Orbis Japan Equity

In January, the Orbis Japan Equity Strategy celebrated its 20th anniversary. This quarter marked another milestone—the fund has now held Mitsubishi and Sumitomo for five years.

By now, longstanding clients may view the trading companies as old friends. We have written about them four times, and mentioned them in five other reports. Lately, they have been positive contributors to performance, and we still find them attractive. Mitsubishi and Sumitomo are the fund's two largest holdings today, so our five-year anniversary provides a good opportunity to check in on these companies.

Decent businesses at great prices

Mitsubishi and Sumitomo are *sogo shosha*, or general trading companies—a type of business unique to Japan. The country has a large population, but few natural resources, so the trading companies emerged to source resources Japan could not provide. Over time, the companies moved "upstream" and began to buy stakes in resource assets. Today they are industrial conglomerates spanning a dizzying array of businesses: coking coal, nickel, natural gas, oil pipes, power plants, salmon fisheries, food distributors, cable operators, and convenience stores, to name a few. They are a bit like Berkshire Hathaway, only Japanese.

We first bought Mitsubishi and Sumitomo in early 2013. At that time, we regarded them as average businesses trading at great prices. Both companies had delivered better long-term growth and returns on equity than the wider Japanese market, yet they traded at a discount to their tangible book values. To put that in perspective, a company earning just acceptable returns should trade at 1.0 times its book value. Here were companies earning better-than-acceptable returns trading at a steep discount. That got us interested!

The market didn't believe the companies' book values. As owners of resource assets, the trading companies did fantastically well during the China-driven commodity boom of the first decade of the 2000s. Sumitomo earned returns on equity of 20%—on a par with some tech firms. Investors believed those profits were unsustainable, and that an undisciplined spending spree would end in tears (and write-downs).

Our thesis for Mitsubishi and Sumitomo had three parts: 1) their assets are better than the market thinks, 2) profits for their resource businesses would level out at sustainable levels, and 3) improvement in capital allocation could increase shareholder returns. If we were right, the companies' strong fundamentals would show through in their results, and the market would reward the shares with a higher valuation.

How has that thesis played out?

We describe our investment philosophy as fundamental, contrarian, and long term. There is a reason we are long term—we can find shares that appear to offer a discount to intrinsic value, but we cannot control when their prices will reflect their fundamentals. We are often early to buy, as we were with Mitsubishi and Sumitomo. Both were hated when we bought them, and for the first three years of our holding period, their valuations declined further. Through early 2016, they detracted from the fund's returns.

Initially, concerns about the companies' assets were vindicated. Both firms took large write-downs, many of which we expected, but some of which were unwelcome surprises. The write-downs led to annual losses in 2015 for Sumitomo (its first since 1999) and in 2016 for Mitsubishi (its first in over 40 years). Beneath the surface, however, the company's non-resource segments were performing well—both have grown profits by 10% per annum over our holding period.

2015 and 2016 were tough in part because of the crash in commodity prices. That dragged key resource businesses into serious losses. The Metals business segment at Mitsubishi (including its 50% stake in the world's largest coking coal mine) recorded a net loss of 360 billion yen, while Sumitomo's equivalent segment saw losses of close to 150 billion yen. The vast majority of these losses were impairments, but this appeared to prove the naysayers right—previous commodity profits were unsustainable, and a crash was overdue. As it turns out, the crash in commodity prices was overdone: last year, the metals segment made 200 billion yen for Mitsubishi, and more than 60 billion yen for Sumitomo.

Improvements in capital allocation have been steadier. In the past, Mitsubishi and Sumitomo spent freely on investments, sometimes paying too much, and sometimes on assets with low return potential. All that investment sapped the cash available to shareholders. This is changing. The companies are generating better cash flow and investing it more carefully. Their balance sheets are also stronger than ever. In the late 1990s, Mitsubishi had a debt-to-equity ratio of 5 to 1. Today it is a more manageable 0.7 times. Lower debt

