ALLAN GRAY

ALLAN GRAY AUSTRALIA EQUITY FUND (CLASS A UNITS)

FUND FACT SHEET

31 October 2017

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THE FUND AND ITS BENCHMARK

The Fund looks to be fully invested in Australian equities. It aims to earn long-term returns that are higher than the S&P/ASX 300 Accumulation Index (Benchmark).

INVESTMENT APPROACH

The Fund's investment approach is to buy securities that offer long-term value, that are currently unpopular with the general investment community or are not well known. In these circumstances, Allan Gray is often early when making investments, which means that the Fund may experience some fluctuations or volatility. Allan Gray will not buy a security simply because it is in the Benchmark. Similarly, Allan Gray will buy significant positions in securities that are not in the Benchmark if they offer outstanding value, based on our bottom-up, fundamental valuation of the opportunity.

In implementing the Fund's strategy, Allan Gray adheres to detailed investment restrictions and limits, as set out in the Fund's Product Disclosure Statement and accompanying Information Booklet (together, the PDS).

The Fund will experience periods of underperformance in pursuit of its long term objective. Since public launch, Class A units have outperformed the Benchmark.

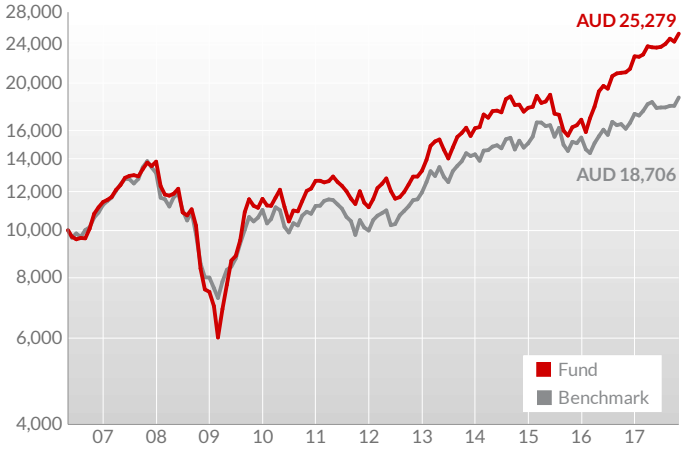
THIS FUND MAY SUIT YOU IF YOU:

- Want exposure to an actively managed fund of Australian shares
- Want to diversify your portfolio. The Fund's contrarian approach is very different to most other funds' approaches so the holdings are different
- Can accept that there are risks with investing in shares and your investment may fall as well as rise
- Are comfortable setting aside $500 per month for a savings plan, or investing an initial lump sum of $10,000, and
- Can take a long-term view and remain invested for more than five years.

PERFORMANCE NET OF ALL FEES AND EXPENSES

	CLASS A	BENCHMARK	RELATIVE
ANNUALISED (%)			
Since public launch (4 May 2006)	8.4	5.6	**2.8**
10 years	6.3	3.1	**3.2**
5 years	14.4	10.2	**4.2**
3 years	11.8	7.0	**4.8**
1 year	20.0	15.9	**4.1**
NOT ANNUALISED (%)			
Calendar year to date	11.3	8.1	**3.2**
Financial year to date	6.4	4.8	**1.6**
3 months	5.0	4.8	**0.2**
1 month	3.9	4.0	**(0.1)**

VALUE OF AUD 10,000 INVESTED AT PUBLIC LAUNCH

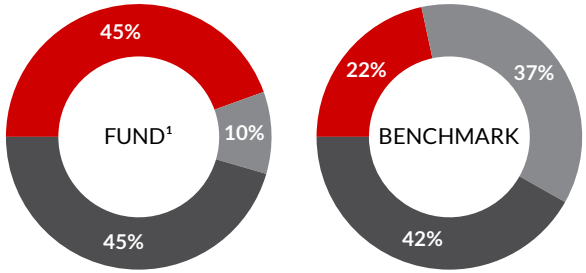


Past performance is not a reliable indicator of future results. You should consider the PDS before making any investment decision.

INCOME DISTRIBUTION FOR THE LAST 12 MONTHS

30 June 2017 - 5.8465 cents per unit

SECTOR ALLOCATION



1. The composition of the Fund has not changed significantly over the last month.
2. Includes the following sectors: Consumer Discretionary, Consumer Staples, Health Care, Industrials, Information Technology, Real Estate, Telecommunication Services, Utilities and Net Current Assets.

