

ALLAN GRAY STABLE FUND

Fact sheet at 31 August 2005



Sector: Domestic AA Prudential Low Equity
Inception Date: 1 July 2000
Fund Manager: Stephen Mildenhall
Qualification: B Com(Hons), CA(SA), CFA

The Fund aims to achieve superior after-tax returns to bank deposits and to provide a high level of capital stability. The Fund seeks to preserve capital over any two-year period and is ideal for risk-averse investors.

Fund Details

Price: 1619.94 cents
Size: R 5 180 958 228
Minimum lump sum: R 5 000
Minimum monthly: R 500
Subsequent lump sums: R 500

01/07/04-30/06/05 dividend (cpu): Total 55.99
Int 44.2, Div 12.32, S24J Acc 3.20, Foreign Int 0.27

Annual Management Fee: The monthly charge rate is directly related to the rolling two-year return of the Fund compared with that of its benchmark. The limits are 0.57-1.71% p.a. (incl. VAT). Should the Fund produce a return of 0% or worse over a 2-year rolling period, then the firm will forego all fees.

Commentary

The Fund's aim is to provide a high level of capital stability. As a result, the Fund has a low equity exposure. After the significant rise in the South African equity market in recent months, the Fund's equity exposure has reduced from previous levels. Nonetheless, the equity portion of the Fund has benefited from the rise in equities. The combination of good profitability and undergearing balance sheets should translate into a continuation in the trend towards lower dividend covers and dividends growing faster than earnings. In the last few months we took advantage of the strong rand and increased the Fund's offshore exposure, which now stands at 14.3%. Of this, only a third is invested in equities and the remaining two-thirds in absolute return funds.

Top 10 Share Holdings at 30 June 2005*

JSE Code	Company	% of portfolio
SOL	Sasol	3.88
GRY	Grayprop	2.62
ASA	Absa	1.88
MTN	MTN - Group	1.71
SBK	Stanbank	1.70
TBS	Tigbrands	1.69
AMSP	AngloPlattCC	1.32
KGM	KGMedia	0.98
HAR	Harmony	0.98
NPK	Nampak	0.87

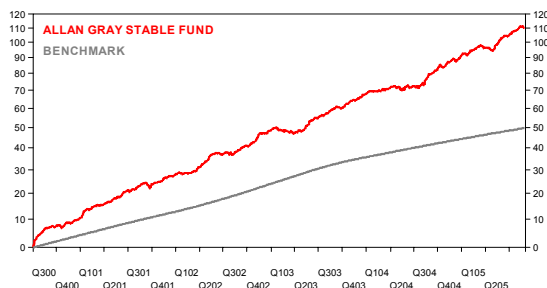
* The 'Top 10 Share Holdings' table is updated quarterly.

Asset Allocation

Asset Class	% of Fund
Shares	26.53
Property	4.01
Bonds	2.35
Foreign	14.25
Money Market & Cash	52.86
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 (after-tax)

	Stable Fund	Benchmark*
Since Inception (unannualised)	110.5	49.7
Latest 5 years (annualised)	14.5	8.1
Latest 3 years (annualised)	14.8	7.7
Latest 1 year	17.1	5.9

Risk Measures

(Since incep. month end prices)

Maximum drawdown**	-2.3	n/a
Annualised monthly volatility	4.0	0.5

*After tax return of call deposits plus two percentage points

** Maximum percentage decline over any period

Allan Gray Unit Trust Management Limited

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