



15/07/2008

*Unaudited results for 6 month period ending 30 Jun 2008*

		USD	Other currency equivalent			
			EUR	GBP	BWP	ZAR
6 months	Net to investors	-22.0%	-30.7%	-22.0%	-12.8%	-8.2%
	Index*	-15.2%				
11.2 years-compounded (22 Apr 1997 - 30 Jun 2008)	Investment officer (full service track record - net to investors)	10.9%	8.3%	9.1%	16.6%	16.6%
	Index*	3.8%				
	NAV	\$143.97				

\*Weighted index, according to the percentage of assets invested in specific markets. Currently the index comprises the S&P500, FTSE100, TSE300, Nikkei 225, Hang Seng and Dow Jones Commodity Indices.

*"The way to make money is to buy when blood is running in the streets."* - John D Rockefeller (not the originator of the quote)

*Letter to investors:*

This is a good time to remind everyone that our focus is on the long run. It is easy to get sidetracked by the current environment; the opportunities that are coming along now on a more frequent basis are great.

In terms of focussing on the long run, the following extract is appropriate. It is an extract from "The Best Investor You've Never Heard Of" by Jason Zweig in June 2000 on Joseph Rosenfield (someone that had a big influence on Warren Buffett);

--Sit still-- If you find investments that you clearly understand, hold on. Since it was their long-term potential that made you buy them in the first place, you should never let a short-term disappointment spook you into selling.  
 --Patience--measured not just in years but in decades--is an investor's single most powerful weapon. Witness Rosenfield's fortitude: In 1990, right after he bought Freddie Mac, the stock dropped 27%--and Grinnell's total endowment shrivelled by almost a third. And although Sequoia (another outstanding fund) crushed the S&P 500 cumulatively from 1979 through 1998, the fund underperformed the index in eight of those years, or 40% of the time. Unlike the typical mutual fund investor, who holds on to his shares for an average of just three years, Rosenfield never panicked. Instead, he just waited. "Joe invests without emotion" says Buffett, "and with analysis."

In terms of opportunities, please remember that on a basic level we are trying buy low and sell high; easy to say, but difficult to do.

Consider the current average news paper report on the retail industry, in particular the UK. Every newspaper headline is screaming recession, over-leveraged consumer and if you were to walk down Oxford Street in London, as I recently did, then the pain in retailing is obvious. Philippe de Rothschild (1902 - 1988) advised to invest when there is blood in the streets. Well in my mind the current environment qualifies. It is pretty scary out there in the world of retail. I

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 Company Secretary: Corporate Services (Pty) Ltd  
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cannot recall ever having seen a men's dress shirt selling for £3; at H&M of all places. On the one hand there is a very good case to be made that things will get worse and that this time it is different. However, on the other hand you also have to ask yourself; how much is in the price already?

If you consider the price to sales and price to earnings ratio graphs for the period 1986-2008 on the following page then you have to conclude, an awful lot. This is one of the clearest indicators to me that generally speaking this is a time to buy.

God Speed,

A handwritten signature in black ink, appearing to read 'M. van Blerk', written in a cursive style.

Martin van Blerk

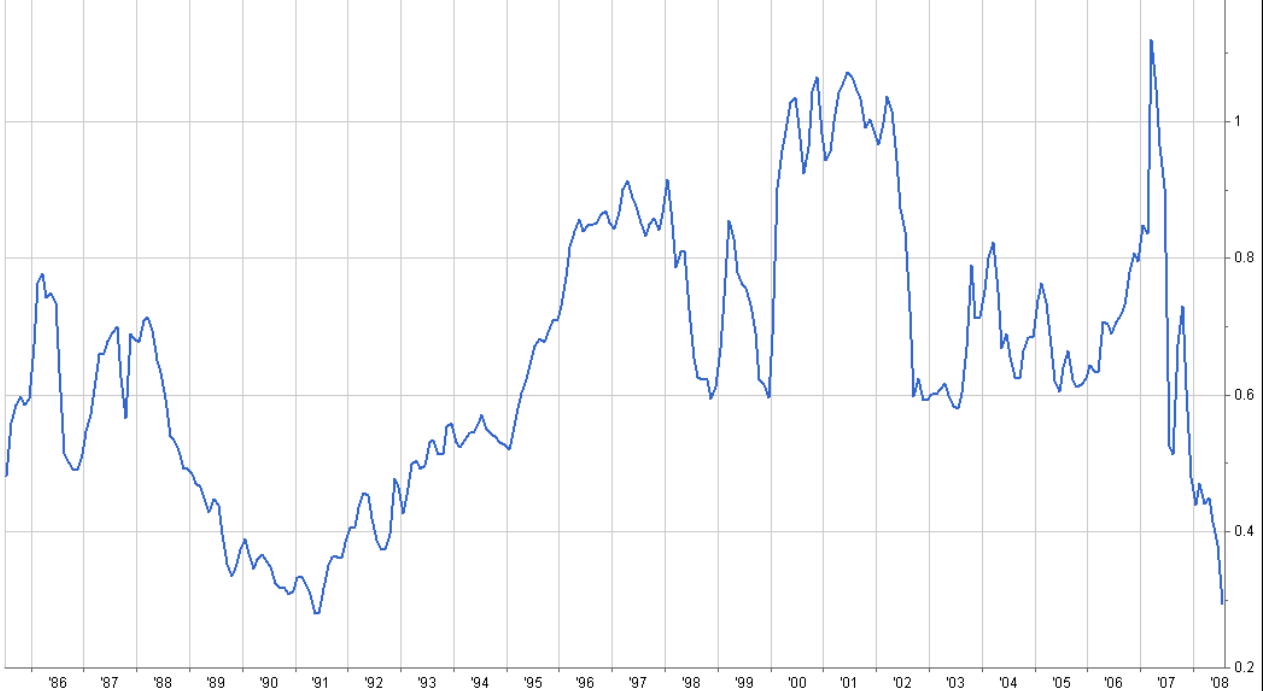
**FDSAGG United Kingdom / Apparel/Footwear Retail -IND (FI3525GB)**

