Orbis Global Balanced

As we look at opportunities around the world, one thing seems clear—it is no time to be a hero. In our view, overall markets appear plenty risky but insufficiently fearful. Fear and risk in the market tend to move in cycles, as we've illustrated below:

The fear and risk cycle

Illustrative only

As exciting as investing is, things aren't as exciting when fear and risk are aligned. These environments tend to offer decent opportunity sets to active investors, but not extraordinary ones. The best opportunities arise when investors are afraid but there's far less than usual to be afraid of—times like November 1987, or years 2003 and 2009. Such periods offer target-rich environments for analysts, but require investors to swallow a lot of fear and recent bad experience in order to pull the trigger.

Now is not one of those times. As we look around the world, we see plenty of risks. Stock and bond markets remain expensive by absolute and historical standards. The US government has pulled every available lever to prod the economy and keep asset prices high, and central banks are (or are thinking about) pulling back from their unprecedented money printing experiment. They are trying to keep the global economy in a "goldilocks" balance of good growth and low inflation—but that balance seems to be on a razor's edge. Too much accommodation risks runaway inflation, and removing accommodation too quickly risks causing a recession. And there is also a fourth possibility that many investors are too young to remember: stagflation, or poor growth and high inflation.

In addition to these economic risks, conflict continues to simmer in the Middle East, a trade war looms between the US and most everyone else, inequality is spurring inflationary, globalisation-killing populism and nationalism, and technology is changing society in ways we don't fully understand. Risks appear high.

Yet by most measures investors are optimistic. As one indicator, consider the VIX—the "fear gauge" of implied volatility in the US stockmarket. Amid the unusual stability of 2017, the index was often below 10, which is unprecedented. When markets dived in February, it briefly spiked above 40. To us, that looked like a healthy shift! But it fell back to 12 in early June, against a long-term average of 20. Meanwhile, retail investors' margin levels are high, and the cash levels of institutional investors are low. Investors remain sanguine, and high risk and low fear make a dangerous cocktail.

Scenario analysis

While we do not make big macro forecasts, we cannot stick our heads in the sand either, so we look at multiple scenarios and assess how the portfolio might behave in each of them. Rather than betting heavily on any one scenario, in assessing risk in the portfolio we aim to ensure that our positioning isn't disastrous in any of the scenarios that appear most plausible. We are not economists—nor do we want to be or think that would be beneficial.

To minimise bias, our Risk team models the portfolio's performance under a range of assumptions, so that we can understand how the portfolio might behave in the scenarios we are most concerned about. Most of our

Orbis Global Balanced (continued)

market risk scenarios come from a couple of pretty simple observations: 1) What are valuations telling us, and 2) what is everyone else worried about? We'll tend to worry more about things that others are not worried about.

This approach tends to work over time because fear and valuations are linked. If everyone is worried about the same risk, that fear is likely priced into markets, making the feared outcome both less likely and less rewarding to guard against. In February 2016, for example, investors' top fears were deflation and full-blown global recession, so we weren't surprised to find plenty of undervalued securities among inflation and economic growth beneficiaries. In the February just past, the top fears were inflation and a bond crash. What a difference a couple of years makes. Investors now seem to expect continued growth. That makes us nervous, and inclined to worry more that recession may be closer than believed.

The old playbook

There is a classic playbook for environments like this: shift out of cyclical shares like industrials and banks, and into defensives such as consumer staples. This time, however, defensives aren't attractively valued.

While many investors view consumer staples as extra safe stocks, we think they are more like extra risky bonds at their current valuations. Earnings and revenue growth for the likes of Nestlé, Coca-Cola, or Procter & Gamble have been next to nothing over the past ten years, and today, these shares offer dividend yields of a few percent. No growth (despite a decent economic backdrop) and a few percent yield sounds a lot like a low-yielding bond.

Last quarter, we discussed an attractive alternative: short-term US Treasury notes. They offer 2.3% yields, with essentially no interest rate or stock-related risk. In our view, these beat out the most attractive consumer staples in the equity market. As some of our favourite cyclical shares have performed well and returned to fair value, we have rotated some of the capital in the portfolio out of those stocks and into short-term US Treasuries.

While attractive equity opportunities are harder to find when fear is low and risk is high, there are about 8,000 investable stocks globally, and our research team continues to find attractive ones. Two types of shares provide particularly good illustrations of what we're finding in the current environment: "beta arbitrage" opportunities, and our wide footprint of idiosyncratic holdings.

