

ALLAN GRAY BALANCED FUND

Fact sheet at 28 Feb 2003



Sector: Domestic-Asset Allocation-Prudential
 Inception Date: 1 October 1999
 Fund Manager: Arjen Lugtenburg
 Qualification: M Com, CA(SA), CFA

The Fund's investment strategy is to earn a higher rate of return than the market value-weighted average of the domestic prudential unit trust sector excluding the Allan Gray Balanced Fund without assuming any greater monetary risk. Risk will be higher than the Stable Fund but less than the Equity Fund.

Fund Details	Commentary
<p>Price: 1815.16 cents Size: R 2 072 359 441 Minimum lump sum: R 5 000 Minimum monthly: R 500 Subsequent lump sums: R 500 No. of share holdings: 82 Compulsory charges: 0.65%* Initial Fee: NIL - 3.38% (incl. VAT) * Not applicable after 3 March 2003</p> <p>Annual Management Fee: The monthly charge rate is directly related to the rolling two-year return of the fund compared with that of its benchmark. The limits are 0.57-1.71% p.a. (incl. VAT).</p>	<p>The sell off in equity markets around the world continued in February. The JSE did not escape the carnage and on the back of a strong Rand declined 4.5% in February, bringing the year to date losses to 9.4%. With ±65% of the fund exposed to equities, the Allan Gray Balanced Fund declined 3.0% in February resulting in a year to date loss of 4.4%. Although our shares declined less than the market, absolute losses are never a pleasing result. In this respect we should re-iterate that the fund has longer-term investment horizon, and that short-term losses should be expected from time to time. From a longer-term perspective we are now even more convinced of the attractiveness of the shares in the fund and of acceptable future returns.</p>

Top 10 Holdings (including foreign)	Asset Allocation																																						
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Performance (net of fees, including income, assumes reinvestment of dividends, on a sell to sell basis)

Long-term cumulative performance (log-scale)	% Returns	Balanced Fund	Avg Prudential Fund
	Since Inception (unannualised)	109.6	34.3
	Latest 5 years (annualised)	-	-
	Latest 3 years (annualised)	19.6	5.3
	Latest 1 year	13.4	-3.7
Risk Measures			
<i>(Since incep. month end prices)</i>			
	Maximum drawdown*	-12.5	-19.2
	Annualised monthly volatility	10.9	12.3

* Maximum percentage decline over any period

Allan Gray Unit Trust Management Limited

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Unit trusts are medium- to long-term investments. The value of units may go down as well as up and past performance is not necessarily a guide to the future. Unit trust prices are calculated on a net asset value basis, which is the total value of all assets in the portfolio including any income accrual and less any permissible deductions from the portfolio. A schedule of fees and charges and maximum commissions is available from the management company/scheme. Commission and incentives may be paid and if so, would be included in the overall costs. Forward pricing is used. Different classes of units apply to this Fund and are subject to different fees and charges. Member of the AUT.