ALLAN GRAY OPTIMAL FUND

Fact sheet at 31 March 2005

ALLAN GRAY
LONG TERM INVESTMENT MANAGEMENT

Sector:	Domestic AA Targeted Absolute Return
Inception Date:	1 October 2002
Fund Manager:	Stephen Mildenhall
Qualification:	B Com(Hons), CA(SA), CFA

This is a long-term absolute return fund for the investor who wishes to avoid the volatility generally associated with stock and bond markets, but still wants exposure to specialist stockpicking skills and to enjoy a positive rate of return which is higher than that of cash. This is a low risk fund.

Fund Details

Price:	1196.68 cents
Size:	R 1 338 128 701
Minimum lump sum:	R 25 000
Minimum monthly:	R 2 500
Subsequent lump sums:	R 2 500
No. of share holdings:	46
01/01/04-31/12/04 dividend (cpu):	Total 26.39

Interest 7.63, Dividend 18.76

Annual Management Fee: Fixed fee of 1% (excl. VAT) per annum. Performance-fee of 20% of the daily outperformance of the benchmark. In times of underperformance, no performance fees are charged until the underperformance is recovered.

Commentary

The Fund invests in a portfolio of equities and substantially reduces stock market risk by using equity derivatives. As a result, the Fund's return should not be correlated with equity markets but it is rather dependent on the level of short-term interest rates and the ability of the Fund's equity portfolio to outperform the underlying benchmark equity index. While the Fund has outperformed its benchmark since inception, it has underperformed its benchmark over the last 12 months. This was due to the share portfolio underperforming its benchmark, with this detracting from the interest-like returns earned on the futures. With the disparity in the market increasing, we believe that the opportunities for stockpickers like ourselves are better than they have been over the last year.

Top 10 Share Holdings at 31 March 2005*

JSE Code	Company	% of portfolio
AGL	Anglo	12.09
BIL	Billiton	9.77
SOL	Sasol	6.96
SBK	Stanbank	6.02
MTN	MTN - Group	5.81
HAR	Harmony	4.10
SAB	SAB -Brews	3.94
RCH	Richemont	3.81
FSR	Firstrand	3.64
IMP	Implats	3.58

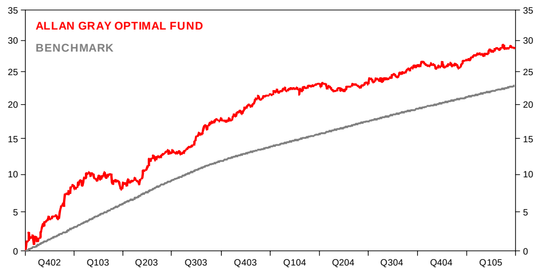
* The 'Top 10 Share Holdings' table is updated quarterly.

Asset Allocation

Asset Class	% of Fund
Equities	89.18
Derivatives	-86.80
Net Equity Exposure	2.38
Derivative - Contract Value	86.80
Money Market and Cash	10.82
Total	100.00

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

Long-term cumulative performance (log-scale)



% Returns	Optimal Fund	Benchmark*
Since Inception (unannualised)	28.6	22.9
Latest 5 years (annualised)	-	-
Latest 3 years (annualised)	-	-
Latest 1 year	4.5	6.2
Risk Measures		
(Since incep. month end prices)		
Maximum drawdown**	-2.2	n/a
Annualised monthly volatility	3.9	0.8

* The daily call rate of FirstRand Bank Limited

** Maximum percentage decline over any period

Allan Gray Unit Trust Management Limited

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