ALLANGRAY
LONG TERM INVESTMENT MANAGEMENT

EQUITY FUND

FUND DETAILS AT 30 APRIL 2008

Sector:	Domestic - Equity - General
Inception date:	1 October 1998
Fund managers:	Ian Liddle, Duncan Artus, Delphine Govender, Andrew Lapping, Orbis Investment Management Limited

Fund objective:
The Fund aims to earn a higher total rate of return than that of the average of the South African equity market as represented by the FTSE/JSE All Share Index, including income, without assuming greater risk.

Suitable for those investors who:
- Seek long-term wealth creation.
- Are comfortable with market fluctuation i.e. short-term volatility.
- Typically have an investment horizon of five years plus.
- Seek an equity 'building block' for a diversified multi-asset class portfolio.

Price:	R 172.66
Size:	R17 897 m
Minimum lump sum:	R 10 000
Minimum monthly:	R 500
Subsequent lump sums:	R 500
No. of share holdings:	54
Income distribution: 01/07/03 - 30/06/04 (cents per unit)	Total 25.79

Annual management fee:
The annual management fee rate is dependent on the return of the Fund relative to its benchmark, the FTSE/JSE All Share Index including income (adjusted for fund expenses and cash flows), over a rolling two-year period. The fee hurdle (above which a fee greater than the minimum fee of 0% is charged) is performance equal to the benchmark minus 15%. For performance equal to the benchmark a fee of 1.5% (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 3% (excl.VAT) applies.

COMMENTARY

Regular readers of this commentary will know that the Fund's portfolio is constructed based on the intrinsic (or true underlying) value that we see in the companies owned by the Fund. On the other hand, the portfolio of the Fund's benchmark (the FTSE/JSE All Share Index) is constructed based on the size of its constituent companies. This means that companies with relatively big free-float market capitalisations (the Index's measure of size) are accorded relatively high weightings in the Index. Anglo American and BHP Billiton are the two biggest companies on the JSE, together accounting for roughly 30% of the FTSE/JSE All Share Index. But the Fund does not own these two shares at all. The substantial differences between the Fund's portfolio and that of its benchmark will naturally result in very different investment performance. We are confident that this difference will be positive for the Fund over the long-term. However, it has resulted in short-term underperformance as the Anglo American and BHP Billiton share prices have appreciated substantially this year. We would be surprised if the prices of some of their most profitable commodities prove sustainable in light of the very attractive payback periods on investment in new mines at current prices (copper and iron ore - one year and nickel - two years, for example). We thus see much better value in the Fund's holdings, and are excited about the Fund's potential for long-term outperformance. Recent news suggests that other mobile operators may also be seeing value in MTN. This is clearly a positive development for the Fund as MTN is its single biggest share.

TOP 10 SHARE HOLDINGS AT 31 MARCH 2008*

Company	% of portfolio
MTN Group	10.0
Remgro	9.7
SABMiller	9.6
Richemont	8.6
Sasol	7.1
Sanlam	5.1
Anglogold Ashanti	5.1
Harmony Gold Mining Co	5.0
Standard Bank Group	3.8
Sappi	3.8

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

TOTAL EXPENSE RATIO*

Total expense ratio	Included in TER			
	Trading costs	Performance component	Fee at benchmark	Other expenses
2.90%	0.17%	1.00%	1.71%	0.02%

*A Total Expense Ratio (TER) is a measure of a portfolio's assets that are relinquished as operating expenses. It is expressed as a percentage of the average value of the portfolio, calculated for the year to the end of March 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, UST, 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.

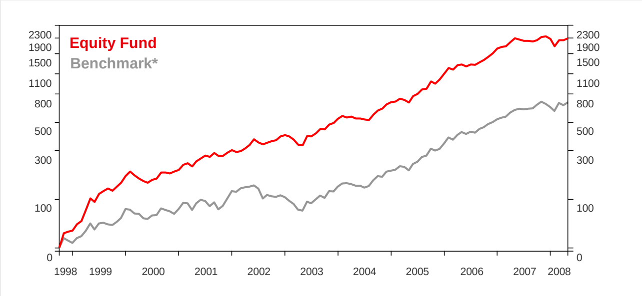
SECTOR ALLOCATION AT 31 MARCH 2008*

Sector	% of fund	ALSI
Oil & gas	7.1	5.9
Basic materials	22.1	45.8
Industrials	11.4	7.7
Consumer goods	21.9	12.3
Healthcare	0.4	0.7
Consumer services	8.1	4.5
Telecommunications	10.0	6.5
Financials	16.4	16.3
Technology	1.8	0.4
Other securities	0.6	-
Fixed interest/Liquidity	0.2	-

*The 'Sector Allocation' table is updated quarterly.

PERFORMANCE

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



% Returns	Fund	Benchmark*
Since inception (unannualised)	1 881.5	695.9
Latest 5 years (annualised)	35.7	36.3
Latest 3 years (annualised)	35.8	38.3
Latest 1 year	-0.1	11.9
Risk measures (Since inception month end prices)		
Maximum drawdown**	-21.0	-34.4
Percentage positive months	68.7	60.0
Annualised monthly volatility	18.0	19.0

* FTSE/JSE All Share Index including income. **Source: INET, performance as calculated by Allan Gray as at 30 April 2008.**
** Maximum percentage decline over any period.

Tel 0860 000 654 or +27 (0)21 415 2301
Fax 0860 000 655 or +27 (0)21 415 2492
info@allangray.co.za www.allangray.co.za