ALLAN GRAY BALANCED FUND

Fact sheet at 31 July 2005

ALLANGRAY
LONG TERM INVESTMENT MANAGEMENT

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:	3134.73 cents
Size:	R 9 352 001 090
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 strong advance in the stockmarket continued in July, pushing the Fund's 12-month return to a very strong 42.9%, outperforming the average prudential fund’s 41%. The domestic stockmarket’s PE ratio has expanded from its low of 8.6 in April 2003 to the current ratio of ±15.5 times. Domestic shares, notably domestic industrial shares, are now approaching expensive levels of valuation, especially if the current high levels of profitability of domestic industrials are taken into account. The Fund's share exposure has decreased as we continued to reduce exposure to domestic industrials. Some selected resource counters on the other hand still offer attractive value. We also continue to favour a conservative offshore portfolio of assets and have maintained the offshore allocation at the maximum allowed by the regulators.

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	Firstrand	2.45
GRY	Grayprop	2.36
TBS	Tigbrands	2.32

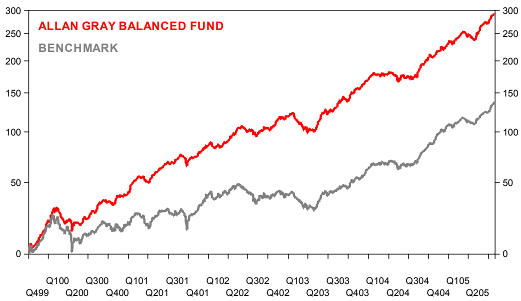
* The 'Top 10 Share Holdings' table is updated quarterly.

Asset Allocation

Asset Class	% of Fund
Shares	62.18
Property	3.39
Bonds	11.41
Money Market & Cash	8.51
Foreign	14.51
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)	292.8	137.0
Latest 5 years (annualised)	25.6	16.0
Latest 3 years (annualised)	25.3	20.5
Latest 1 year	42.9	41.0
Risk Measures		
(Since incep. month end prices)		
Maximum drawdown*	-12.5	-19.2
Annualised monthly volatility	10.8	11.4

* 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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