and growth prospects of Investec Asset Management, Investec has reviewed potential options to optimise Investec Asset Management's incentive structures.

Investec and Investec Asset Management strongly believe that institutional clients are attracted to asset management companies that have significant operational independence and alignment of incentive structures to long-term performance.

Investec believes that the transaction will underpin Participants' long-term commitment to the ongoing success of Investec Asset Management while also ensuring that Investec Asset Management remains best placed to continue delivering significant value creation for its clients and for the benefit of the Investec group and its stakeholders.

Stephen Koseff, Chief Executive Officer of Investec commented: "The team at Investec Asset Management has built a very successful business over the past two decades. This transaction ensures that Investec Asset Management can compete even more effectively with other independent, pure-play global asset managers, whilst at the same time having key current and future management committed to the business over the long-term, thereby creating a sustainable platform in the business to the benefit of the group's stakeholders. This is a natural evolution for both Investec and Investec Asset Management."

Bernard Kantor, Managing Director of Investec, commented: "The Investec Asset Management business is core to the group and their senior management have done a great job. Investec continues to be a committed majority shareholder in the business. The Transaction is part of cementing the future of the business with Investec and aligning interests with stakeholders."

Hendrik du Toit, Chief Executive Officer of Investec Asset Management commented: "This transaction aligns our interests even more with the long-term interests of our clients and allows us to continue to build the business sustainably into the future. The firm seeks to create a profitable partnership between clients, shareholders and employees and this transaction allows us to do just that."

3. Details of the Transaction

Under the terms of the Transaction, it is proposed that NewCo will acquire the Interest in Investec Asset Management at a price of GBP 180 million. Participants will hold an indirect interest in NewCo. NewCo will have the option to acquire up to a further 5% of Investec Asset Management equity over a period of seven years from 1 April 2013. The further acquisition (or acquisitions) of Investec Asset Management shares will be based on a pre-agreed formula valuation taking into account the future performance of the business but in any event shall be subject to a minimum price equivalent to a price paid for the Interest.

Prior to closing of the Transaction, Investec Asset Management will pay Investec a special dividend which is expected to be approximately GBP 60 million.

The Participants, led by Investec Asset Management Chief Executive Hendrik du Toit, comprise 40 senior management and employees of Investec Asset Management.

Investec and NewCo have agreed the terms of, and will enter into a shareholders' agreement upon completion of the Transaction, relating to the governance of Investec Asset Management. The agreement contains customary minority protections and restrictions for an interest of this size. It is intended that Participants' beneficial interest in Investec Asset Management will be transferable to future generations of its management to provide for ongoing participation of senior management in the business.

Further details on the acquisition structure will follow in the circular to be sent to shareholders ahead of the General Meetings of Investec plc and Investec Limited.

4. Financing of the Transaction

The Transaction will be financed as follows:

- GBP 90 million through equity financing provided by the Participants; and
- GBP 90 million through debt financing.

Of the debt, GBP 50 million is being provided in the form of senior debt to NewCo from HSBC Limited, with GBP 40 million provided by the Investec group to NewCo.

Participants will finance their equity investment through a combination of cash, the acceleration of existing deferred bonus and long term share incentive awards ("LTIPs") and personal borrowings from Investec Private Bank on arm's length commercial terms.

5. Use of Proceeds

Sale proceeds from the Transaction will be retained for working capital purposes, for future investment within the Investec group or for other general corporate purposes.

6. Financial Effects of the Transaction

The unaudited pro-forma financial effects set out in the tables below have been prepared to assist Investec shareholders to assess the impact of the Transaction on the earnings per share ("EPS"), adjusted earnings per share ("Adjusted EPS") and headline earnings per share ("Headline EPS") and the net asset value ("NAV") and the tangible NAV ("TNAV") per Investec ordinary share as at 30 September 2012 and for the 6 months interim period then ended. It has been assumed for the purposes of the pro-forma financial effects that the Transaction took place with effect from 1 April 2012 for income statement purposes and at 30 September 2012 for financial position purposes. The pro-forma financial effects have been prepared for illustrative purposes only and, because of their nature, they may not fairly present Investec's restated financial position at 30 September 2012 and the restated results of its operations for the six months then ended. The impact of transaction costs have not been considered in the preparation of the pro-forma financial effects.

The "Before" column represents the reported Investec financial figures, prior to the Transaction. The "After" column represents the effects after the Transaction. The "Change %" column compares the "After" columns to the "Before" columns.

The number and weighted average number of shares in issue have been stated net of treasury shares.

Notes	"Before" Pence	"After" Pence	Change %
EPS¹ for the 6 Months Ending 30-Sep-2012	16.8	16.1	(4.0)%
Adjusted² EPS for the 6 Months Ending 30-Sep-2012	19.7	19.1	(3.3)%
Headline³ EPS for the 6 Months Ending 30-Sep-2012	15.9	15.3	(4.1)%
NAV per share as at 30-Sep-2012	385.8	401.6	4.1%
TNAV per share as at 30-Sep-2012	311.6	327.4	5.1%

Notes

- (1) Earnings after goodwill, acquired intangibles and non-operating items attributable to the ordinary shareholders.
- (2) Earnings before goodwill, acquired intangibles and non-operating items attributable to the ordinary shareholders.
- (3) Headline earnings calculated in accordance with the definition in the Institute of Investment Management Research Statement of Investment Practice No. 1 "The Definition of Headline Earnings" and is disclosed in accordance with the JSE Listings Requirements and in terms of circular 3/2009 issued by the South African Institute of Chartered Accountants. Other headline adjustments include the fair value of investment properties and realised gains/losses on available-for-sale instruments as well as impairments recognised against available-for-sale instruments.