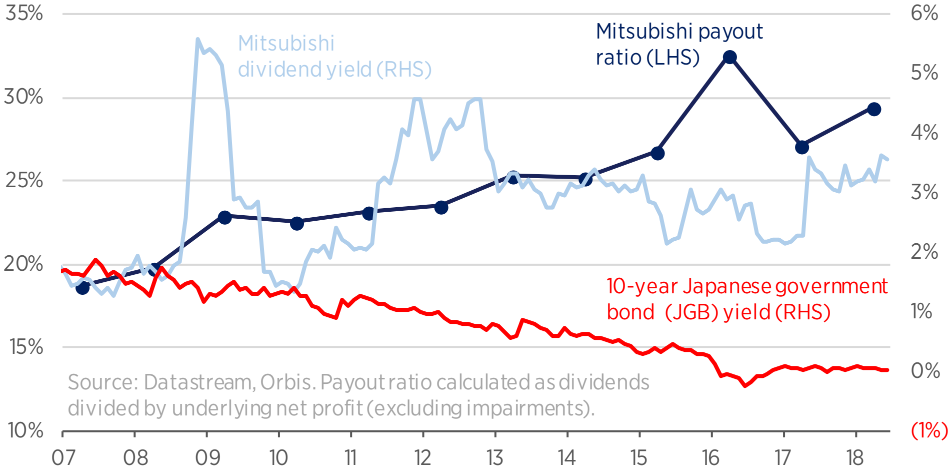
Orbis Japan Equity (continued)

levels provide management with greater latitude to return capital to shareholders.

As the chart shows, Mitsubishi has done just that. In absolute terms, the shift is stark. 10 years ago, Mitsubishi offered the same yield as 10-year Japanese government bonds. Today, 10-year bond-yields are anchored at zero, while Mitsubishi's indicated dividend yield is 3.6%.

Increased payouts leave Mitsubishi with a compelling yield

Mitsubishi dividend yield and payout ratio, with 10-year JGB yield



As we hoped, the market has rewarded these improvements in capital allocation with higher valuations for Mitsubishi and Sumitomo—from lows of 0.6 times tangible book value, they now trade for about 1.1 times. This has driven outperformance for the shares, and they are top contributors to the fund's returns over the past 12 months. Despite this re-rating, they are the top two positions in the fund.

Why do we still like them?

In short, because we believe they continue to offer a discount to their intrinsic value. While their price to book valuations are no longer so extreme, looking at earnings and dividends gives a different perspective.

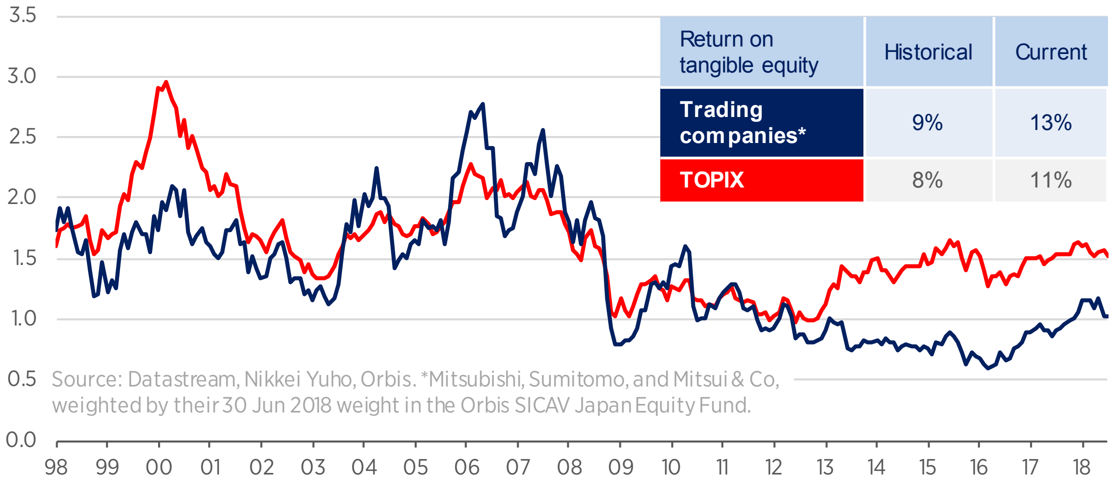
Since our initial investment, Mitsubishi's share price has risen by 12% per annum, and Sumitomo's is up by 8% per annum—but their earnings and dividends have grown by similar amounts. So while the stocks have re-rated on a price-to-book basis, their valuations are little changed if we look at price-earnings or dividend yield. Trading at about eight times earnings, both shares continue to look compelling over our long-term investment horizon.

There are two other attractions, both of which also apply to Mitsui & Co, another trading company which is new to the fund's top ten holdings this year.

