



FLEXIBLE FUND

31 January 2008



FRATER

UNIT TRUSTS

The Fraters Flexible Fund aims to achieve a steady growth of capital and income for unit holders. The fund has been designed to operate as flexibly as possible within the constraints of the South African market. The fund is actively managed and is able to invest in equities, fixed interest instruments, listed property and cash. The Flexible Fund is Fraters' "best view" on domestic asset allocation combined with individual instrument selection based on bottom-up research conducted by our in-house research team.

Fraters Flexible Fund was awarded the Raging Bull Award for the Top Performing Fund on the basis of Risk-Adjusted Returns by a Domestic Collective Investment Scheme for the 5 year period ended December 31, 2006 for Best Domestic Asset Allocation Flexible Fund.

Sector	Domestic Asset Allocation Flexible	Minimum lump sum/debit order	R10 000 / R1 000
Portfolio manager	Frater Asset Management – Terence Craig	Unit price	287.66 c.p.u.
Launch date	October 2001	Maximum initial fee	3.42% (incl. VAT)
Current size	R813 million	Annual management fee	1.71% (incl. VAT)
Benchmark	FTSE/JSE index (45%); F&I Index (25%); PUT Index (5%); ALBI (15%); Cash (10%)		

PORTFOLIO			TRACK RECORD	
Performance and risk statistics			Value of R100 invested at inception (income reinvested)	
	Fund	Benchmark		
Since inception (un-annualised)	259.7%	215.2%		
Year to date	-2.7%	-6.3%		
Last 12 months	5.5%	4.8%		
3 year (annualised)	18.8%	23.0%		
5 year (annualised)	23.3%	24.1%		
5 year volatility	8.9%	11.3%		
Maximum drawdown (since inception)	-9.6%	-16.9%		
5 year Sortino Ratio	4.51	3.32		
TER: 1.72%. For the period 01/02/07 to 31/01/08, the FF fund class A has a Total Expense Ratio (TER) of 1.72%p.a. This means 1.72% of the average Net Asset Value of the portfolio was incurred as charges, levies and fees. A higher TER ratio does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TER's				

ASSET ALLOCATION	SECTOR WEIGHTINGS

TOP 10 HOLDINGS (Percentage of equities)				INCOME DISTRIBUTION			
	%		%	Date	Distribution	Dividend	Interest
Sasol	9.9	Mediclinic	4.9	The Flexible Fund declares a distribution twice yearly – 31 March and 30 September			
Mondi Ltd	6.5	AngloGold	4.4	Mar 2007	6.65cpu	1.97cpu	4.68cpu
Remgro	5.7	Nampak	4.3	Sept 2007	6.29cpu	1.22cpu	5.07cpu
Telkom	5.3	Anglos	3.9				
Goldfields	5.0	Tongaat	3.9				
		Total	53.8				

STATUTORY INFORMATION	CONTACT DETAILS	
1. Performance figures include income distributions and are calculated after management fees.	Kevin Macdonald	e-mail: info@fraters.co.za
2. FRATER ASSET MANAGEMENT is approved by the Financial Services Board as a Discretionary Financial Services Provider (licence number 663).	Administration: Sandy Gush	
	Tel: 021 426 1313	Fax: 021 426 0999

Collective Investment Schemes in Securities (unit trusts) are generally medium- to long-term investments. The value of participatory interests (units) may go down as well as up and past performance is not necessarily a guide to the future. Unit trusts are traded at ruling prices and can engage in scrip lending and borrowing. Different classes of units may apply to these portfolios and are subject to different fees and charges. Unit trust prices are calculated on a net asset value basis, which is the total value of all assets in the portfolio including any income accruals and less any permissible deductions (brokerage, Marketable Securities Tax, VAT, auditor's fees, bank charges, trustee and custodian fees, and the annual management fee) from the portfolio, divided by the number of units in issue. A schedule of fees, charges and maximum commissions is available on request from Fraters. Commission and incentives may be paid, and if so, are included in the overall costs. Portfolios may be closed. Forward pricing is used. Fraters' portfolios are valued daily at 3pm. Instructions must reach Fraters before 3pm to ensure same day value. Fraters is a member of the Association of Collective Investments.