

# ALLAN GRAY BALANCED FUND

Fact sheet at 30 June 2005



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:** 3017.92 cents  
**Size:** R 8 601 265 808  
**Minimum lump sum:** R 5 000  
**Minimum monthly:** R 500  
**Subsequent lump sums:** R 500  
**No. of share holdings:** 60

**01/07/04-30/06/05 dividend (cpu):** Total 65.29  
Interest 20.74, Dividend 32.32,  
S24J Accrual 11.85, Foreign Interest 0.38

**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

The Fund ended the first half of 2005 on a strong note, as it benefited from strong equity markets globally and a weaker domestic currency. Our largest position, Sasol, was especially strong as, over and above the generally favourable business environment created by the strong oil price and weaker Rand, investors are increasingly recognising the value inherent in its gas to liquids technology. The Funds return over the previous 12 months is a very strong 36%, ahead of those of the average prudential fund of 34.4%. Investors are again cautioned that these are abnormally strong returns, which are unlikely to be sustained over the longer term. Despite the relative price appreciation of the past 6 months, we continue to find attractive value among resource shares, where the Fund continues to be overweight, and foreign assets, where exposure is maintained at the allowable maximum.

## Top 10 Share Holdings at 30 June 2005\*

| JSE Code | Company     | % of portfolio |
|----------|-------------|----------------|
| SOL      | Sasol       | 10.07          |
| SBK      | Stanbank    | 4.45           |
| MTN      | MTN - Group | 4.45           |
| ASA      | Absa        | 4.02           |
| AMS      | Angloplat   | 3.24           |
| HAR      | Harmony     | 2.77           |
| NPN      | Naspers-N   | 2.64           |
| FSR      | Firststrand | 2.45           |
| GRY      | Grayprop    | 2.36           |
| TBS      | Tigbrands   | 2.32           |

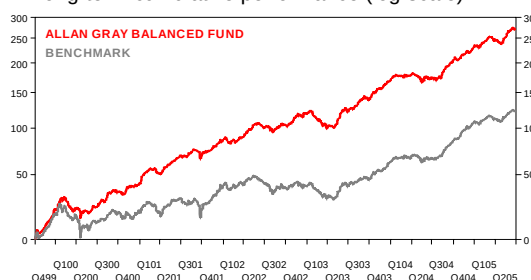
\* The 'Top 10 Share Holdings' table is updated quarterly.

## Asset & Sector Allocation

| Asset Class         | % of Fund |
|---------------------|-----------|
| Shares              | 63.58     |
| Property            | 3.57      |
| Bonds               | 12.42     |
| Money Market & Cash | 6.14      |
| Foreign             | 14.29     |
| 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) | 273.8         | 124.2               |
| Latest 5 years (annualised)    | 24.9          | 14.9                |
| Latest 3 years (annualised)    | 22.9          | 16.7                |
| Latest 1 year                  | 36.0          | 34.1                |

### Risk Measures

(Since incep. month end prices)

|                               |       |       |
|-------------------------------|-------|-------|
| Maximum drawdown*             | -12.5 | -19.2 |
| Annualised monthly volatility | 10.8  | 11.3  |

\* Maximum percentage decline over any period

## Allan Gray Unit Trust Management Limited

JC de Lange, GW Fury, ED Loxton, WJC Mitchell (Chairman), ER Swanepoel (Non-Executive)

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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.