

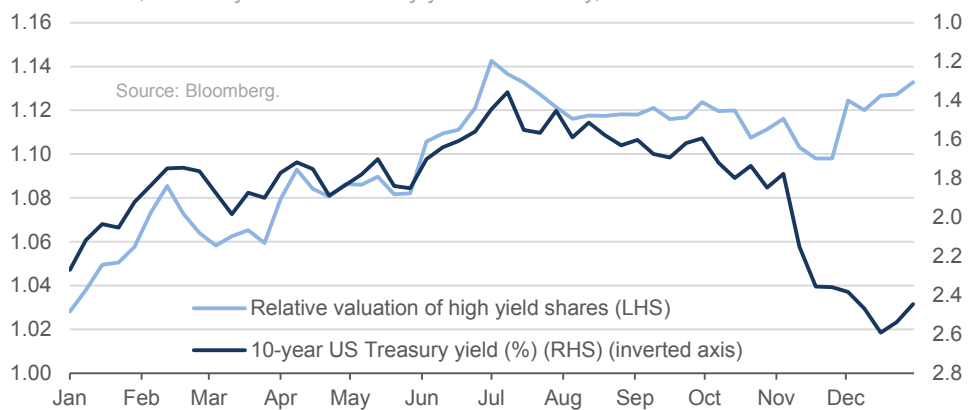
Orbis Global Balanced

Orbis Global Balanced aims to balance capital appreciation and income generation with the risk of loss. These objectives naturally make us relatively fond of securities that offer attractive yields. But there is a difference between attractive yield and high yield, and we do not pursue this characteristic at the expense of all others. In Balanced as in all the Orbis Funds, two considerations trump all others: whether a security offers a discount to our assessment of its intrinsic value, and whether holding it will improve the portfolio's overall balance of risk and return.

In 2016, your portfolio's yield declined, from a peak of 3.5% p.a. to 2.5% p.a. today. This does not mean we are departing from the Strategy's mandate. Far from it. We still like securities with *attractive* yields, but with their rising popularity and valuations, we believe stocks with *high* yields now offer less potential for capital appreciation and a higher risk of loss than they have for some time. This year, high yield shares in aggregate have grown roughly 10% more expensive relative to the wider stockmarket on a price-to-book basis. Their relative valuations peaked just as US bond yields troughed, which is no accident—low bond yields have pushed many investors into stable yielding equities in search of income. Recently, high-yield shares have remained expensive despite rising bond yields. That keeps us wary. Finding the “lower risk” names in the portfolio rather risky from a valuation standpoint, we sold many of the portfolio's stable yielding holdings in early 2016.

High-yield shares have grown more expensive relative to the market

Price-to-book of the MSCI World High Dividend Yield Index divided by that of the MSCI World Index, and 10-year US Treasury yield to maturity, Jan 2016 to Dec 2016



Instead, we have gone where the discounts are. Often, the best way to protect against downside is to buy what's already down and inexpensive. Where that has led us to shares with greater business uncertainty, volatility, or economic sensitivity, we have worked to mitigate these risks by selectively hedging stockmarket exposure and by building greater conviction through continual fundamental research.

As we wrote in the November Our Thinking commentary, there are similarities between our investment philosophy and a traditional “value” approach of buying shares with low price multiples. We are not textbook value investors, as we believe discounts to intrinsic value can also arise when the market assigns an average valuation to a company with superior growth prospects. But if you are looking for shares that trade at a discount to intrinsic value, it's not a bad idea to hunt among shares that trade at low multiples of their equity, earnings, or free cash flow. Lately, such value shares have appeared exceptionally attractive.

