

FUND DETAILS AT 31 MARCH 2009

Sector: Domestic AA - Prudential - Variable Equity
Inception date: 1 October 1999
Fund managers: Ian Liddle, Duncan Artus, Delphine Govender, Andrew Lapping, Simon Raubenheimer (Foreign assets are invested in Orbis funds.)

Fund objective:

The Fund's investment strategy is to earn a higher rate of return than the market value-weighted average of funds in both the Prudential Medium Equity sector and the Prudential Variable Equity Sector, excluding the Allan Gray Balanced Fund, without assuming greater risk.

Suitable for those investors who:

- Seek long-term wealth creation.
- Have an appetite for risk similar to the average person investing in pension funds.
- Typically have an investment horizon of three years plus.
- Wish to delegate the asset allocation decision to Allan Gray.

Price: R 44.38
Size: R 23 394 m
Minimum lump sum: R 5 000
Minimum monthly: R 500
Subsequent lump sums: R 500
No. of share holdings: 58
Income distribution: 01/04/08 - 31/03/09 (cents per unit) Total 412.55

Distributes bi-annually. To the extent that the total expenses exceed the income earned in the form of dividends and interest, the Fund will not make a distribution.

Income distributions are higher than normal because the Fund was a shareholder of Remgro and Richemont when they unbundled in October 2008. For more information about this, please contact our Client Service Centre or refer to our website, details of which are below.

Annual management fee:

The annual management fee rate is dependent on the return of the Fund relative to its benchmark, the daily average return weighted by market value of funds in both the Domestic Asset Allocation Prudential Medium and Prudential Variable Equity categories excluding the Allan Gray Balanced Fund, over a rolling two-year period. The fee hurdle (above which a fee greater than the minimum fee of 0.5% is charged) is performance equal to the benchmark minus 5%. For performance equal to the benchmark a fee of 1.0% (excl. VAT) per annum is payable. The manager's sharing rate is 10% of the under- and outperformance of the benchmark over a rolling two-year period and a maximum fee of 1.5% (excl. VAT) applies. The annual management fee is calculated on the daily value of the Fund excluding any assets invested in the Orbis funds. Assets invested in the Orbis funds incur a management fee. These along with other expenses are included in the Total Expense Ratio.

COMMENTARY

As discussed in February's commentary the Fund's equity exposure is fairly high relative to its maximum of 75% despite us not being very enthusiastic about the level of future real returns. This is simply an outcome of our belief that the four year returns offered by our chosen equities are more attractive than those offered by rand cash. This would be more true within the foreign portion of the Fund where we have increased the weighting to equities. Whilst it may not feel that way to local investors many South African shares have held up well relative to world markets. In our view many foreign equities appear to be offering more attractive returns than their domestic counterparts.

However as highlighted in previous commentaries we remain aware that the current environment is different from that many businesses and indeed investors have experienced in their lifetimes. We have attempted to invest the Fund in a portfolio of assets that we believe can preserve, and given our view of current valuations, hopefully grow the Fund's value in real terms. This will enable the Fund to be ready to take advantage of any future opportunities which we believe with high conviction offer outstanding value.

We cannot predict the future but we can offer a view that these opportunities are likely to present themselves domestically when profits are depressed and investors are willing to pay very little for that depressed level of profits.

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TOP 10 SHARE HOLDINGS AT 31 MARCH 2009¹

Company	% of portfolio
SABMiller	6.4
Anglogold Ashanti	6.4
MTN Group	5.2
British American Tobacco	4.9
Sasol	4.0
Remgro	3.2
Sanlam	3.1
Harmony Gold Mining Co	3.1
Compagnie Fin Richemont SA	2.1
Standard Bank Group	1.9

¹ The 'Top 10 Share Holdings' table is updated quarterly.

TOTAL EXPENSE RATIO FOR THE YEAR ENDED 31 DECEMBER 2008²

Total expense ratio	Included in TER			
	Trading costs	Performance component	Fee at benchmark	Other expenses
1.82%	0.10%	0.50%	1.15%	0.07%

²A Total Expense Ratio (TER) is a measure of a portfolio's assets that are relinquished as operating expenses. The total operating expenses are expressed as a percentage of the average value of the portfolio, calculated for the year to the end of December 2008. Included in the TER is the proportion of costs that are incurred by the performance component, fee at benchmark, trading costs (including brokerage, VAT, STT, STRATE and insider trading levy) and other expenses. These are disclosed separately as percentages of the net asset value. A higher TER ratio does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TERs. The information provided is applicable to class A units.

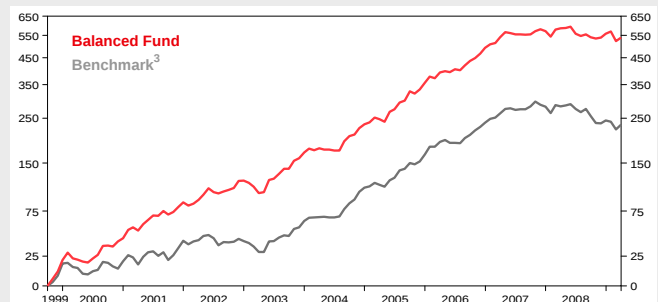
ASSET ALLOCATION AS AT 31 MARCH 2009

Asset class	% of portfolio
Net SA equities	54.6
Hedged SA equities	0.0
Listed property	0.0
Commodities (New Gold)	2.9
Bonds	1.9
Money market and cash	18.8
Foreign	21.8
Total	100

Total net SA and foreign equity exposure: 70.8%.

PERFORMANCE

Fund performance shown net of all fees and expenses as per the TER disclosure.
 Long-term cumulative performance (log scale)



% Returns	Fund	Benchmark ³
Since inception (unannualised)	538.6	232.4
Latest 5 years (annualised)	18.0	14.8
Latest 3 years (annualised)	9.1	4.4
Latest 1 year	-6.7	-12.7
Risk measures (Since inception month end prices)		
Maximum drawdown ⁴	-15.4	-20.5
Percentage positive months	69.3	65.8
Annualised monthly volatility	10.5	11.0

³ The daily average return weighted by market value of funds in both the Domestic Asset Allocation Prudential Medium and Prudential Variable Equity categories excluding the Allan Gray Balanced Fund. Source: Morningstar, performance as calculated by Allan Gray as at 31 March 2009.

⁴ Maximum percentage decline over any period.