

ALLAN GRAY BALANCED FUND
Fact sheet at 30 September 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: 3408.38 cents
Size: R 10 407 692 668
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

For the 12 months ended 30 September, rolling 12-month returns accelerated to 39.8%, ahead of that of the average prudential fund of 35.4%. Investors are again cautioned that we believe these returns to be abnormally high and unlikely to be sustained over the longer term. These high returns were driven by strong equity markets globally and particularly in South Africa. The Fund over the last quarter benefited from its overweight positions in gold, platinum and particularly Sasol. We now increasingly struggle to find attractively valued shares for inclusion into the Fund's share portfolio. This is indicative of a domestic equity market which we increasingly find to be expensive. This is especially so if the exceptionally high levels of profitability of domestic industrial counters are taken into account. This lack of value is reflected in the Fund's declining share exposure. We have also used derivatives to further reduce exposure to the domestic share market.

Top 10 Share Holdings at 30 September 2005*

JSE Code	Company	% of portfolio
SOL	Sasol	11.42
MTN	MTN - Group	5.62
AMS	Angloplat	3.99
SBK	Stanbank	3.60
AGL	Anglo	2.97
HAR	Harmony	2.78
NPN	Naspers-N	2.68
REM	Remgro	2.55
ASA	Absa	2.22
NED	Nedcor	2.13

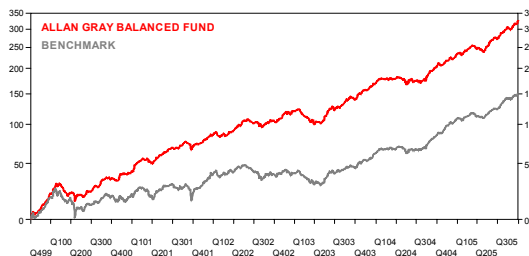
* The 'Top 10 Share Holdings' table is updated quarterly.

Asset Allocation

Asset Class	% of Fund
Shares	64.28
Derivatives	-1.92
Net Equity Exposure	62.36
Derivative - Contract Value	1.92
Property	2.89
Bonds	10.15
Money Market & Cash	7.96
Foreign	14.72
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)	327.1	150.6
Latest 5 years (annualised)	25.9	16.1
Latest 3 years (annualised)	27.8	21.9
Latest 1 year	39.8	35.4

Risk Measures

(Since incep. month end prices)

Maximum drawdown*	-12.5	-19.2
Annualised monthly volatility	10.9	11.3

* Maximum percentage decline over any period

Allan Gray Unit Trust Management Limited

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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.