ALLAN GRAY STABLE FUND

Fact sheet at 31 December 2005

ALLAN GRAY
LONG TERM INVESTMENT MANAGEMENT

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:	1722.70 cents
Size:	R 6 839 549 151
Minimum lump sum:	R 5 000
Minimum monthly:	R 500
Subsequent lump sums:	R 500

01/01/05-31/12/05 dividend (cpu): Total 58.01
Int 46.31, Div 11.65, Foreign Int 0.05

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

Over the last 12 months the Fund has returned 17.9% vs 5.7% for its benchmark. The Fund aims to achieve superior after-tax returns to bank deposits and 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 been reduced further. Nonetheless, the equity portion of the Fund has benefited from the rise in equities and contributed to the significant outperformance of the benchmark during 2005. Given the higher level of equity markets, return expectations for the equity portion of the Fund need to be tempered. Approximately 5% of the Fund has been invested in the Newgold ETF which is effectively an investment in the Rand gold price. We believe that this investment should benefit from a longer-term normalization in the Rand exchange rate and is consistent with the Fund's objectives of seeking real returns with a high level of capital stability.

Top 10 Share Holdings at 31 December 2005*

JSE Code	Company	% of portfolio
SOL	Sasol	3.85
MTN	MTN	3.06
REM	Remgro	2.26
GRY	Grayprop	2.01
SBK	Stanbank	1.44
ASA	Absa	1.26
SHP	Shoprite	1.12
AMSP	AngloPlatt Prefs	1.12
IMP	Impala	1.06
SLM	Sanlam	1.05

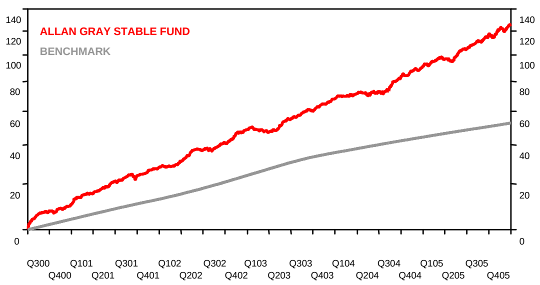
* The 'Top 10 Share Holdings' table is updated quarterly.

Asset Allocation

Asset Class	% of Fund
Shares	27.07
Property	3.37
Commodities- Newgold ETF	4.86
Bonds	1.76
Foreign	14.13
Money Market & Cash	48.81
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)	125.4	52.5
Latest 5 years (annualised)	15.3	7.9
Latest 3 years (annualised)	14.9	7.2
Latest 1 year	17.9	5.7
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

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

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