



The Fund is designed to remain fully invested in Japanese equities. It aims to earn higher returns than the Japanese stockmarket, without greater risk of loss, and has a benchmark of the TOPIX Index, including income measured in Japanese yen or hedged into euro. Orbis manages the following classes in this Fund:

**Orbis SICAV Japan Equity (Yen)** is predominantly exposed to the Japanese yen.  
**Orbis SICAV Japan Equity (Euro)** hedges its currency exposure into euro.

	Yen Class	Euro Class
Price	¥3,629	€24.07
Size	¥164 billion	€143 million
FX Rate	¥/\$ 103.24	\$/€ 1.3775
Minimum	\$50,000	
Load	None	
Dealing	Weekly (Thursday)	
Fee	1.5% p.a. ± up to 1.0%, based on 3 year rolling performance vs. benchmark	

**Independent Rating**
**Morningstar OBSR Analyst Rating™ Silver**
**PORTFOLIO**
**TRACK RECORD**
**Commentary**

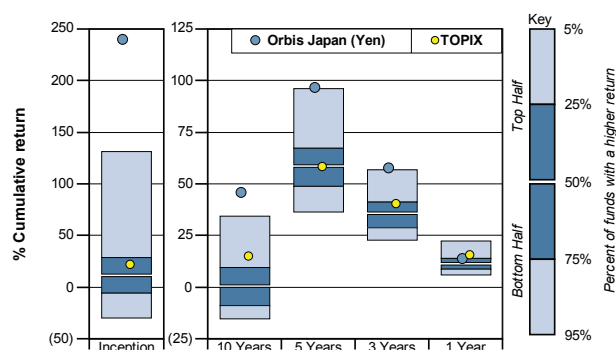
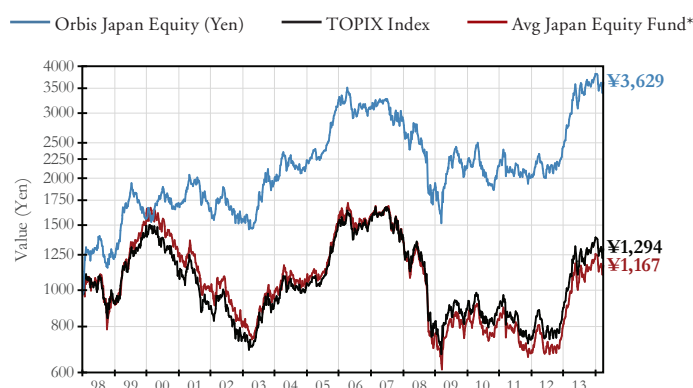
When we assess the intrinsic value of a company, we focus on long-term “normalised” earnings rather than today’s level of profitability. Japan’s auto industry provides a good illustration. Both Toyota Motor and Nissan Motor trade at ten times our estimate of March 2014 earnings, but Toyota’s operating margin is nearly twice Nissan’s. While this would seem to make Toyota more attractive, its margin is close to its previous cyclical peak, while Nissan looks to be “under-earning” relative to its normalised margin. Its margins have suffered due to execution and pricing problems in North America as well as the construction of new plants in emerging markets. In our view, these challenges are more than reflected in the share price, and we believe they will prove temporary. While we do not expect Nissan’s margins to return to past peaks, we think the business can generate a sustainable 7-8% operating profit margin. This puts our range of normalised earnings at 130-150 yen per share and the current stock price at just 6.5 times normalised earnings. We find this just too cheap to pass up.

**Sector Allocation**

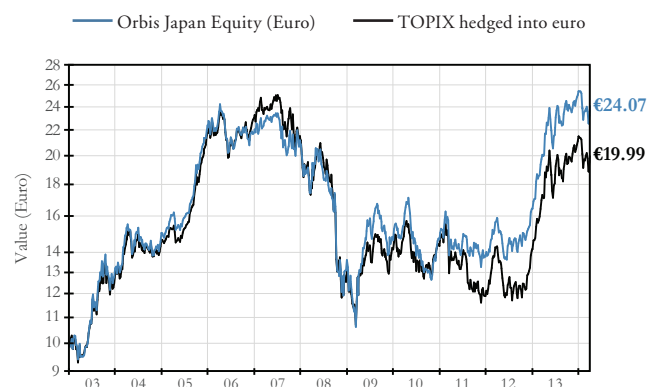
	% of Fund	% of TOPIX
Consumer Non-Durables	32	20
Cyclicals	28	42
Financials	22	15
Information and Communications	17	7
Technology	0	14
Utilities	0	2
Net Current Assets	1	0
<b>Total</b>	<b>100</b>	<b>100</b>

**Top 10 Holdings (%)**

INPEX	9.1	Nippon Television Holdings	5.4
NKSJ Holdings	8.5	Dai-ichi Life Insurance	4.8
Japan Tobacco	6.6	SEGA SAMMY HOLDINGS	4.8
Nissan Motor	6.5	Mitsubishi	4.7
Sundrug	5.5	Sumitomo Mitsui Fin.	4.5
		<b>Total</b>	<b>60.4</b>

**Ranking** within Japan equity fund peer group

**Value of ¥1,000 invested at inception on 1 January 1998 (dividends reinvested)**


\*See Notices page for important disclosure about the Average Japan Equity Fund.