KEY INFORMATION

Class size	AUD 1,315 million
Fund size	AUD 1,392 million
Strategy size	AUD 5.0 billion
Public launch date	4 May 2006
Number of units on issue	791 million
Price (Net asset value)	AUD 1.6633
Buy/sell spread	+0.2% / -0.2%
Minimum	AUD 10,000 / AUD 500 per month
Dealing	Daily
Distribution frequency	Annual
Base fee	0.75% p.a.
Performance fee	20%
APIR code	ETL0060AU
mFund code	AQY01
ISIN	AU60ETL00600

TOP FUND HOLDINGS

COMPANY	% OF FUND
Woodside Petroleum	9.6
Newcrest Mining	8.8
Origin Energy	8.7
Alumina	8.1
Metcash	6.8
QBE Insurance Group	5.1
AusNet Services	3.8
Sims Metal Management	3.3
Woolworths	3.0
WorleyParsons	3.0
TOTAL	**60.1**

CONTRIBUTION FROM ASX-LISTED SECURITIES RELATIVE TO THE BENCHMARK

TOP 5 – LATEST MONTH	% CONTRIBUTION
Peet	0.2
Newcrest Mining	0.2
Alumina	0.2
Origin Energy	0.2
Austal	0.2

BOTTOM 5 – LATEST MONTH	% CONTRIBUTION
HT&E Limited	(0.4)
Sigma Healthcare	(0.3)
Southern Cross Media Group	(0.2)
Sims Metal Management	(0.1)
ImpediMed	(0.1)

IF YOU HAVE ANY QUERIES PLEASE CONTACT YOUR FINANCIAL ADVISER OR CLIENT SERVICES

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NOTES ON PERFORMANCE

Returns shown are net of fees and assume reinvestment of distributions. Returns are annualised for periods of one year and over. Annualised returns show the average amount earned on an investment in the Class each year over the given time period. Actual investor performance may differ as a result of the investment date, the date of reinvestment of income distributions, and withholding tax applied to income distributions.

The highest and lowest returns earned during any calendar year since the public launch of the Class are shown below to demonstrate the variability of returns. The complete return history for the Class can be obtained by contacting our Client Services team.

	Class A Return %	Calendar Year
Highest annual return	55.1	2009
Lowest annual return	(45.9)	2008

MINIMUM DISCLOSURE DOCUMENT

If you are a South African investor, this Fund Fact Sheet is a Minimum Disclosure Document and general investor report for Class A units in the Fund, as required by the Collective Investment Schemes Control Act 2002 (South Africa). This MDD must be read together with the Fund's Product Disclosure Statement and accompanying Information Booklet.

NOTES ON KEY INFORMATION

The price (net asset value) is cum-distribution.

The performance fee for Class A is 20% of the Class' outperformance, net of the base fee, in comparison to the Benchmark. It is only payable where the outperformance of Class A exceeds the high water mark, which represents the highest level of outperformance, net of base fees, since the public launch of Class A.

The base fee and the performance fee (if applicable) are calculated and accrued daily, and paid monthly. GST, net of RITC, is applicable to the base fee and the performance fee. A schedule of fees and charges is available in the Fund's PDS.

The indirect cost ratio (ICR), also known as the total expense ratio (TER), is a measure of the actual expenses (including fees) incurred by the Class over a 12 month period. The expenses are expressed as a percentage of the average daily value of the Class during that period in order to determine the ICR. Class performance is shown after taking into account expenses included in the ICR. Expenses may vary and the current ICR should not be used as an indication of future ICRs.

Fees and expenses for the last 12 months (Class A)	%
Base fee	0.77
Performance fee	1.59
Other expenses	0.00
Indirect cost ratio	**2.36**

ALLAN GRAY AUSTRALIA PTY LTD ABN 48 112 316 168 AFSL 298487

Allan Gray Australia Pty Limited is the appointed investment manager of the Allan Gray Australia Equity Fund ARSN 117 746 666. The Fund is offered by Equity Trustees Limited, ABN 46 004 031 298, AFSL 240975, as the Fund's Responsible Entity. Equity Trustees Limited is a subsidiary of EQT Holdings Limited, a publicly listed company on the Australian Stock Exchange (ASX:EQT). Equity Trustees Limited has full responsibility for the Fund and may be contacted on +61 3 8623 5000.

General

Investors should consider the Fund's PDS before making any investment decision. The PDS, daily unit prices and additional information about the Fund can be obtained free of charge by contacting Allan Gray or from www.allangray.com.au. Managed investment schemes are generally medium to long-term investments. They are traded at prevailing prices and the value of units may go down as well as up. There are risks with investing in the Fund and there is no guarantee of repayment of capital or return on your investment. Managed investment schemes may borrow and engage in securities lending.

Past performance is not a reliable indicator of future results. Investors should always consider seeking professional financial advice. This document has been prepared without considering any person's financial circumstances, needs or objectives. It also does not constitute a recommendation, an offer to sell or a solicitation to buy units in the Fund. While Allan Gray has endeavoured to ensure the accuracy of this document neither Allan Gray, Equity Trustees Limited nor any of its related parties, their employees or directors, provide any warranty of accuracy or reliability in relation to such information or accepts any liability to any person who relies on it. Totals presented in this document may not sum due to rounding.

Notice to foreign persons

The Fund does not accept US persons as investors and is not marketed in the European Economic Area (EEA). Investors resident in the EEA can only invest in the Fund under certain circumstances as determined by, and in compliance with, applicable law. For South African purposes, the Fund is categorised as a regional equity (general portfolio).

Valuation and pricing times

The Fund's net asset value is calculated at 4.30pm (Sydney time) each business day, with prices determined the following day. Application and redemption requests must be received by 2pm (Sydney time) each business day to receive that day's price. A different cut-off time applies if transacting via the ASX mFund Settlement Service.