

FUND DETAILS AT 30 APRIL 2011

Fund status: Currently restricted to existing investors only
Inception date: 1 July 1998

Fund objective:

The Fund remains predominantly invested in South African equities. It seeks to earn higher returns in South African rands than the South African stock market, without greater risk of loss. The Fund's benchmark is the FTSE/JSE Africa All Share Index, including income ('JSE Index') and its currency benchmark is 100% South African rand.

Price: 1 181.9
Size: R1 720 m
R/\$: 6.587
Minimum lump sum per investor account: US\$50 000
Load: None
Dealing day: Weekly (Thursday)

Annual investment management fee:

The annual management fee rate is dependent on the return of the Fund relative to its benchmark over a rolling three-year period. The manager's sharing rate is 25% of the out- and underperformance of the benchmark over the rolling three-year period and a minimum fee of 0.5% and a maximum fee of 2.5% (excl. VAT) applies.

COMMENTARY

The FTSE/JSE All Share Index has traded sideways in both local currency and US dollar terms over the first four months of 2011. This follows an almost trebling of the market in dollar-terms from its lows in March 2009 – a mere two years ago. It is notable that the Index set a new all-time dollar high earlier this month.

It remains difficult for us to find shares that can be bought at significant discounts to their intrinsic values. With a price:earnings ratio of 15.6 times, and a dividend yield of 2.5%, the valuation of the FTSE/JSE All Share Index provides investors with no margin of safety. Whilst SABMiller is trading at a premium valuation to the Index, we believe that SABMiller's earnings will prove to be more sustainable in the long term, with the company capable of reinvesting its profits in its own business at high returns on equity. Attractive investment opportunities for the company include efficiency initiatives in North and Latin America, long-term growth in per capita beer consumption in Africa and India, and market share growth and pricing power in China.

ALLAN GRAY AFRICA EQUITY (RAND) FUND LIMITED

TOP 10 HOLDINGS AT 31 MARCH 2011¹

Company	% of fund
Sasol	10.0
SABMiller	9.9
Remgro	7.3
MTN	5.5
AngloGold Ashanti	5.3
Coronation Fund Managers	3.9
Standard Bank	3.8
Sanlam	3.6
Reinet Investments SA	3.6
Mondi	3.5
Total	56.4

1. The 'Top 10 Holdings' table is updated quarterly.

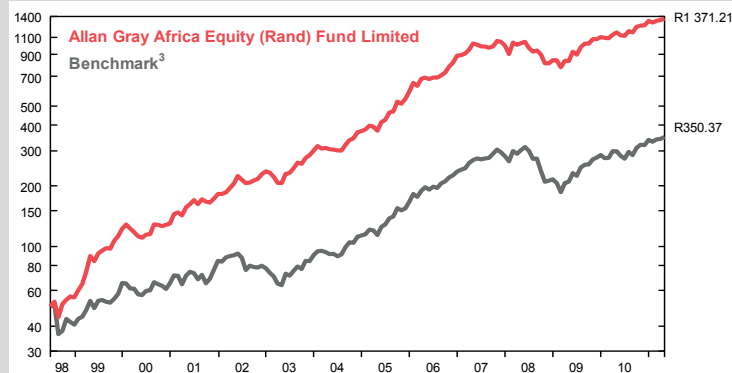
SECTOR ALLOCATION AT 31 MARCH 2011²

Sector	% of fund	JSE Index
Oil & gas	10.0	5.6
Basic materials	24.0	38.5
Industrials	12.0	5.5
Consumer goods	15.9	13.8
Healthcare	3.0	1.8
Consumer services	1.7	9.0
Telecommunications	6.4	7.0
Financials	20.3	18.7
Technology	1.1	0.3
Fixed interest/Liquidity	5.6	-
Total	100	100

2. The 'Sector Allocation' table is updated quarterly.

PERFORMANCE

Value of R50 invested at inception (dividends reinvested)



% Returns	Fund	Benchmark ³
Since inception (unannualised)	2642.4	600.7
Since inception (annualised)	29.4	16.4
Latest 10 years (annualised)	24.3	17.3
Latest 5 years (annualised)	14.6	12.2
Latest 3 years (annualised)	10.0	5.2
Latest 1 year	17.4	17.8
Unannualised		
Year to date	2.8	3.4
Month to date	2.0	2.2
Risk measures (Since inception month end prices)		
Maximum drawdown ⁴	26.0	42.0
Percentage positive months	63.6	60.4
Annualised monthly volatility	18.3	21.2
Beta vs JSE index	0.7	1.0
Annualised monthly tracking error	12.1	-

3. FTSE/JSE Africa All Share Index including income. Source: FTSE International Limited, performance calculated by Allan Gray as at 30 April 2011.

4. Maximum percentage decline over any period.