

FUND DETAILS AT 28 FEBRUARY 2009

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 120.83
Size: R 13 942 m
Minimum lump sum: R 10 000
Minimum monthly: R 500
Subsequent lump sums: R 500
No. of share holdings: 58
Income distribution: 01/01/08 - 31/12/08 (cents per unit) Total 1465.25

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 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

Stock markets have continued to fall in 2009. Some of the major developed country markets have fallen to new lows, whereas the FTSE/JSE All Share Index is close to, but has not yet broken, its October low. This means that the Fund's benchmark is now down 37.6% over the last year. The Fund has declined by 20.4%, which means that Fund investors now have 27.5% more capital than they would have had if they had instead been invested in the Fund's benchmark over the last year.

We are very pleased with this relative outperformance, which is significantly higher than our average annual outperformance over our long-term history. Of course, this performance could have been even better if we had avoided a few shares which have significantly underperformed so far in this bear market. But this observation could be made about our annual performance over most of our history - sometimes we make mistakes (when we incorrectly assess the intrinsic value of a business), and sometimes we are 'early' (when we buy a share and it continues to fall before ultimately rising to its intrinsic value). Longstanding clients will know that it is not easy to differentiate a mistake from being 'early' until some time is allowed to pass for the investment thesis to come to fruition (or not).

The share prices of companies with heavy debt burdens and financial gearing have come under extreme pressure over the last year. In many of these cases the value of the company's debt now far exceeds its market capitalisation. The Fund's holdings in Sappi and Mondi are good examples of such companies. The investment debate around such companies is now not just about the norm/mean to which their companies' earnings will regress, but whether the companies will indeed survive this recession and stand a chance of enjoying the ultimate reversion to the mean! While we clearly believe that the odds are in favour of Sappi and Mondi living to fight another day, we are being very cautious in assessing the merits of switching a portion of the Fund's defensive shares into more leveraged companies.

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EQUITY FUND

TOP 10 SHARE HOLDINGS AT 31 DECEMBER 2008¹

Company	% of portfolio
SABMiller	10.3
British American Tobacco	8.2
MTN Group	8.1
Anglogold Ashanti	7.5
Harmony Gold Mining Co	5.9
Sanlam	5.2
Remgro	5.2
Sasol	4.9
Sappi	4.3
Compagnie Fin Richemont SA	4.1

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
2.32%	0.10%	0.50%	1.71%	0.01%

² A 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.

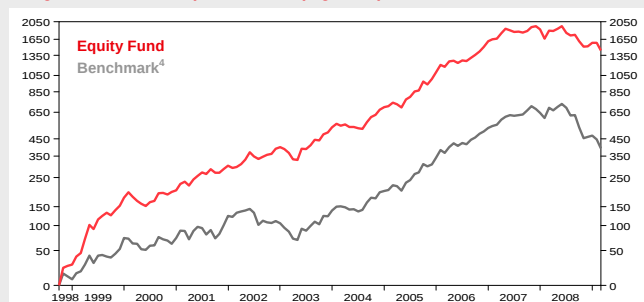
SECTOR ALLOCATION AT 31 DECEMBER 2008³

Sector	% of portfolio	ALSI
Oil & gas	4.9	6.4
Basic materials	24.8	38.2
Industrials	7.2	6.6
Consumer goods	24.9	11.7
Healthcare	2.0	1.3
Consumer services	6.4	7.5
Telecommunications	8.1	8.1
Financials	16.2	19.6
Technology	2.3	0.5
Fixed interest/Liquidity	2.9	-
Other	0.3	-

³ 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 ⁴
Since inception (unannualised)	1 440.1	392.5
Latest 10 years (annualised)	26.6	15.4
Latest 5 years (annualised)	19.2	14.4
Latest 3 years (annualised)	6.6	1.8
Latest 1 year	-20.4	-37.6
Risk measures (Since inception month end prices)		
Maximum drawdown ⁵	-31.3	-45.4
Percentage positive months	67.2	58.4
Annualised monthly volatility	18.5	20.0

⁴ FTSE/JSE All Share Index including income. Source: I-Net Bridge, performance as calculated by Allan Gray as at 28 February 2009.

⁵ Maximum percentage decline over any period.