ALLAN GRAY BOND FUND

Fact sheet at 30 September 2006

ALLAN GRAY
LONG TERM INVESTMENT MANAGEMENT

Sector:	Domestic - Fixed Interest - Bond
Inception Date:	1 October 2004
Fund Managers:	Sandy McGregor BSc, BA (Hons)
	Andrew Lapping BSc (Eng), BCom

The objective of the Fund is to provide investors with a return superior to the All Bond Index, at no greater risk, over an interest rate cycle. The Fund will seek to preserve at least the nominal value of investors' capital.

Fund Details

Price:	1 039.66 cents
Size:	R 34 237 638
Minimum lump sum:	R 25 000
Minimum monthly:	R 2 500
Subsequent lump sums:	R 2 500
No. of bond holdings:	17
Fund duration:	4.20
Yield:	8.80
Income Distribution:	Quarterly
01/10/05-30/09/06 dividend (cpu):	Total 76.52

Interest 76.52

Annual Management Fee: Performance fee orientated to outperformance of the All Bond Index over a one-year rolling period. The limits are 0.285 - 0.855% p.a. (incl. VAT)

Commentary

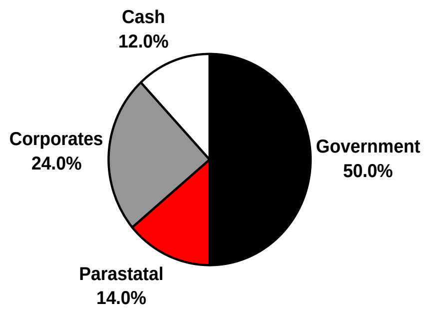
The Fund's 12-month return was 4.5% compared to 5.0% of the All Bond Index. The yield curve is investing on the SARB progressively raising short-term interest rates. The Portfolio is focused on the short and middle areas of the yield curve which offers the highest yields. It does not include any of the very long bonds which the managers regard as relatively expensive.

Top 10 Fund Holdings at 30 September 2006*

JSE Code	Maturity date	Yield to maturity	% of portfolio
R157	15/09/2015	8.63	41.44
R201	21/12/2014	8.63	7.79
IV01	31/03/2012	9.63	4.63
T011	01/04/2010	8.82	3.59
E168	01/06/2008	8.95	3.01
MTN2	13/07/2014	9.93	2.96
SLI1	15/08/2013	9.58	2.92
SMF1	27/06/2013	9.68	2.87
SBK8	10/04/2013	9.47	2.75
NED5	24/04/2011	9.57	2.74

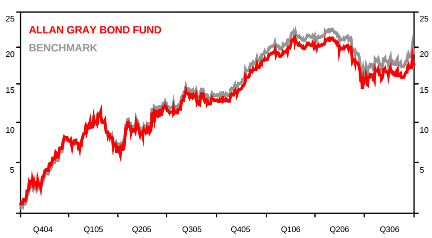
*The 'Top 10 Fund Holdings' table is updated quarterly.

Type



Performance (net of fees, including income, assumes reinvestment of dividends, on a NAV to NAV basis)

Long-term cumulative performance (log-scale)



% Returns	Bond Fund	All Bond Index
Since Inception* (unannualised)	18.3	19.3
Latest 5 years (annualised)	-	-
Latest 3 years (annualised)	-	-
Latest 1 year	4.5	5.0

Performance as calculated by Allan Gray.

Allan Gray Unit Trust Management Limited

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

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