Our Thinking

Exchange rate movements can have an enormous impact on investment returns in a global portfolio. The depreciation of the Japanese yen from late 2012 until early 2015 provides a good illustration. Over that period, a domestic investor in the Japanese stockmarket would've seen their investment roughly double in value. But due to yen weakness, a UK or US-based investor in Japanese equities would have earned only about 40% or 30% in their respective home currencies—a far worse result than their Japanese counterparts, even though they all owned exactly the same basket of stocks.

At this time last year, we wrote about how we manage currency exposures in the Orbis Funds. A hallmark of our investment approach is that we explicitly manage our currency and security selection decisions separately whenever this is practical. This allows our analysts to focus on their core strength of understanding the fundamentals of individual businesses. At the portfolio level we can then step back and ensure that the overall currency mix is positioned appropriately from a risk and reward perspective. In the case of Japan in 2012, our active currency management allowed us to hedge our exposure to the yen while maintaining exposure to a set of attractively priced Japanese businesses that our analysts favoured. It does not always work out that well—there have been periods where our currency exposures have detracted—but over the long term, our active approach to currency management has added value.

Managing currency risk is especially important in emerging markets, where exchange rate fluctuations can be even more dramatic. The risk of absolute loss also looms larger, with a long history of severe currency crises such as those in Latin America and Asia in the mid-to-late 1990s, in which acute currency declines were not uncommon. More recently, Argentina and Turkey have provided a reminder that emerging market currencies can lose value rapidly. The broader sell-off in emerging market currencies this summer was an example of a "contagion" effect as panic spread to other markets that otherwise seemed unrelated from a fundamental perspective.

Despite this potential volatility, and the challenges inherent in emerging market currency hedging, it would be a mistake to avoid these markets altogether. In fact, when other investors ignore equities in a country due to concerns over the currency, it can create attractive investment opportunities for us, provided that we can manage that risk. China is probably the best example of this at the moment. The macroeconomic backdrop looks uncertain—with China's rapid accumulation of debt grabbing the headlines—and some of the pessimism priced into Chinese stocks is arguably warranted.

Fortunately we don't own "China" or any other market on a top-down basis. While the Chinese stockmarket contains shares in many sectors that are highly sensitive to the local economy—banks, real estate, and infrastructure to name a few—we own none of them in the Funds. Our analysts have done some early stage work on a few Chinese banks and brokers, but ultimately decided that, at the time of analysis, the risk of permanent capital loss was simply too high and better opportunities existed within these sectors elsewhere in emerging markets.

In our view, the relevant question is this: after stripping out the businesses that we believe to be of relatively low-quality, is China still cheap? The answer is an emphatic yes. We have been very selective—currently owning just a few Chinese stocks in Orbis Global—but it's more than enough for us to be excited about their potential long-term contribution to returns for our clients.

A recent example is Autohome. While this is a relatively small position in some of the Orbis Funds, it is a good example of how we are navigating the current environment in China. As one of the largest online platforms for auto sales in China, the company lies at the intersection of three areas that many investors are afraid to touch these days: technology, autos, and China macro. It's a contrarian stock in a contrarian economy. In our more optimistic view, we see a market leader with a huge potential market. At a 4% free cash flow yield, Autohome is not cheap on first glance, but we believe this is an undemanding valuation for a company with such strong growth prospects.

Autohome is also exactly the type of stock that one would miss if searching through a top-down lens. By separating our currency and equity decisions, we give our analysts the freedom to look past the short-term noise and to focus on the most compelling long-term opportunities. Of course, sentiment about Autohome and our other Chinese holdings can always get worse before it gets better. But as we've seen many times in our history, the "risky" areas where others fear to tread can often be the most rewarding over the long term.

This report does not constitute a recommendation to buy, sell or hold any interests, shares or other securities in the companies mentioned in it nor does it constitute financial advice.