One is the valuation of the shares relative to other available opportunities in Japan. As the chart shows, the trading companies have historically earned slightly better returns on equity than the wider market, while trading at average valuations. Today, however, they are earning above-average returns, but trade at a steep discount to the average Japanese stock.

Trading companies trade at a discount to the market, despite better ROEs

Price to tangible book value for Orbis Japan trading companies and the TOPIX



Return on tangible equity	Historical	Current
Trading companies*	9%	13%
TOPIX	8%	11%

The other attraction is that these improvements are still in early days. Here, Mitsui is an interesting example.

Orbis Japan Equity (continued)

Introducing Mitsui & Co

We looked at Mitsui at the time of our original research on Mitsubishi and Sumitomo, but didn't go for it. Of the three, it has the highest exposure (2/3 of profits) to resource-related businesses, particularly iron ore, which we viewed as especially vulnerable to any decline in Chinese infrastructure spending. Over the past 18 months, our view has become more constructive, supported by our research on Brazilian miner Vale for the Orbis Global Equity Strategy. Mitsui has a 5.5% stake in Vale, as well as stakes in Australian mines operated by giants Rio Tinto and BHP. Taking these together, Mitsui is effectively the world's fifth largest iron ore producer. We think the supply structure of the industry is attractive. The four big producers control three-quarters of supply, letting them benefit from sustainably lower costs relative to newer entrants, and are committed to a "value over volume" strategy. And on the demand side, China's recent drive to combat pollution lends additional support for Mitsui's resource businesses. The country is trying to reduce its use of the lowest quality iron ore, which should help companies with better assets, including Mitsui.

Mitsui's path towards better capital allocation has touched multiple parts of its business. Its key targets are now focused on cash flow rather than accounting earnings. Its investments must now clear a minimum 10% return hurdle to warrant capital. It has implemented a minimum dividend floor, and its dividend pay-out has risen to above 30% of profits, supplemented by share buybacks. And its boardroom has been shaken up by the appointment of Sam Walsh, an ex-CEO of mining giant Rio Tinto. Walsh travels to Tokyo each month and receives simultaneous translation of all board meetings and papers. According to other executives, Walsh has already made an impact in pushing for better alignment with shareholders. Unusually for Japan, Mitsui's executives are required to purchase the company's shares, and have a portion of their performance-related remuneration docked if Mitsui fails to outperform the TOPIX. We are hopeful that these efforts will produce a change in mindset that is broader than simply raising the dividend.

The ball in their court

If the trading companies can continue to improve their capital allocation while generating good cash flows, we believe they can drive pleasing returns for shareholders. We no longer expect a big commodity recovery, or even a big rerating in the shares. But if the companies simply continue to grow and pay attractive dividends, we don't need the market to agree with us. These companies can make their own luck.

Commentary contributed by Alex Bowles, Orbis Portfolio Management (Europe) LLP, London

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.

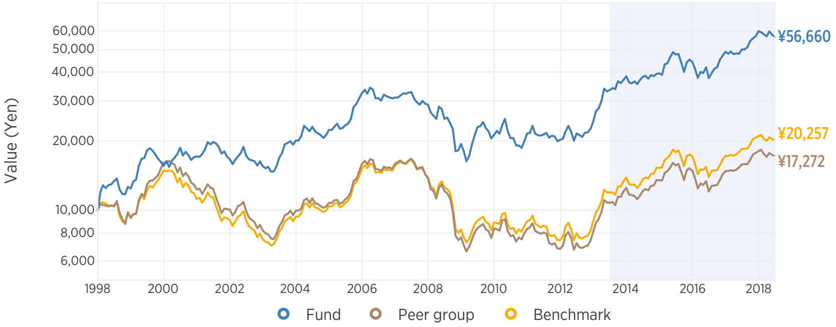
Orbis SICAV Japan Equity (Yen) Fund

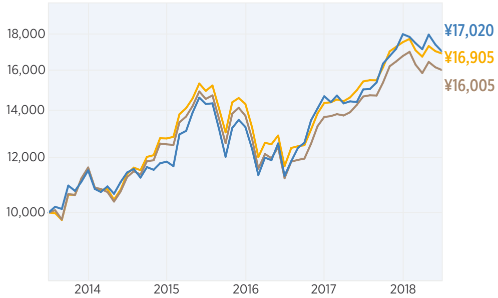
The Fund is designed to remain fully invested in Japanese equities and seeks higher returns than the Japanese stockmarket, without greater risk of loss. It is predominantly exposed to the Japanese yen. The benchmark is the Tokyo Stock Price Index, including income, gross of withholding taxes (“TOPIX”).