Recently, value shares have appeared exceptionally attractive

Relative attractiveness of value vs growth shares in the FTSE World Index, 1990 to Dec 2016

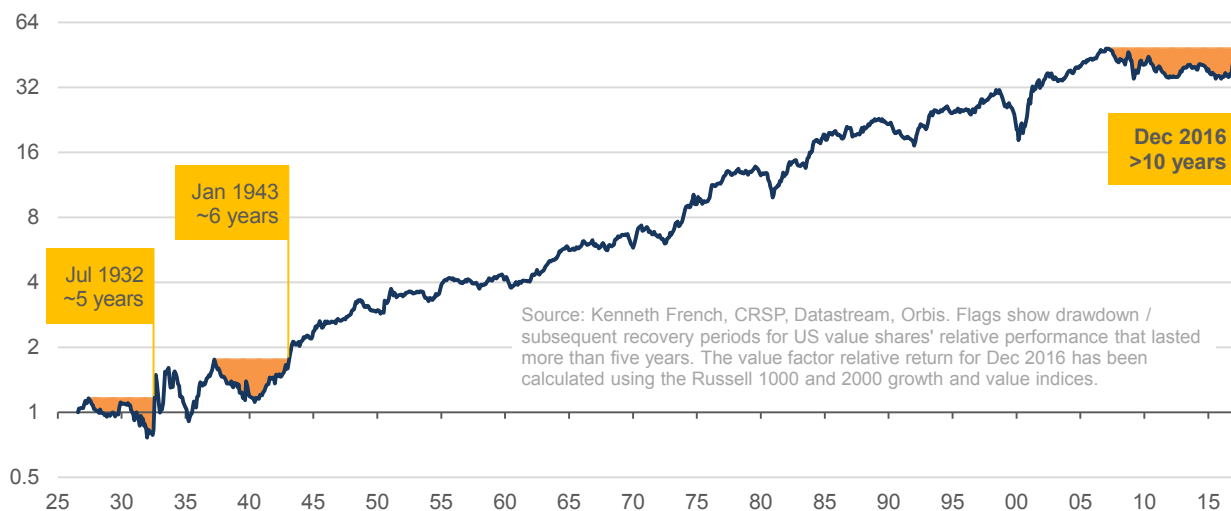


Orbis Global Balanced *(continued)*

This follows a period of unusual underperformance for value stocks. Over very long periods, buying stocks that trade at a low multiple of their book value, earnings, or cash flow has proven to be a winning strategy. In the US, where a longer history of the factor's return is available, value shares have outperformed by 4% p.a. since 1926, and by at least 2% p.a. in almost every 20-year rolling period. There have been some painful periods of underperformance, such as the great depression in the 1930s and the run-up to the 2000 technology bubble. But until recently, value shares had never gone more than six years without reaching a new high in relative performance.

We appear to be in the longest rut for value shares in the past 90 years

Relative return series calculated from the monthly return of US high book-to-price portfolio less the return of US low-book-to-price portfolio, large- and small- cap shares, Jul 1926 to Dec 2016



In the US and globally, value shares have lagged their growth counterparts since the end of 2006. With the data available to us, this looks to be the longest value shares have ever gone without marking a new peak in relative performance. That makes it tempting to wonder whether this time is different. Perhaps the value “anomaly” has been eroded as investors have become aware of it. Perhaps the poor recent performance is a sign that the value approach is broken and it's time to give up.

Or maybe it's a sign that the relationships between prices and fundamentals are still really stretched in some parts of the market. We believe that is the more likely explanation, and it leaves us excited about the opportunities in your portfolio.

How has this played out in the positioning of the portfolio? The shift toward value—as well as the drop in yield—has been driven by increased bank, energy, and health insurer holdings, as well as one-off “deep value” opportunities where we believe we have a research-driven edge. Wells Fargo is a recent example of what we're finding.

Wells is one of the premier US lenders. Reflecting its high quality, it has historically commanded a premium valuation compared to its banking peers. It is unusual for that premium to evaporate—yet it has this year. Wells was caught in a fake accounts scandal, which was sucked into the vortex of an especially partisan election cycle, leaving the normally above-the-fray company stuck in congressional hearings and on the front page of newspapers for weeks. Investors responded to the negative press, pushing the shares down 14% from the beginning of September to early October. That brought the company's valuation down to 11 times trailing earnings and 1.25 times book value. Those would be reasonable multiples for a mediocre bank, but for Wells, they were deep value levels. With our research identifying the fake accounts issue as old news—and likely short-lived in intensity—we were able to build Wells into a top ten holding with a 2.4% position. The stock has risen since then, but the ride back to fair value may be a bumpy one.