Beta arbitrage

Benjamin Graham and David Dodd are the godfathers of value investing. Their basic advice: **buy shares of great businesses when they are temporarily thought not to be so.**

In Global Balanced, we have found a moderate risk corollary: **buy shares of safe businesses when they are temporarily thought not to be so.** At the strategy's inception, we bought telecommunications shares when the market seemed to forget about their stability. Over time, they were once again seen as defensive, and the shares appreciated. We have also bought selected consumer staples with much the same thesis. As those re-rated, helped by central banks' suppressing bond yields, we rotated capital into integrated oil companies and then added selected pharmaceuticals.

Beta arbitrage

Source: Datastream, Bloomberg, Orbis. Beta vs MSCI World Index, calculated using weekly returns. *AbbVie was spun off from Abbott Laboratories in 2013. Returns for Abbott are used prior to that date.

Integrated energy	Short-term beta (1yr)	Long-term beta (20yr)
BP	1.5	0.8
Royal Dutch Shell	1.6	0.8
Woodside Petroleum	1.9	0.7

Pharma	Short-term beta (3yr)	Long-term beta (20yr)
AbbVie	1.0	0.6*
Bristol-Myers Squibb	0.9	0.7
Celgene	1.0	0.9

We have discussed these shares (including BP and AbbVie) in past reports, so let's focus on just one aspect of them—their betas. A stock's beta measures its market sensitivity. Simplistically, a stock with a beta of 1.2

Orbis Global Balanced (continued)

is expected to move 1.2% for every 1% move up or down in the market. But the calculation period matters. When a sector is out of favour, its beta may increase, making it look more risky. When that happens, we find it valuable to consider how the near-term number stacks up against the company's long-term average.

For our selected "beta arbitrage" shares, we believe temporarily high betas have tricked investors into thinking the companies have permanently lost their high quality, stable fundamentals. If we are correct, the market will rediscover the stability of these companies and reward them by returning them to higher valuation levels. That doesn't happen in a predictable way, as we've seen during periods of underperformance for our integrated energy names over the past few years. But as we wait for the market's reappraisal, the low valuations and high dividend yields of our beta arbitrage names should make them resilient in the face of a market decline.

Idiosyncratic opportunities

Investing in attractive opportunities that have very little to do with the economic cycle is another way to deal with the risk of the economic cycle rolling over. The table below gives a small sample of these names:

A wide footprint of idiosyncratic holdings

Source: Orbis. Shares held in Orbis SICAV Global Balanced at 30 Jun 2018.

Stock	Description	Fundamental driver
Drax	Power producer	Regulatory reform
Navient	Student loan collector	Lawsuits
Nexon	Online game developer	Game release
Nokian Tyres	Winter tyre maker	New plant
PG&E	Gas and power utility	Legislative action
Start Today	Fashion e-commerce	Product development

Drax is a UK biomass and coal-fired power producer. The UK is trying to cut out coal in favour of wind and solar, but the resulting stretched capacity has led to winter outages in some regions. The country needs reliable power, and Drax can provide it efficiently. It has transitioned most of its units from coal to wood pellets, a renewable source of energy, and is seeking to switch other units from coal to a highly efficient type of gas generator. Both are excellent sources of base load electricity, but get little positive attention from politicians and regulators, currently enamoured by less reliable solar and wind power schemes. Drax has highly visible cash flows through 2027 that more than covers the company's entire stockmarket value and net debt, and we think Drax will continue to have a valuable role to play after that date. And importantly, the company's success or failure has almost nothing to do with overall market valuations, or the economic cycle. It is idiosyncratic.

The same is true of other shares such as Nexon, which is due to launch a mobile version of its blockbuster game Dungeon n Fighter, and Navient, which is being sued for how they went about administering student loan payments on the US government's behalf. Each of these companies has risks, but uncorrelated risks, that we believe are more than accounted for in their valuation levels; and by combining them, we can hopefully accrue the long-term gains that come from buying on the cheap while diversifying down the overall risk.

Staying the course

In short, we are managing risk by doing what we always do: hunting for attractively priced individual securities. It's not an easy environment, but by focusing on bottom-up opportunities, we believe we can provide an attractive balance of risk and return—without being a hero.

