



2001 IN PERSPECTIVE

In the December edition of *GrayIssue* (available at www.allangray.co.za) we discussed our quarter 4, 2001 performance. As this is our first issue of the New Year, we thought it appropriate to reflect on 2001 from a business perspective.

2001 was not only an exceptional year for Allan Gray with growth in all aspects of the business, but we also made a strategic decision to focus on expanding the retail side. Although this initiative is still very new, we are already seeing the benefits of establishing relationships with the LISPS and Financial Advisers.

- We took in over R8bn in new assets under management and grew our total assets from R20bn to R33bn.
- We welcomed 64 new retirement fund clients, 6 private clients, 3046 unitholders and 312 Independent Financial Advisers.
- We introduced two new unit trusts (Allan Gray Money Market Fund and Allan Gray Global Equity Fund of Funds); we launched three individual retirement products (Living Annuity, Retirement Annuity and Pension/Provident Preservation Funds) and created a platform for Independent Financial Advisers to market the Orbis Global Equity Fund.
- We introduced trailer fees for Financial Advisers on our total range of retail products.
- We merged Grayprop and Grayvest and now manage the largest property trust with assets of R2.4bn.
- We employed 21 new staff members.
- Our investment team delivered a return for the year of 43.9% (global balanced mandate) versus the average pension fund return of 23.6%*. The Allan Gray Equity Fund and Allan Gray Balanced Fund ended the year third and second in their different sectors with a 32.8% and 30.6% return respectively (as per the Hugo Lamprechts Survey).
- Allan Gray Namibia turned five years old and grew its assets from N\$2.4bn to N\$3.4bn and now has a substantial share of market.
- Out of our total of 78 employees, 32 have been with us for more than five years and 19 for more than ten years.

While 2001 has been a year of substantial growth and success for Allan Gray, we are aware that the continued success of our business is dependent upon the support of our clients and our staff. We remain totally committed to delivering an exceptional investment management service to all of our clients and are confident that given the outstanding quality, professionalism and loyalty of our staff, we will continue to meet our clients' high expectations in 2002 and beyond.

^{*=} Mean of the Alexander Forbes Large Manager Watch