It would of course be nice, and not too hard, to craft a pretty portfolio that has a high indicated yield. But we are not hired to do nice or easy, and right now we believe that a feel-good portfolio would be very risky without bringing much in terms of reward potential. More to the point, the competition for capital within your portfolio has led us to make what has aggregated into a shift towards more classic value shares. While only time will tell whether this was the right move in the near or medium term, we are confident that following our philosophy in a disciplined manner will bear fruit over the long run.

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

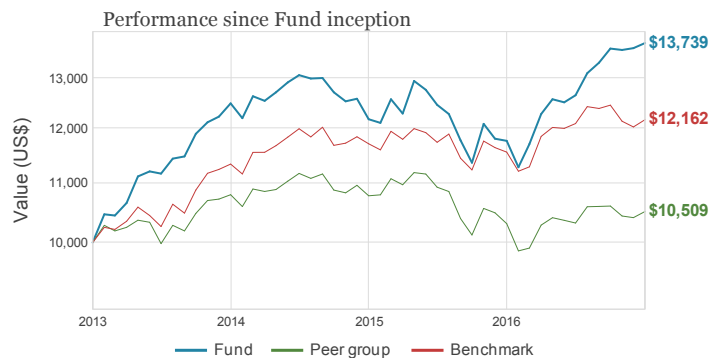
This report does not constitute a recommendation to buy, sell or hold any interests, shares or other securities in the companies mentioned in it nor does it constitute financial advice.



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.

Growth of US\$10,000 investment, dividends reinvested



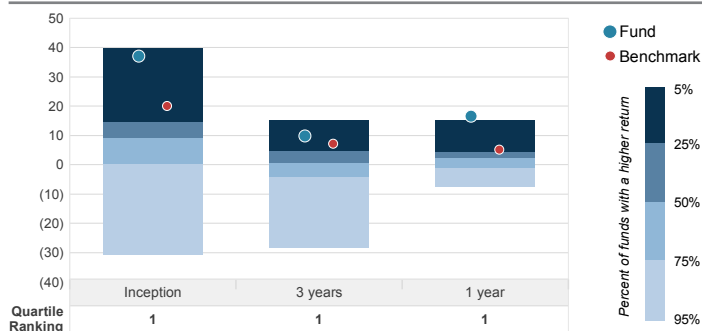
Returns (%)

	Fund	Peer group	Benchmark
Annualised			
Since Fund inception	8.3	1.2	5.0
3 years	3.3	(0.9)	2.4
1 year	16.9	2.0	5.3
Not annualised			
3 months	0.9	(0.9)	(2.3)
1 month	0.8		1.2
		Year	%
Best performing calendar year since inception		2013	24.8
Worst performing calendar year since inception		2015	(3.4)

Risk Measures, since Fund inception

	Fund	Peer group	Benchmark
Largest drawdown (%)	14	12	7
Months to recovery	25	>20 ¹	22
% recovered	100	49	100
Annualised monthly volatility (%)	8.9	6.7	7.0
Beta vs World Index	0.7	0.6	0.6
Tracking error vs benchmark (%)	4.8	2.3	0.0

Ranking within peer group, cumulative return (%)



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.