Commentary contributed by Alec Cutler, Orbis Investment Management Limited, Bermuda

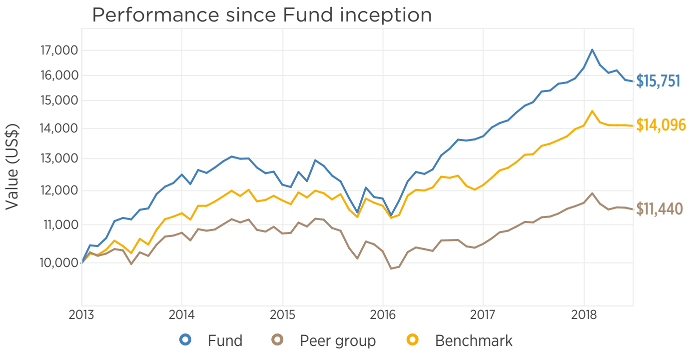
This report does not constitute a recommendation to buy, sell or hold any interests, shares or other securities in the companies mentioned in it nor does it constitute financial advice.

Orbis SICAV
Global Balanced Fund

The Fund seeks to balance appreciation of capital, income generation and risk of loss with a diversified global portfolio of equity, fixed income and commodity-linked instruments. It aims to earn higher long-term returns than its benchmark, which is comprised of 60% MSCI World Index with net dividends reinvested and 40% JP Morgan Global Government Bond Index ("60/40 Index"), each in US dollars.

Price	US$15.66	**Benchmark**	60/40 Index
Pricing currency	US dollars	**Peer group**	Average Global Balanced Fund Index
Domicile	Luxembourg	**Minimum investment**	US$50,000
Type	SICAV	**Dealing**	Weekly *(Thursdays)*
Share class	Investor Share Class	**Entry/exit fees**	None
Fund size	US$4.1 billion	**UCITS compliant**	Yes
Fund inception	1 January 2013	**ISIN**	LU0891391392
Strategy size	US$4.1 billion		
Strategy inception	1 January 2013		

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



Returns (%)

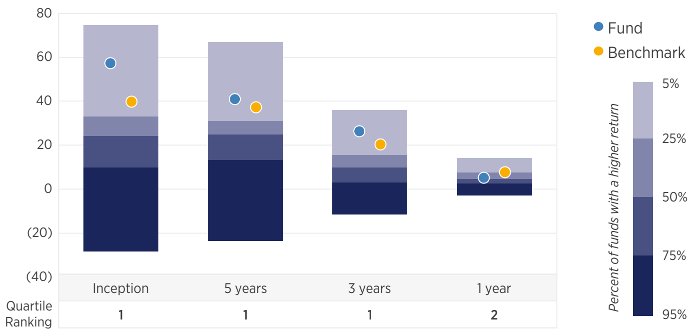
	Fund	Peer group	Benchmark
Annualised	Net	Net	Gross
Since Fund inception	8.6	2.5	6.4
5 years	7.1	2.8	6.6
3 years	8.1	1.6	6.3
1 year	5.3	3.3	7.3
Not annualised			
Calendar year to date	(3.3)	(1.6)	(0.1)
3 months	(2.1)	0.0	(0.2)
1 month	(0.4)		(0.1)

	Year	%
Best performing calendar year since Fund inception	2013	24.8
Worst performing calendar year since Fund inception	2015	(3.4)

Risk Measures, since Fund inception

	Fund	Peer group	Benchmark
Largest drawdown (%)	14	12	7
Months to recovery	25	27	22
Annualised monthly volatility (%)	8.3	6.1	6.5
Beta vs World Index	0.7	0.6	0.6
Tracking error vs benchmark (%)	4.4	2.1	0.0

Ranking within peer group, cumulative return (%)



Asset Allocation (%)

	North America	Europe	Asia ex-Japan	Japan	Other	Total
Fund						
Gross Equity	29	24	11	9	5	77
Net Equity	*16*	*20*	*10*	*8*	*4*	*57*
Gross Fixed Income	19	0	0	0	0	19
Net Fixed Income	*19*	*0*	*0*	*0*	*0*	*19*
Commodity-Linked						4
Total	**48**	**24**	**11**	**9**	**5**	**100**
Benchmark						
Equity	38	14	1	5	2	60
Fixed Income	17	15	0	8	1	40
Total	**55**	**28**	**1**	**13**	**2**	**100**

Currency Allocation (%)

	Fund	Benchmark
US dollar	45	53
British pound	15	7
Euro	14	19
Japanese yen	13	13
Other	13	9
Total	**100**	**100**

Top 10 Holdings

	Sector	%
AbbVie	Health Care	4.3
BP	Energy	4.3
Royal Dutch Shell	Energy	3.7
SPDR Gold Trust	Commodity-Linked	3.5
Bristol-Myers Squibb	Health Care	3.1
Treasury Note 1.125% 28 Feb 2019	Government Bond	2.9
NetEase	Information Technology	2.8
XPO Logistics	Industrials	2.7
Alphabet	Information Technology	2.3
Mitsubishi	Industrials	2.2
Total		**31.8**