Price	¥5,666
Pricing currency	Japanese yen
Domicile	Luxembourg
Type	SICAV
Share class	Investor Share Class
Fund size	¥189 billion
Fund inception	1 January 1998
Strategy size	¥198 billion
Strategy inception	1 January 1998

Benchmark	TOPIX
Peer group	Average Japan Equity Fund Index
Minimum investment	US$50,000
Dealing	Weekly *(Thursdays)*
Entry/exit fees	None
UCITS compliant	Yes
ISIN	LU0160128079

Growth of ¥10,000 investment, net of fees, dividends reinvested





Returns (%)

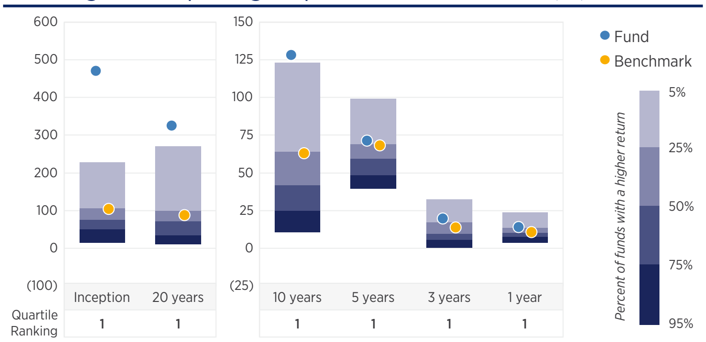
	Fund	Peer group	Benchmark
Annualised		*Net*	*Gross*
Since Fund inception	8.8	2.7	3.5
20 years	7.5	2.6	3.3
10 years	8.5	3.6	4.9
5 years	11.2	9.9	11.1
3 years	6.0	3.2	4.2
1 year	13.3	9.1	9.7
Not annualised			
Calendar year to date	(5.5)	(4.5)	(3.7)
3 months	(0.7)	1.0	1.1
1 month	(2.2)		(0.8)

	Year	%
Best performing calendar year since Fund inception	2013	57.0
Worst performing calendar year since Fund inception	2008	(32.4)

Risk Measures, since Fund inception

	Fund	Peer group	Benchmark
Largest drawdown (%)	52	60	56
Months to recovery	90	124	93
Annualised monthly volatility (%)	18.3	18.1	17.6
Beta vs benchmark	0.9	1.0	1.0
Tracking error vs benchmark (%)	9.5	2.7	0.0

Ranking within peer group, cumulative return (%)



Sector Allocation (%)

Sector	Fund	Benchmark
Cyclicals	46	40
Consumer Non-Durables	32	24
Information and Communications	13	8
Financials	6	11
Technology	2	15
Utilities	0	2
Net Current Assets	*1*	*0*
Total	**100**	**100**

Top 10 Holdings

	Sector	%
Mitsubishi	Consumer Non-Durables	9.0
Sumitomo	Consumer Non-Durables	7.7
Daito Trust Construction	Cyclicals	7.4
Iida Group Holdings	Cyclicals	6.9
INPEX	Cyclicals	6.1
Sumitomo Mitsui Fin.	Financials	4.8
KDDI	Information and Communications	4.6
NEXON	Information and Communications	4.4
Mitsui & Co	Consumer Non-Durables	4.3
NGK Insulators	Cyclicals	4.0
Total		**59.2**

Portfolio Concentration & Characteristics

% of NAV in top 25 holdings	98
Total number of holdings	27
12 month portfolio turnover (%)	49
12 month name turnover (%)	39
Active share (%)	90

Fees & Expenses (%), for last 12 months

Management fee[1]	2.12
For 3 year performance in line with benchmark	*1.50*
For 3 year outperformance/(underperformance) vs benchmark	*0.62*
Fund expenses	0.10
Total Expense Ratio (TER)	**2.22**

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.

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Orbis SICAV Japan 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.

Manager				Orbis Investment Management (Luxembourg) S.A.
Investment Manager				Orbis Investment Management (Guernsey) Limited
Inception date				1 January 1998
Number of shares (Investor Share Class)	**Yen Class:**	18,744,830	**Euro Class:**	1,858,675
Income distributions during the last 12 months				None

Fund Objective and Benchmarks

The Yen Classes of the Fund seek higher returns in yen than the Japanese stockmarket, without greater risk of loss. The Euro Class of the Fund seeks higher returns than the Japanese stockmarket hedged into euro, without greater risk of loss. The TOPIX (gross) (the "TOPIX Yen") is the Yen Class' benchmark, while the TOPIX (gross) hedged into euro (the "TOPIX Euro") is the benchmark of the Euro Class.

