LONG TERM INVESTMENT MANAGEMENT

EQUITY FUND

FUND DETAILS AT 31 OCTOBER 2008

Sector:	Domestic - Equity - General
Inception date:	1 October 1998
Fund managers:	Ian Liddle, Duncan Artus, Delphine Govender, Andrew Lapping, Simon Raubenheimer

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 140.00
Size:	R 14 130 m
Minimum lump sum:	R 10 000
Minimum monthly:	R 500
Subsequent lump sums:	R 500
No. of share holdings:	55
Income distribution: 01/07/07 - 30/06/08 (cents per unit)	Total 40.44

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.

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

The benchmark FTSE/JSE All Share Index continued to fall in October, and at its low for the month it was down by 45% from its peak in May. The Index last traded at this level in the first half of 2006 - the bear market has effectively wiped out the last two-and-a-half years of gains on the JSE.

The month was characterised by extreme volatility in asset prices as investors tried to adjust to the concept of a world in recession. The rand ended October at R9.78 per US dollar, but traded in a range between R8.19 and R11.85 per US dollar during the month!

The silver lining to the storm clouds is that the negative returns on the JSE have been somewhat ameliorated by our selection of stocks that we believe will prove to be relatively more resilient in a downturn, and that will benefit from a weakening rand.

Remgro and Richemont have been substantial contributors to the Fund's recent outperformance. The two companies have recently been restructured so that the Fund now holds a direct rather than an indirect interest in British American Tobacco plc (BAT). BAT has obtained a secondary listing on the JSE, and it is now one of the Top 3 positions in the Fund.

The restructuring unlocked the conglomerate discount that the market used to place on the indirectly-held BAT shares. However, Remgro continues to trade at an attractive discount (more than 20%) to the value of its underlying assets, and we continue to find it attractive.

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TOP 10 SHARE HOLDINGS AT 30 SEPTEMBER 2008*

Company	% of portfolio
SABMiller	10.3
Remgro	9.5
MTN Group	9.4
Richemont	8.2
Anglogold Ashanti	5.6
Sasol	5.2
Sanlam	5.1
Harmony Gold Mining Co	5.0
Standard Bank Group	4.9
Absa Group	4.1

* 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
2.14%	0.08%	0.33%	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 September 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.

SECTOR ALLOCATION AT 30 SEPTEMBER 2008*

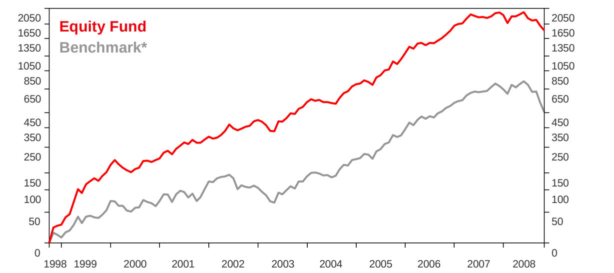
Sector	% of fund	ALSI
Oil & gas	5.2	6.9
Basic materials	22.5	38.0
Industrials	11.7	8.7
Consumer goods	21.1	13.1
Healthcare	2.0	1.1
Consumer services	6.9	5.9
Telecommunications	9.4	7.3
Financials	17.5	18.6
Technology	2.2	0.5
Fixed interest/Liquidity	1.0	-
Other	0.5	-

*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)	1 510.8	455.1
Latest 10 years (annualised)	29.4	17.1
Latest 5 years (annualised)	22.7	19.9
Latest 3 years (annualised)	15.8	11.5
Latest 1 year	-20.2	-30.9
Risk measures (Since inception month end prices)		
Maximum drawdown**	-31.3	-43.7
Percentage positive months	66.9	58.7
Annualised monthly volatility	18.4	19.9

* FTSE/JSE All Share Index including income. **Source: I-Net Bridge, performance as calculated by Allan Gray as at 31 October 2008.**

** Maximum percentage decline over any period.