7. Conditions

The Transaction constitutes a related party transaction and a Class 1/Category 1 transaction for the purpose of the UK Listing Rules and the JSE Listings Requirements, respectively, and also requires approval as a substantial property transaction with a director under the UK Companies Act. As a result, the Transaction requires approval of both Investec Limited and Investec plc shareholders. The Transaction is also conditional, amongst other things, upon South African, UK and other regulatory approvals including the Financial Surveillance Department of the South African Reserve Bank; and upon finalization of all relevant documentation.

8. Timing

A circular containing further details on the structure of the Transaction and convening General Meetings of Investec plc and Investec Limited to *inter alia* approve the Transaction is expected to be sent to shareholders in due course and in any event within 60 days of this announcement (or such extended period as the JSE Limited may approve). Subject to obtaining shareholder approval and the regulatory approvals, the Transaction is expected to complete by the end of July 2013.

9. Related parties

Hendrik du Toit is a related party for the purposes of the Transaction by virtue of his directorships of Investec plc and Investec Limited. David Aird, Domenico Ferrini, Adam Fletcher, Jeremy Gardiner, Richard Garland, John Green, Thabo Khojane, Kim McFarland, John McNab, André Roux, Mark Samuelson, Philip Saunders, David Stronach and Johannes van Heerden are related parties for the purposes of the Transaction by virtue of their directorships of various Investec Asset Management entities. Each of the above listed individuals are key individuals within the management team of Investec Asset Management and are interested in the Transaction through being a Participant and in certain cases through taking out personal loans with Investec Private Bank.

10. Information on Investec

Investec (comprising Investec plc and Investec Limited) is an international, specialist bank and asset manager that provides a diverse range of financial products and services to a select client base.

Founded as a leasing company in Johannesburg in 1974, Investec acquired a banking license in 1980 and was listed on the JSE Limited South Africa in 1986.

In July 2002, Investec implemented a dual listed companies (DLC) structure with linked companies listed in London and Johannesburg. A year later, Investec concluded a significant empowerment transaction in which the empowerment partners collectively acquired a 25.1% stake in the issued share capital of Investec Limited. Investec plc is a FTSE 350 company. The combined market capitalisation of Investec Limited and Investec plc is GBP 4.3 billion / R 59.3 billion.

Since inception, Investec has expanded through a combination of substantial organic growth and a series of strategic acquisitions. Today, Investec has an efficient integrated international business platform, offering all core activities in the UK and South Africa and select activities in Australia.

Investec is organised as a network comprising three business divisions: Asset Management, Wealth & Investment and Specialist Banking.

Investec's strategic goals and objectives are based on the aspiration to be recognised as a distinctive specialist bank and asset manager.

This distinction is embodied in Investec's entrepreneurial culture, which is balanced by a strong risk management discipline, client-centric approach and ability to be nimble, flexible and innovative.

11. Information on Investec Asset Management

Investec Asset Management is a specialist provider of active investment products and services. Established in South Africa in 1991, the firm has been built from a small start-up into an international business managing approximately GBP 69 billion (as at 28 February 2013). Investec Asset Management has some of the world's largest asset owners as clients, including private and public sector pension funds, sovereign wealth funds, insurers, foundations and central banks. The firm is still managed by its founding members who have played an important role in the firm's growth. Today, Investec Asset Management is a core component of the Investec group business.

The business has largely grown organically from domestic roots in South Africa to a position where it serves a growing international client base from the Americas, the UK, Continental Europe, Asia, the Middle East, Australia and Africa. Investec Asset Management employs 147 investment professionals and a total of 779 employees in its core asset management business.

As at 31 March 2012, Investec Asset Management had gross assets of GBP 467 million and net assets of GBP 231 million. In the year ended 31 March 2012, Investec Asset Management generated profit before tax of GBP 133.7 million.

12. Advisors

Goldman Sachs International is acting as lead financial adviser and UK sponsor to Investec. Investec Bank Limited is acting as SA sponsor to Investec and has also provided financial advice to Investec. Investec Bank Limited and Investec Bank plc acted as joint loan arrangers.

Fenchurch Advisory Partners is acting as lead financial adviser to Investec Asset Management.

HSBC Bank plc is also providing financial advice to Investec Asset Management Limited in connection with the transaction.

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This announcement is for information purposes only and does not constitute an offer to sell or an invitation to purchase any securities or the solicitation of an offer to buy any securities. Investec shareholders are advised to read carefully the formal documentation in relation to the Transaction once it has been despatched. Any response to the proposals should be made only on the basis of the information in the formal documentation to follow.

This announcement has been prepared for the purpose of complying with English law and South African law and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws of other jurisdictions.

The release, publication or distribution of this announcement in certain jurisdictions may be restricted by law. Persons who are not resident in the United Kingdom or South Africa or who are subject to other jurisdictions should inform themselves of, and observe, any applicable requirements.

Please note that matters highlighted above may contain forward looking statements which are subject to various risks and uncertainties and other factors, including, but not limited to:

- the further development of standards and interpretations under International Financial Reporting Standards (IFRS) applicable to past, current and future periods, evolving practices with regard to the interpretation and application of standard of standards under IFRS.
- domestic and global economic and business conditions.
- market related risks.

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 14 March 2013.

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