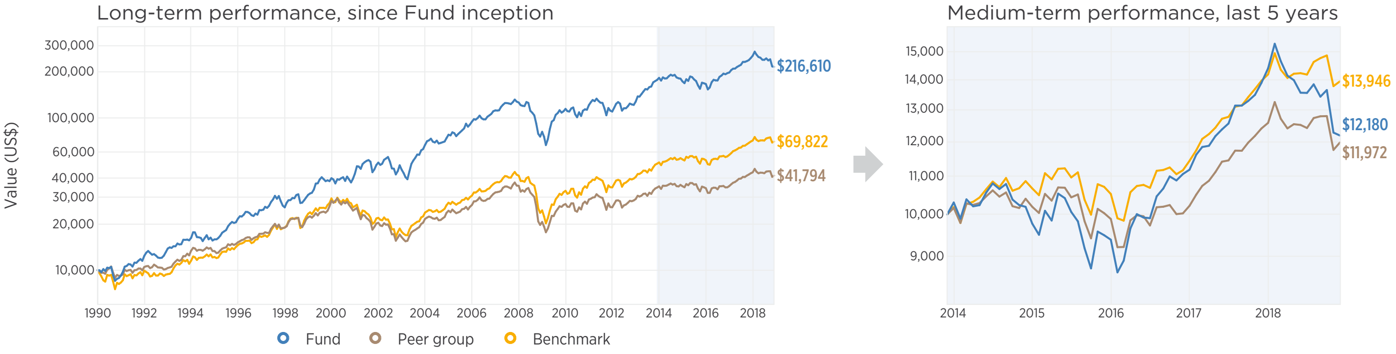
Orbis Global Equity Fund

The Fund is designed to remain fully invested in global equities. It aims to earn higher returns than world stockmarkets, without greater risk of loss. The benchmark is the FTSE World Index, including income, gross of withholding taxes ("FTSE World Index"). Currency exposure is managed separately to equity exposure.

Price	US$216.47
Pricing currency	US dollars
Domicile	Bermuda
Type	Open-ended mutual fund
Fund size	US$6.3 billion
Fund inception	1 January 1990
Strategy size	US$21.5 billion
Strategy inception	1 January 1990

Benchmark	FTSE World Index
Peer group	Average Global Equity Fund Index
Minimum investment	US$50,000
Dealing	Weekly *(Thursdays)*
Entry/exit fees	None
ISIN	BMG6766G1087

Growth of US$10,000 investment, net of fees, dividends reinvested



Returns (%)

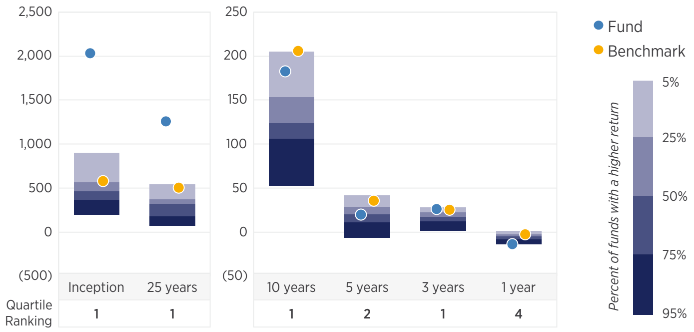
	Fund	Peer group	Benchmark
Annualised		*Net*	*Gross*
Since Fund inception	11.2	5.1	7.0
25 years	11.1	5.0	7.7
10 years	11.1	7.7	11.4
5 years	4.0	3.7	6.9
3 years	8.6	6.1	9.2
1 year	(12.3)	(3.4)	(0.1)
Not annualised			
Calendar year to date	(15.5)	(4.8)	(1.7)
3 months	(9.3)	(6.3)	(5.6)
1 month	(0.7)		1.2

	Year	%
Best performing calendar year since Fund inception	2003	45.7
Worst performing calendar year since Fund inception	2008	(35.9)

Risk Measures, since Fund inception

	Fund	Peer group	Benchmark
Largest drawdown (%)	50	53	54
Months to recovery	42	113	66
Annualised monthly volatility (%)	16.1	13.8	14.9
Beta vs benchmark	0.9	0.9	1.0
Tracking error vs benchmark (%)	9.0	4.4	0.0

Ranking within peer group, cumulative return (%)



Geographical & Currency Allocation (%)