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

The Fund is actively managed and is designed to remain continuously fully invested in, and exposed to all the risks and rewards of, selected Japanese equities. The Fund identifies as Japanese equities those equities of companies which are domiciled in Japan, whose securities trade on a Japanese stockmarket or whose business is primarily located in or linked to Japan. These equities are selected using extensive proprietary investment research undertaken by the Investment Manager and its investment advisors. 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.

All share classes invest in a portfolio of Japanese equities selected by the Investment Manager. However, while the currency exposure of the Yen Classes remains as fully exposed to the yen as practicable, the Euro Class is hedged into, and therefore largely exposed to, the euro. The Euro Class is designed for investors who measure their returns in euro and who wish to be invested in Japanese equities without being exposed to fluctuations in the yen-euro exchange rate.

The Fund does not seek to mirror the TOPIX Yen/TOPIX Euro and may deviate meaningfully from it in pursuit of superior long-term capital appreciation.

Since inception and over the latest ten- and five-year periods, both the Yen and Euro Classes have outperformed their respective benchmarks 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 aimed at investors who are seeking a portfolio the objective of which is to be fully invested in, and exposed to, Japanese equities at all times.
- 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'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 Classes, 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 TOPIX Yen or TOPIX Euro, as applicable. For each percentage point of three year performance above or below that benchmark's performance, 0.04 percentage points are added to or deducted 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 service 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 Classes 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 Investment Manager may cause the Fund to levy a fee of 0.25% of the net asset value of the Fund 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	%
Mitsubishi	9.7	Mitsubishi	9.0
Daito Trust Construction	6.9	Sumitomo	7.7
INPEX	6.9	Daito Trust Construction	7.4
Iida Group Holdings	6.0	Iida Group Holdings	6.9
Sumitomo	5.1	INPEX	6.1
Honda Motor	4.9	Sumitomo Mitsui Fin.	4.8
Sumitomo Mitsui Fin.	4.8	KDDI	4.6
Mitsubishi UFJ Financial Group	4.7	NEXON	4.4
Mitsui & Co	4.3	Mitsui & Co	4.3
Ship Healthcare Holdings	4.0	NGK Insulators	4.0
Total	**57.3**	**Total**	**59.2**

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 Japan 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 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 Classes, 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 or €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. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. 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 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 (Guernsey) 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

Prior to 29 November 2002 the Orbis SICAV Japan Equity Fund—Yen class was a British Virgin Islands investment company, Orbis Japan Equity (Yen) Fund Limited.

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

TOPIX Stock Price Index, including income ("TOPIX"): Tokyo Stock Exchange. TOPIX hedged into euro is calculated by Orbis using an industry-standard methodology using the TOPIX which is in yen. No further distribution of the TOPIX data is permitted.

Average Fund data source and peer group ranking data source: © 2018 Morningstar. All Rights Reserved. Such information (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. The latest average fund indices provided by Morningstar are for 21 June 2018. To allow comparison of returns to a common date we have extended the average equity and multi-asset class fund indices to reflect the subsequent movement of the applicable benchmark indices. Average fund returns are not shown for periods of a month or less as high price volatility and late fund reporting regularly cause them to be significantly restated by Morningstar.

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The discussion topics for the commentaries were selected, and the commentaries were finalised and approved, by either Orbis Investment Management Limited or Orbis Investment Management (Guernsey) Limited, the Funds' Manager or Investment Manager, as the case may be. 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.

Orbis Investment Management Limited and Orbis Investment Management (Guernsey) Limited, the Funds' Manager or Investment Manager, are licensed to conduct investment business by the Bermuda Monetary Authority and the Guernsey Financial Services Commission.

Returns are net of fees, include income and assume reinvestment of dividends. Figures quoted are for the periods indicated for a $10,000, ¥10,000 and €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.

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Fund Minimums

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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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TOPIX Stock Price Index, including income ("TOPIX"): Tokyo Stock Exchange. TOPIX hedged into US$ and euro are calculated by Orbis using an industry-standard methodology using the TOPIX which is in yen. No further distribution of the TOPIX data is permitted.

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