

ALLAN GRAY BOND FUND

Fact sheet at 28 February 2007

Sector: Domestic - Fixed Interest - Bond
Inception Date: 1 October 2004
Fund Managers: Sandy McGregor, Andrew Lapping

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: 1073.25 cents
Size: R 33 089 204
Minimum lump sum: R 25 000
Minimum monthly: R 2 500
Subsequent lump sums: R 2 500
No. of bond holdings: 15
Fund duration: 3.71
Yield: 8.19

Income Distribution: Quarterly
01/01/06-31/12/06 dividend (cpu): Total 78.03
Interest 78.03

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 5.3% compared to 5.9% of the All Bond Index. The yield curve remains extremely inverted, with short-dated bonds and deposits offering significantly higher yields than long-dated bonds. The portfolio is biased towards the shorter part of the yield curve.

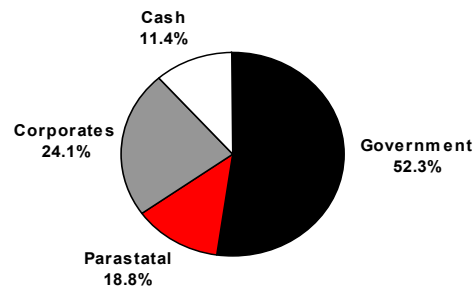
Top 10 Fund Holdings

JSE Code*	Maturity date*	Yield to maturity**	% of portfolio*
R157	15/09/2015	7.63	42.02
R201	21/12/2014	7.66	7.94
T004	01/04/2008	8.84	5.58
SMF1	27/06/2013	8.71	4.66
IV01	31/03/2012	9.03	4.55
T011	01/04/2010	8.18	3.49
MTN2	13/07/2014	8.81	3.03
SLI1	15/08/2013	8.76	2.95
E168	01/06/2008	8.67	2.92
NED5	24/04/2016	8.83	2.72

* Updated quarterly

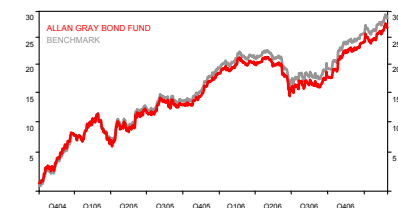
** Updated monthly

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	Benchmark*
Since Inception* (unannualised)	27.0	28.6
Latest 5 years (annualised)	-	-
Latest 3 years (annualised)	-	-
Latest 1 year	5.3	5.9

* All Bond Index

Performance as calculated by Allan Gray.

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 calculated on a net asset value basis, which is the total market value of all assets in the portfolio including any income accrual and less any permissible deductions from the portfolio divided by the number of units in issue. Declaration of income accrual quarterly. Fund valuations take place at approximately 16h00 each business day. Purchase and repurchase requests may be received by the manager by 14h00 each business day. Performance figures from Allan Gray Limited (GIPS compliant) are for lump sum investments using net asset value prices with income distributions reinvested. Permissible deductions may include management fees, brokerage, MST, auditor's fees, bank charges, trustee fees and RSC levies. The Fund may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. 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 Unit trusts are traded at ruling prices and can engage in borrowing and scrip lending. Forward pricing is used. This Fund may be capped at any time in order to be managed in accordance with the mandate. Member of the Association of Collective Investments.