Portfolio Concentration & Characteristics

% of NAV in top 25 holdings	56
Total number of holdings	91
12 month portfolio turnover (%)	59
12 month name turnover (%)	45

Fees & Expenses (%), for last 12 months

Management fee[1]	2.17
For 3 year performance in line with benchmark	*1.50*
For 3 year outperformance/(underperformance) vs benchmark	*0.67*
Fund expenses	0.10
Total Expense Ratio (TER)	**2.27**

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 SICAV Global Balanced Fund

This Fact Sheet is a Minimum Disclosure Document and a monthly General Investor Report as required by the South African Financial Services Board. Please note that all references to the "Investor Share Class" in this document exclude the "Institutional Investor Share Class" referred to in the Fund's Prospectus.

Manager	Orbis Investment Management (Luxembourg) S.A.
Investment Manager	Orbis Investment Management Limited
Inception date	1 January 2013
Number of shares (Investor Share Class)	25,493,902
Income distributions during the last 12 months	None

Fund Objective and Benchmark

The Fund seeks to balance appreciation of capital, income generation and risk of loss with a diversified global portfolio. It aims for higher long-term returns than its designated combined equity and bond performance benchmark, which is comprised of 60% MSCI World Index with net dividends reinvested and 40% JP Morgan Global Government Bond Index, each expressed in US$ (the "60/40 Index").

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

The Fund is actively managed and invests in equities, fixed income instruments and commodity-linked instruments. Fund weightings among the different asset classes are determined based on their income, appreciation and risk of loss potential, with appropriate diversification. The Investment Manager may cause the Fund to be under or over the targets described in the remainder of this section when it considers this to be in the Fund's best interest.

Equities. The Investment Manager targets the Fund to hold 40-90% of its net asset value in a pool of global equities. The Fund invests in shares considered to offer fundamental value and dividend paying potential that is superior to its benchmark. 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 the main risk of investing in equities is that their prices will decline if relevant stockmarkets fall significantly. To reduce this risk, when Orbis' research suggests that stockmarkets are overvalued and vulnerable, the Investment Manager will reduce exposure to, or hedge, stockmarket risk. When Orbis' research suggests that stockmarkets represent good value, the Investment Manager will increase exposure to stockmarket risk by decreasing the amount of any hedging. The Fund may utilise exchange-traded derivatives for investment efficiency purposes by helping the Fund to be continuously fully exposed to equities (within the Investment Manager's targets) at all times. Furthermore, the Fund may buy and sell exchange-traded equity options for investment efficiency purposes, but only to the extent the Fund is capable of meeting its payment or delivery obligations related to such options, for example, by holding the underlying security.

Fixed Income Instruments. The Investment Manager targets the Fund to hold 10-50% of its net asset value in fixed income instruments issued by corporate bodies, governments and other entities. These are selected to provide current income, liquidity and portfolio diversification for the purpose of reducing risk of loss. When Orbis' research suggests that bond markets are overvalued and vulnerable, the Investment Manager will reduce exposure to, or hedge, bond market risk. When Orbis' research suggests that bond markets represent good value, the Investment Manager will increase exposure to bond market risk by decreasing the amount of that hedging. The Fund's fixed income selections in aggregate may differ significantly from the benchmark in duration and credit quality. In addition, the Fund may invest in money market instruments, cash and cash equivalents.

Commodity-linked Instruments. The Investment Manager targets the Fund to hold 0-10% of its net asset value in commodity-linked instruments, which may provide the Fund with indirect exposure to commodities. The Fund will gain exposure to commodities if the Investment Manager's investment research process identifies a commodity or class of commodities as being more attractive than overall equity and fixed income opportunities, taking into account any risk reduction benefits of diversification.

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, the Investment Manager actively reviews the Fund's currency exposure. Those currencies held but considered vulnerable may be sold in favour of those considered more attractive.

Since inception and over the latest five-year period, 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. The Fund's holdings usually differ meaningfully from the 60/40 Index.

Risk/Reward Profile

- The Investment Manager aims to contain the risk of monetary loss to a level that is below the risk of loss experienced by global equity funds but higher than that experienced by government bond funds and cash deposits over the long term. Investors should be aware that this expected reduction in risk of loss comes at the expense of long-term expected return.
- Investments in the Fund may suffer capital loss.
- Investors should understand that the Investment Manager generally assesses an investment's attractiveness over a three-to-five year time horizon.

