ALLAN GRAY OPTIMAL FUND

Fact sheet at 30 September 2006

Sector:	Domestic AA Targeted Absolute Return
Inception Date:	1 October 2002
Fund Manager:	Delphine Govender
Qualification:	BCom, 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:	1 318.66 cents
Size:	R 860 929 820
Minimum lump sum:	R 25 000
Minimum monthly:	R 2 500
Subsequent lump sums:	R 2 500
No. of share holdings:	38
Income Distribution:	Bi-annually
01/07/05-30/06/06 dividend (cpu):	21.01

Interest 4.66, Dividend 16.35

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 stockmarket 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. Since inception the Fund has returned 45.5% comfortably outperforming the benchmark return of 33.4%. For the past 12 months, the Fund returned 7.9% compared to the benchmark return of 5.7%. While the overall stockmarket is off its all-time high recorded in early May 2006, it is still trading at a high absolute level. In this environment of considerably increased volatility and an increasing risk of capital loss from equity markets, we believe that the Optimal Fund's potential to deliver long-term absolute returns, uncorrelated with overall equity markets, is a particularly attractive one.

Top 10 Share Holdings at 30 September 2006*

JSE Code	Company	% of portfolio
AGL	Anglo	13.10
BIL	Billiton	8.85
SAB	SAB	6.94
MTN	MTN Group	5.76
SOL	Sasol	5.34
RCH	Richemont	4.55
IMP	Impala	4.50
REM	Remgro	3.88
SBK	Stanbank	3.60
AMS	Angloplat	2.81

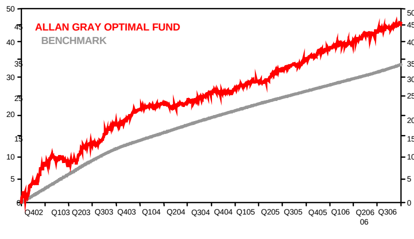
* The 'Top 10 Share Holdings' table is updated quarterly.

Asset Allocation

Asset Class	% of Fund
Shares (Excluding Property)	88.19
Property	1.04
Derivatives	-85.11
Net Equity Exposure	4.12
Derivative - Contract Value	85.11
Fixed Interest/Liquidity	10.77
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)	45.5	33.4
Latest 5 years (annualised)	-	-
Latest 3 years (annualised)	7.2	6.0
Latest 1 year	7.9	5.7
Risk Measures		
(Since incep. month end prices)		
Maximum drawdown**	-2.2	n/a
Annualised monthly volatility	3.2	0.7

* The daily call rate of FirstRand Bank Limited.

** Maximum percentage decline over any period.

Performance as calculated by Allan Gray.

Allan Gray Unit Trust Management Limited

JC de Lange, RW Dower, GW Fury, ED Loxton, WJC Mitchell (Chairman), ER Swanepoel (Non-Executive)

Tel 0860 000 654, Fax 0860 000 655, info@allangray.co.za, www.allangray.co.za