FI3525GB

31-Jul-1985 to 15-Jul-2008 (Monthly)

Average: 0.7 High: 1.1 Low: 0.3 Latest: 0.3

Price to Sales



Data Source: FactSet Aggregates

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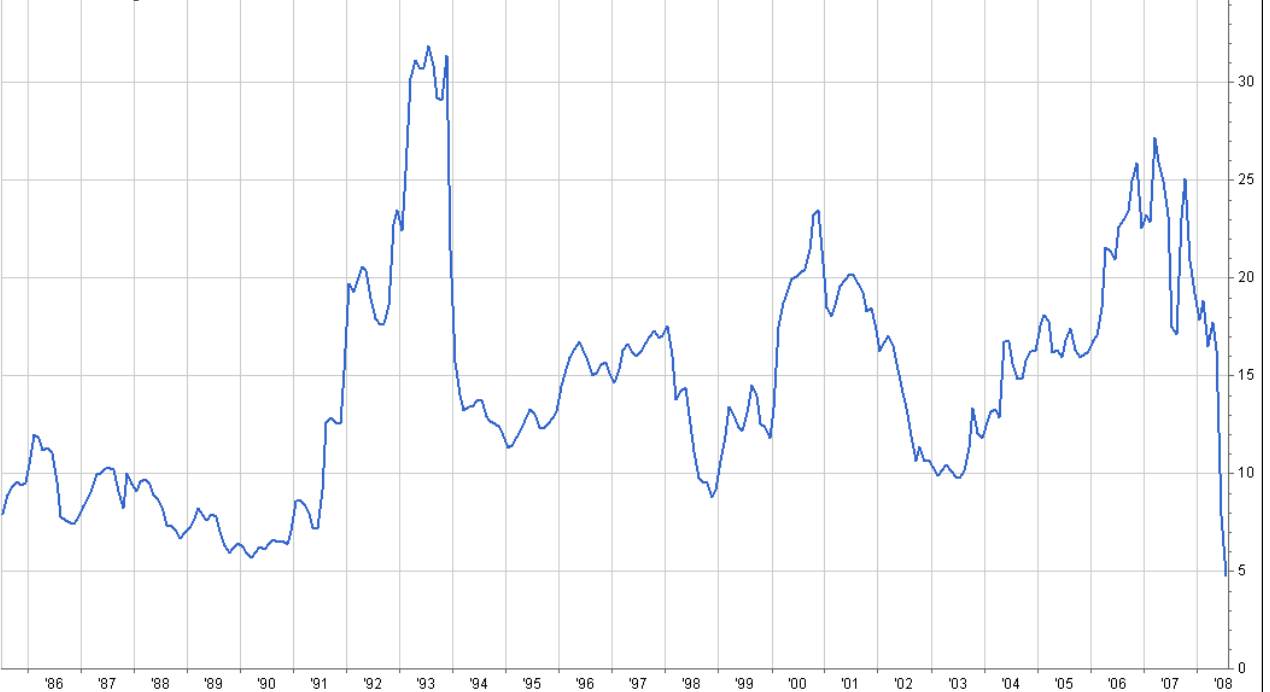
**FDSAGG United Kingdom / Apparel/Footwear Retail -IND (FI3525GB)**

FI3525GB

31-Jul-1985 to 15-Jul-2008 (Monthly)

Average: 14.5 High: 31.9 Low: 4.8 Latest: 4.8

Price to Earnings



Data Source: FactSet Aggregates

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