

ALLAN GRAY BALANCED FUND

Fact sheet at 31 December 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	Commentary
<p>Price: 2723.93 cents</p> <p>Size: R 6 881 095 626</p> <p>Minimum lump sum: R 5 000</p> <p>Minimum monthly: R 500</p> <p>Subsequent lump sums: R 500</p> <p>No. of share holdings: 62</p> <p>01/01/04-31/12/04 dividend (cpu): Total 78.11 Interest 11.61, Dividend 33.97, S24J Accrual 32.20, Foreign Interest 0.33</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 Fund returned 23.4% for 2004, bringing its returns for the 5 years ending December, to 22.4% p.a. While the 2004 returns were not as strong as those produced by some of our peer funds, they continued the funds long-term objective of producing consistent and strong absolute returns. These strong returns was on the back of a 25.4% return by the FTSE/JSE All Share Index. A feature of 2004 was a booming domestic economy, low interest rates and a strong Rand, with the result that financial and industrial shares returned 49% while resource shares, on average lost 5%. The advance in domestic shares was in line with most other domestic assets and shares remain our preferred domestic asset class. The strong price appreciation of domestic assets relative to offshore assets and resource producers have however improved the investment merits of the latter and the Fund has selectively increased its exposure to these assets.</p>

Top 10 Share Holdings at 31 December 2004*	Asset & Sector Allocation																																															
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* The 'Top 10 Share Holdings' table is updated quarterly.

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)	233.7	108.6
	Latest 5 years (annualised)	22.4	12.0
	Latest 3 years (annualised)	21.4	14.2
	Latest 1 year	23.4	28.5
Risk Measures			
<i>(Since incep. month end prices)</i>			
Maximum drawdown*	-12.5	-19.2	
Annualised monthly volatility	10.8	11.6	

* Maximum percentage decline over any period

Allan Gray Unit Trust Management Limited

JC de Lange, GW Fury, ED Loxton, WJC Mitchell (Chairman), ML Ronald*, ER Swanepoel* (*Non-Executive)
 Tel 0860 000 654, Fax 0860 000 655, info@allangray.co.za, www.allangray.co.za

Collective Investment Schemes in Securities (unit trusts) are generally medium- to long-term investments. The value of participatory interests (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. Unit trusts are traded at ruling prices and can engage in borrowing and scrip lending. A schedule of fees and charges and maximum commissions is available on request from Allan Gray Unit Trust Management Limited. Commission and incentives may be paid and if so, would be included in the overall costs. Forward pricing is used. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. All of the unit trusts may be capped at any time in order for them to be managed in accordance with their mandates. Member of the ACI.