Management Fee

As is described in more detail in the Fund's Prospectus, the Fund's various share classes bear different management fees. The fees are designed to align the Manager's and Investment Manager's interests with those of investors in the Fund. With respect to the Fund's Investor Share Class, the fee is structured as follows: a fee is charged based on the net asset value of the class. The fee rate is calculated weekly by comparing the class' performance over three years against the 60/40 Index. 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

For a description of the management fee borne by the Fund's other share classes, please refer to the Fund's Prospectus.

Fees, Expenses and Total Expense Ratio (TER)

The relevant class within the Fund bears all expenses payable by such class, which shall include but not be limited to fees payable to its Manager, Investment Manager and additional services providers, fees and expenses involved in registering and maintaining governmental registrations, taxes, duties and all other operating expenses, including the cost of buying and selling assets. However, the Manager and the Investment Manager have agreed that in the current calendar year, except for specified exclusions, operating expenses attributable to the Fund's Investor Share Class will be capped at 0.20%. Please refer to the Fund's Prospectus for a description of the fee cap applicable to its other share classes. Each cap will be automatically extended for further successive one year periods unless terminated by the Manager or the Investment Manager at least three months prior to the end of the then current term. The operating expenses that are capped are all expenses, excluding the Manager's and Investment Managers' fees described above under "Management Fee," the cost of buying and selling assets, interest and brokerage charges.

Where an investor subscribes or redeems an amount representing 5% or more of the net asset value of the Fund, the 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 class 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 March 2018	%	30 June 2018	%
AbbVie	4.1	AbbVie	4.3
BP	3.6	BP	4.3
Royal Dutch Shell	3.3	Royal Dutch Shell	3.7
SPDR Gold Trust	3.2	SPDR Gold Trust	3.5
Bristol-Myers Squibb	3.0	Bristol-Myers Squibb	3.1
XPO Logistics	3.0	Treasury Note 1.125% 28 Feb 2019	2.9
Treasury Note 1.125% 28 Feb 2019	3.0	NetEase	2.8
Alphabet	2.2	XPO Logistics	2.7
Mitsubishi	2.2	Alphabet	2.3
Samsung Electronics	2.1	Mitsubishi	2.2
Total	**29.8**	**Total**	**31.8**

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 SICAV Global Balanced 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 Depositary is Citibank Europe plc, Luxembourg Branch, 31 Z.A. Bourmicht, L-8070 Bertrange, Luxembourg. 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 by share class, normally as of 5:30 pm (Bermuda time) (i) in the case of the Investor Share Class and Institutional Investor Share Class, each Thursday (or, if a Thursday is not a business day, the preceding business day), (ii) in the case of the Refundable Reserve Fee Share Classes, the first Thursday of each calendar month and any other Thursday on which an investor transacts in such class (or, if a Thursday is not a business day, the preceding business day), (iii) on the last calendar day of each month (or, if that is not a weekday, the preceding weekday) and/or (iv) any other days in addition to (or substitution for) any of the days described in (i), (ii) or (iii), as determined by the 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 Investor Share Class 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. Neither the Manager nor the Investment Manager provides any 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 Information

The benchmark is a composite index consisting of the MSCI World Index with net dividends reinvested (60%) and the JP Morgan Global Government Bond Index (40%).

Net Equity is Gross Equity minus stockmarket hedging. Fixed Income refers to fixed income instruments issued by corporate bodies, governments and other entities, such as bonds, money market instruments and cash and cash equivalents. Fixed Income regional allocation is based on the currency denomination of the instrument. Net Fixed Income is Gross Fixed Income minus bond market hedging.

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

The 60/40 Index returns are calculated by Orbis using end of day index level values licensed from MSCI ("MSCI Data"). For the avoidance of doubt, MSCI is not the benchmark "administrator" for, or a "contributor", "submitter" or "supervised contributor" to, the blended returns, and the MSCI Data is not considered a "contribution" or "submission" in relation to the blended returns, as those terms may be defined in any rules, laws, regulations, legislation or international standards. MSCI Data is provided "as is" without warranty or liability and no copying or distribution is permitted. MSCI does not make any representation regarding the advisability of any investment or strategy and does not sponsor, promote, issue, sell or otherwise recommend or endorse any investment or strategy, including any financial products or strategies based on, tracking or otherwise utilising any MSCI Data, models, analytics or other materials or information. JP Morgan Global Government Bond Index (the "GBI"): Information has been obtained from sources believed to be reliable but J.P. Morgan does not warrant its completeness or accuracy. The GBI is used with permission. Copyright 2018, J.P. Morgan Chase & Co. All rights reserved. The 60/40 Index may not be copied, used, or distributed without prior written approval.

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