Region	Equity	Currency	Benchmark
North America	41	49	61
Asia ex-Japan	21	10	5
Japan	13	9	9
Continental Europe	7	17	15
United Kingdom	5	6	6
Other	10	10	4
Net Current Assets	*2*	*0*	*0*
Total	**100**	**100**	**100**

Top 10 Holdings

	FTSE Sector	%
NetEase	Technology	7.6
AbbVie	Health Care	6.1
XPO Logistics	Industrials	5.8
Celgene	Health Care	4.2
Naspers	Consumer Services	3.7
Vale	Basic Materials	3.5
Anthem	Health Care	3.3
Sberbank of Russia	Financials	3.0
Arconic	Basic Materials	2.9
Autohome	Technology	2.8
Total		**42.9**

Portfolio Concentration & Characteristics

% of NAV in top 25 holdings	73
Total number of holdings	62
12 month portfolio turnover (%)	58
12 month name turnover (%)	48
Active share (%)	92

Fees & Expenses (%), for last 12 months

Management fee[1]	2.16
For 3 year performance in line with benchmark	*1.50*
For 3 year outperformance/(underperformance) vs benchmark	*0.66*
Fund expenses	0.04
Total Expense Ratio (TER)	**2.21**

Past performance is not a reliable indicator of future results. Orbis Fund share prices fluctuate and are not guaranteed. Returns may decrease or increase as a result of currency fluctuations. When making an investment in the Funds, an investor's capital is at risk.

See Notices for important information about this Fact Sheet.

[1] 1.5% per annum ± up to 1%, based on 3 year rolling outperformance/(underperformance) vs benchmark.

Orbis Global Equity Fund

This Fact Sheet is a Minimum Disclosure Document and a monthly General Investor Report as required by the South African Financial Services Board.

Investment Manager	Orbis Investment Management Limited
Inception date	1 January 1990
Number of shares	29,107,865
Income distributions during the last 12 months	None

Fund Objective and Benchmark

The Fund is designed for investors who have made the "asset allocation" decision to invest a predetermined amount in global equities. It seeks higher returns than the average of the world's equity markets, without greater risk of loss. The Fund aims for higher returns than a designated equity performance benchmark, namely the FTSE World Index, including income and before the deduction of withholding taxes.

How We Aim to Achieve the Fund's Objective/Adherence to Objective

The Fund is actively managed and seeks to remain fully invested in and exposed to global stockmarkets. It invests in equities considered to offer superior fundamental value. These equities are selected using extensive proprietary investment research. Orbis devotes a substantial proportion of its business efforts to detailed "bottom up" investment research conducted with a long-term perspective, believing that such research makes superior long-term performance attainable. The lower the price of a share as compared to its assessed intrinsic value, the more attractive Orbis considers the equity's fundamental value. The Investment Manager believes that over the long term, equity investing based on this approach offers superior returns and reduces the risk of loss.

Exchange rate fluctuations significantly influence global investment returns. For this reason, part of Orbis' research effort is devoted to forecasting currency trends. Taking into account these expected trends, Orbis actively reviews the Fund's currency exposure. In doing so, Orbis places particular focus on managing the Fund's exposure to those currencies considered less likely to hold their long-term value. The Fund's currency deployment therefore frequently differs significantly from the geographic deployment of its selected equities.

The Fund does not seek to mirror its benchmark but may instead deviate meaningfully from it in pursuit of superior long-term capital appreciation.

Since inception , the Fund has outperformed its benchmark net of fees. The Fund will experience periods of underperformance in pursuit of its objective of creating long-term wealth for investors.

Risk/Reward Profile

- The Fund is designed for investors who have made the "asset allocation" decision to invest a predetermined amount in global equities.
- Investments in the Fund may suffer capital loss.
- Investors should understand that the Investment Manager generally assesses an equity investment's attractiveness using a three-to-five year time horizon.

Management Fee

As is described in more detail in the Fund's Prospectus, the Fund pays the Investment Manager a performance-based fee. The fee is designed to align the Investment Manager's interests with those of investors in the Fund.