Price	US\$13.66	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\$2.6 billion	UCITS IV compliant	Yes
Fund inception	1 January 2013	ISIN	LU0891391392
Strategy size	US\$2.7 billion		
Strategy inception	1 January 2013		

See Notices for important information about this Fact Sheet

Asset Allocation (%)

	North America	Europe	Asia ex-Japan	Japan	Other	Total
Fund						
Gross Equity	36	27	13	7	3	86
Net Equity	26	21	12	6	3	68
Fixed Income	11	1	0	0	0	12
Commodity-Linked						2
Total	47	28	13	7	3	100
Benchmark						
Equity	38	14	1	5	2	60
Fixed Income	16	14	0	9	0	40
Total	54	28	1	14	2	100

Currency Allocation (%)

	Fund	Benchmark
US dollar	41	52
Euro	17	18
Japanese yen	12	14
British pound	10	7
Norwegian krone	4	0
Danish krone	3	1
Other	13	9
Total	100	100

Top 10 Holdings

	Sector	%
Royal Dutch Shell	Energy	3.2
AbbVie	Health Care	3.2
QUALCOMM	Information Technology	3.0
BP	Energy	2.7
Wells Fargo & Company	Financials	2.4
SPDR Gold Trust	Commodity-Linked	2.1
Motorola Solutions	Information Technology	2.1
XPO Logistics	Industrials	2.1
Carnival plc	Consumer Discretionary	2.0
Samsung Electronics	Information Technology	2.0
Total		24.8

Portfolio Concentration & Characteristics

% of NAV in top 25 holdings	50
Total number of holdings	98
12 month portfolio turnover (%)	46
12 month name turnover (%)	39

Fees & Expenses (%), for last 12 months

Management fee ²	1.78
For 3 year performance in line with benchmark	1.50
For 3 year outperformance/(underperformance) vs benchmark	0.28
Fund expenses	0.11
Total Expense Ratio (TER)	1.89

¹ Number of months since the start of the drawdown. This drawdown is not yet recovered.

² 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.

Manager	Orbis Investment Management (Luxembourg) S.A.
Portfolio Manager	Orbis Investment Management Limited
Inception date	1 January 2013
Number of shares (Investor Share Class)	13,359,513
Income distributions during the last 12 months	None

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.

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 Portfolio 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 Portfolio 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 Portfolio 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 Portfolio Manager will reduce exposure to, or hedge, stockmarket risk. Similarly, when Orbis' research suggests that stockmarkets represent good value, the Portfolio 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 Portfolio Manager's targets) at all times. Furthermore, the Fund may also buy and sell exchange-traded equity call and put 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 Portfolio 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. 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 Portfolio 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 Portfolio 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 Portfolio Manager actively reviews the Fund's currency exposure. Those currencies held but considered vulnerable may be sold in favour of those considered more attractive.

The Fund's holdings usually differ meaningfully from the 60/40 Index.

As the Fund is less than five years old, it is too early to tell if it has met its objective. However, since inception the Fund has outperformed its benchmark net of fees, and we are confident the Fund will meet its objective over the long term. The Fund will experience periods of underperformance in pursuit of its long-term objective.

Risk/Reward Profile

- The Portfolio 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 Portfolio 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 Portfolio 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, Portfolio 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 Portfolio 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 Portfolio 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 Portfolio 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 (%)

30 September 2016	%	31 December 2016	%
QUALCOMM	3.4	Royal Dutch Shell	3.2
NetEase	3.3	AbbVie	3.2
Royal Dutch Shell	2.8	QUALCOMM	3.0
SPDR Gold Trust	2.3	BP	2.7
Samsung Electronics	2.1	Wells Fargo & Company	2.4
Carnival plc	2.0	SPDR Gold Trust	2.1
XPO Logistics	2.0	Motorola Solutions	2.1
AbbVie	2.0	XPO Logistics	2.1
BP	1.9	Carnival plc	2.0
Apache	1.9	Samsung Electronics	2.0
Total	23.7	Total	24.8

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 Portfolio Manager can be contacted at +1 441 296 3000 or clientservice@orbis.com. The Fund's Depository 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 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 Portfolio 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 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.

Orbis Investment Management Limited, the Fund's Manager, is licensed to conduct investment business by the Bermuda Monetary Authority.

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.

The country and currency classification for equity securities follows that of third party benchmark providers for comparability purposes. Based on a number of factors including the location of the underlying business, Orbis may consider a security's classification to be different and manage the Fund's exposures accordingly.

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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