**Value of €10 invested at inception on 1 January 2003 (dividends reinvested)**

**Performance** in class currency (net of fees)

	Orbis Japan (Yen)	TOPIX Index	Avg Japan Equity Fund*	Quartile Ranking	Orbis Japan (Euro)	TOPIX hedged into euro
<b>% Returns Annualised</b>						
Since Inception (1 Jan 1998)	8.3	1.6	1.0	1		
Since Inception (1 Jan 2003)					8.1	6.4
Latest 15 years	5.8	1.1	0.3	1		
Latest 10 years	4.5	2.0	0.5	1	4.6	3.1
Latest 5 years	16.0	11.5	10.9	1	15.0	10.9
Latest 3 years	19.0	13.9	12.7	1	17.9	12.5
Latest year	21.7	18.6	18.6	1	20.2	16.9
<b>Not annualised</b>			(6.8)			
Latest quarter	(5.1)	(6.7)			(5.3)	(7.0)
Latest month	1.9	0.2			1.8	0.2
<b>Risk Measures (Since inception, month end prices)</b>						
Maximum drawdown	52%	56%	64%			
Annualised monthly volatility	18.9%	18.3%	20.2%			
Beta vs TOPIX	0.9	1.0	1.0			
Tracking error	10.2%	0.0%	6.7%			

The value of shares in the Fund may fluctuate and is not guaranteed. When making an investment in the Funds, an investor’s capital is at risk. This Fact Sheet does not constitute a financial promotion, a recommendation, an offer to sell or a solicitation to buy shares or units of the Orbis Funds.

**Orbis Investment Management (B.V.I.) Limited**
*(Licensed to conduct investment business by the Bermuda Monetary Authority)*

Contact details for Allan Gray: Tel 0860 000 654 or +27 (0)21 415 2301 Fax 0860 000 655 or +27 (0)21 415 2492 info@allangray.co.za www.allangray.co.za

# NOTICES

## Legal Notices

Returns are net of fees, include income and assume reinvestment of dividends. While we have endeavoured to ensure the accuracy of the information herein, such information is not guaranteed as to accuracy or completeness.

Collective Investment Schemes (CIS) are generally medium to long-term investments. The value of participatory interests may go down as well as up and past performance is not a reliable indicator of future results. 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. A schedule of fees and charges and maximum commissions is available on request from Allan Gray Unit Trust Management Limited, a member of the Association for Savings & Investments SA. Commission and incentives may be paid by investors to third parties and if so, would be included in the overall costs. The Fund is priced weekly. Figures quoted are for the periods indicated for a ¥1,000 and €10 investment, using NAV-NAV prices, with income distributions reinvested. Performance is quoted in yen and euro currency terms. A prospectus is available on request from Allan Gray Unit Trust Management Limited. Certain capitalised terms are defined in the Prospectus.

## 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

The Orbis Japan Equity Strategy is currently accepting subscriptions of at least US\$50,000 from both qualified new investors and existing investors in other Orbis Funds.

## Sources

TOPIX Total Return Index: Tokyo Stock Exchange. TOPIX hedged into euro is calculated by Orbis using an industry-standard methodology using the TOPIX Total Return Index which is in yen. No further distribution of the TOPIX data is permitted.

Average Fund data source, Peer Group ranking data source and Morningstar OBSR Analyst Rating: © 2014 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 Morningstar data for 20 March 2014 has been extended to reflect the move in the World Index through 31 March 2014 for periods greater than one month. Returns for shorter periods are not shown as high price volatility and late fund reporting may cause them to be significantly restated.

## Notice to Persons in the European Economic Area

The Orbis SICAV Japan Equity Fund (which includes Yen and Euro Classes), a sub-fund of Orbis SICAV, a UCITS IV compliant Luxembourg fund, is admitted for public marketing in Ireland, Luxembourg, the Netherlands, Norway and the United Kingdom. Persons located in any other European Economic Area member state will only be permitted to subscribe for shares in the Fund under certain circumstances as determined by, and in compliance with, applicable law.

## Orbis Investment Management (B.V.I.) Limited

*(Licensed to conduct investment business by the Bermuda Monetary Authority)*