The fee is based on the net asset value of the Fund. The fee rate is calculated weekly by comparing the Fund's performance over three years against its benchmark. For each percentage point of three year performance above or below that benchmark's performance, 0.04 percentage points are added to or subtracted from 1.5%, subject to the following limits:

- Maximum fee: 2.5% per annum
- Minimum fee: 0.5% per annum

Fees, Expenses and Total Expense Ratio (TER)

In addition to the fees payable to its Investment Manager, the Fund bears operating costs, including the costs of maintaining its stock exchange listing, Bermuda government fees, legal and auditing fees, reporting expenses, the cost of preparing its Prospectus and communication costs. Finally, the Fund incurs costs when buying or selling underlying investments.

Where an investor subscribes or redeems an amount representing 5% or more of the net asset value of the Fund, the Investment Manager may cause the Fund to levy a fee of 0.40% of the net asset value of the Fund's shares being acquired or redeemed.

The annual management fees charged are included in the TER. The TER is a measure of the actual expenses incurred by the Fund over a 12 month period, excluding trading costs. Since Fund returns are quoted after deduction of these expenses, the TER should not be deducted from the published returns. Expenses may vary, so the current TER is not a reliable indicator of future TERs.

Changes in the Fund's Top 10 Holdings

31 August 2018	%	30 November 2018	%
XPO Logistics	7.6	NetEase	7.6
AbbVie	5.4	AbbVie	6.1
NetEase	5.2	XPO Logistics	5.8
Facebook	4.3	Celgene	4.2
Celgene	3.7	Naspers	3.7
Vale	3.6	Vale	3.5
Arconic	3.1	Anthem	3.3
NIKE	2.9	Sberbank of Russia	3.0
Alphabet	2.8	Arconic	2.9
Anthem	2.8	Autohome	2.8
Total	**41.3**	**Total**	**42.9**

Past performance is not a reliable indicator of future results. Orbis Fund share prices fluctuate and are not guaranteed. Returns may decrease or increase as a result of currency fluctuations. When making an investment in the Funds, an investor's capital is at risk.

Orbis Global Equity Fund

Additional Information

South African residents should contact Allan Gray Unit Trust Management (RF) Proprietary Limited at 0860 000 654 (toll free from within South Africa) or offshore_direct@allangray.co.za to receive, free of charge, additional information about a proposed investment (including Prospectus, application forms, annual reports and a schedule of fees, charges and maximum commissions). The Investment Manager can be contacted at +1 441 296 3000 or clientservice@orbis.com. The Fund's Custodian is Citibank N.A., New York Offices, 388 Greenwich Street, New York, New York 10013, U.S.A. All information provided herein is subject to the more detailed information provided in the Fund's Prospectus.

Share Price and Transaction Cut Off Times

Share prices are calculated on a net asset value basis, normally as of 5:30 pm (Bermuda time) (i) each Thursday (or, if a Thursday is not a business day, the preceding business day), (ii) on the last calendar day of each month (or, if that is not a weekday, the preceding weekday) and/or (iii) any other days in addition to (or substitution for) any of the days described in (i) or (ii), as determined by the Investment Manager without notice.

Subscriptions are only valid if made on the basis of the Fund's current Prospectus. To be processed on a given dealing day: subscription requests into an Orbis Fund that is not an Orbis SICAV Fund must be submitted by 5:00 pm on that dealing day; subscription requests into an Orbis Fund that is an Orbis SICAV Fund must be submitted by 5:30 pm; redemption requests from an Orbis Fund that is not an Orbis SICAV Fund must be submitted by 12 noon; redemption requests from an Orbis Fund that is an Orbis SICAV Fund must be submitted by 5:30 pm; requests to switch from an Orbis Fund that is not an Orbis SICAV Fund to a different Orbis Fund that is also not an Orbis SICAV Fund must be submitted by 12 noon; requests to switch from an Orbis SICAV Fund into a different Orbis Fund that is not an Orbis SICAV Fund must be submitted by 5:00 pm; requests to switch from an Orbis Fund that is not an Orbis SICAV Fund to a different Orbis Fund that is an Orbis SICAV Fund must be submitted by 12 noon; and requests to switch from an Orbis Fund that is an Orbis SICAV Fund to a different Orbis Fund that is also an Orbis SICAV Fund must be submitted by 5:30 pm. All times given are Bermuda time, and all requests must be properly completed and accompanied by any required funds and/or information.

