ALLAN GRAY BALANCED FUND

Fact sheet at 31 March 2004

Sector:	Domestic AA Prudential Medium Equity
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 medium equity 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

Price:	2329.47 cents
Size:	R 4 636 075 751
Minimum lump sum:	R 5 000
Minimum monthly:	R 500
Subsequent lump sums:	R 500
No. of share holdings:	76

01/01/03-31/12/03 dividend (cpu): Total 78.13

Interest 13.99, Dividend 29.27,

S24J Accrual 34.19, Property dividend 0.68

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).

Commentary

Despite the fact that the SA stockmarket has appreciated strongly over the past 12 months, we continue to favour shares relative to bonds and cash. Although interest rates are likely to be sustained at low levels over the medium-term, these low rates are fully expressed in bond prices. Shares continue to offer attractive prospective relative returns. A further vote in favour of shares is our ability to add value through share selection. In this regard a word of caution: the value that we have added through share selection over the past few years has been exceptional and difficult to repeat. Furthermore, we currently find the dispersion of valuations in the market particularly narrow. We have shifted the portfolio to higher quality and more growth-orientated companies, which currently demand particularly low premiums.

Top 10 Share Holdings at 31 March 2004*

JSE Code	Company	% of portfolio
SOL	Sasol	7.49
MTN	MTN - Group	5.52
TBS	Tigbrands	5.25
SBK	Stanbank	3.28
NPK	Nampak	3.25
AGL	Anglo	2.90
GRY	Grayprop	2.87
ASA	Absa	2.77
HAR	Harmony	2.73
NPN	Naspers - N	2.58

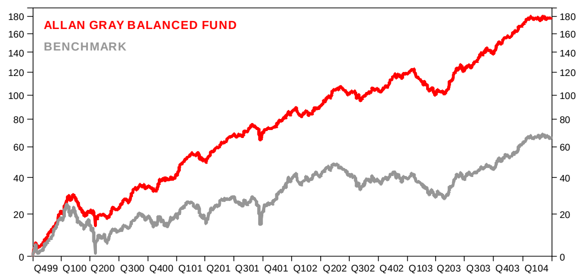
* As of 29 February 2004, the 'Top 10 Share Holdings' table will only be updated quarterly.

Asset Allocation

Sector	% of Fund
Shares	66.90
Property	4.29
Bonds	23.46
Money Market & Cash	5.35
Foreign	-
Total	100.00

Performance (net of fees, including income, assumes reinvestment of dividends, on a NAV to NAV basis)

Long-term cumulative performance (log-scale)



% Returns	Balanced Fund	Avg Prudential Fund
Since Inception (unannualised)	179.3	67.2
Latest 5 years (annualised)	-	-
Latest 3 years (annualised)	22.6	12.5
Latest 1 year	39.7	29.7
Risk Measures		
(Since incep. month end prices)		
Maximum drawdown*	-12.5	-19.2
Annualised monthly volatility	11.1	11.9

* Maximum percentage decline over any period

Allan Gray Unit Trust Management Limited

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