Share prices, updated weekly, are available

- from the Allan Gray Unit Trust Management (RF) Proprietary Limited's website at www.allangray.co.za,
- from the Orbis website at www.orbis.com,
- by e-mail, by registering with Orbis for this service at the Orbis website at www.orbis.com, and
- from Bloomberg.

Legal Notices

Returns are net of fees, include income and assume reinvestment of dividends. Figures quoted are for the periods indicated for a $10,000 investment (lump sum, for illustrative purposes only). Annualised returns show the average amount earned on an investment in the Fund/share class each year over the given time period. This Report does not constitute advice nor a recommendation to buy, sell or hold, nor an offer to sell or a solicitation to buy interests or shares in the Orbis Funds or other securities in the companies mentioned in it.

Collective Investment Schemes (CIS) are generally medium to long-term investments. The value of an investment in the Fund may go down as well as up, and past performance is not a reliable indicator of future results. The Investment Manager provides no guarantee with respect to capital or the Fund's returns. CIS are traded at ruling prices and can engage in borrowing and scrip lending. Commission and incentives may be paid by investors to third parties and, if so, would be included in the overall costs. Individual investors' performance may differ as a result of investment date, reinvestment date and dividend withholding tax, as well as a levy that may apply in the case of transactions representing more than 5% of the Fund's net asset value. The Fund may be closed to new investments at any time in order to be managed in accordance with its mandate. The Fund invests in foreign securities. Depending on their markets, trading in those securities may carry risks relating to, among others, macroeconomic and political circumstances, constraints on liquidity or the repatriation of funds, foreign exchange rate fluctuations, taxation and trade settlement.

The discussion topics for the commentaries were selected, and the commentaries were finalised and approved, by Orbis Investment Management Limited, the Fund's Investment Manager. Information in this Report is based on sources believed to be accurate and reliable and provided "as is" and in good faith. The Orbis Group does not make any representation or warranty as to accuracy, reliability, timeliness or completeness of the information in this Report. The Orbis Group disclaims all liability (whether arising in contract, tort, negligence or otherwise) for any error, omission, loss or damage (whether direct, indirect, consequential or otherwise) in connection with the information in this Report.

Fund Minimum

Minimum investment amounts in the Fund are specified in the Fund's Prospectus, provided that a new investor in the Orbis Funds must open an investment account with Orbis, which may be subject to minimum investment restrictions, country restrictions and/or other terms and conditions. For more information on opening an Orbis investment account, please visit www.orbis.com.

Clients investing via Allan Gray, which includes the Allan Gray Investment Platform, an Allan Gray investment pool or otherwise through Allan Gray Nominees, remain subject to the investment minimums specified by the applicable terms and conditions.

Sources

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Clients investing via Allan Gray, which includes the Allan Gray Investment Platform, an Allan Gray investment pool or otherwise through Allan Gray Nominees remain subject to the investment minimums specified by the applicable terms and conditions.

Fees and Charges

The management fees associated with the Funds vary depending upon the share class an investor purchases. Not all share classes are offered by each Fund, and the eligibility criteria for different share classes and/or different Funds vary. Each Orbis Fund's Prospectus (available on www.orbis.com) describes the management fees, share classes and eligibility criteria of that Fund.

A schedule of fees and charges and maximum commissions is available on request from the appropriate Manager.

Fund Information

Orbis SICAV Funds: The ongoing charges include a fixed annual 1.5% management fee and other Fund expenses but exclude performance fees and portfolio transaction costs. The total management fee consists of the fixed management fee and the variable performance fee.

Orbis Optimal Funds: Total Rate of Return for Bank Deposits is the compound total return for one-month interbank deposits in the specified currency. Beta Adjusted Exposure is calculated as Equity Exposure multiplied by a Beta determined using Blume's technique, minus Portfolio Hedging.

Prior to 1 July 1998 Orbis Optimal (US\$) was managed with a currency benchmark of 40% US dollars, 40% European currency units and 20% Japanese yen. On 1 July 1998 this was changed to 100% US dollars and the euro denominated Fund was launched.

Sources

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