

2014 AUDITED
Financial
Statements



ORBIS JAPAN
EQUITY (US\$)
Fund

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DIRECTORY

Registered office and mailing address

Orbis Japan Equity (US\$) Fund Limited
Orbis House
25 Front Street
Hamilton HM11
Bermuda

Directors

Allan W.B. Gray (Chairman)
Orbis Investment Management Limited
Bermuda

Allan W.B. Gray is the Chairman and a Director of the Orbis Funds, Orbis Investment Management Limited and Orbis Investment Management (B.V.I.) Limited.

William B. Gray
Orbis Investment Management Limited
Bermuda

William B. Gray is the President and a Director of the Orbis Funds and Orbis Investment Management Limited and the Portfolio Manager of Orbis Investment Management Limited and Orbis Investment Management (B.V.I.) Limited.

John C.R. Collis
Bermuda

John C.R. Collis is a Director of the Orbis Funds.

David T. Smith
Ecosse Limited
Bermuda

David T. Smith is the Managing Director of Ecosse Limited.



APPOINTMENTS

Manager

Orbis Investment Management (B.V.I.) Limited*
Orbis House
25 Front Street
Hamilton HM11
Bermuda

Investment Advisor

Orbis Investment Management Limited*
Orbis House
25 Front Street
Hamilton HM11
Bermuda

Auditors

Ernst & Young LLP
Ernst & Young Tower
222 Bay Street, PO Box 251
Toronto, Ontario
Canada M5K 1J7

Custodian

Citibank Canada
123 Front Street West
Toronto, Ontario
Canada M5J 2M3

Administrator and Registrar

Citi Fund Services (Bermuda), Ltd.
5 Reid Street
Hamilton HM11
Bermuda

**Licenced to conduct investment business by the Bermuda Monetary Authority*

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and the Members of

Orbis Japan Equity (US\$) Fund Limited (the "Fund"):

We have audited the accompanying financial statements of the Fund, which comprise the statements of financial position as at 31 December 2014 and 2013, and 1 January 2013, and the statements of comprehensive income, changes in net assets attributable to holders of redeemable Fund shares and cash flows for the years ended 31 December 2014 and 2013, and a summary of significant accounting policies and other explanatory information on pages 7 to 13.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Fund's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as at 31 December 2014 and 2013, and 1 January 2013, and its financial performance and its cash flows for the years ended 31 December 2014 and 2013 in accordance with International Financial Reporting Standards.

Ernst & Young LLP

Toronto, Canada
27 January 2015

Chartered Professional Accountants
Licensed Public Accountants

ORBIS JAPAN EQUITY (US\$) FUND

STATEMENTS OF FINANCIAL POSITION (US\$ 000's)

	31 December 2014	31 December 2013	1 January 2013
Assets			
Financial assets at fair value through profit or loss			
Orbis SICAV - Japan Equity Fund - Yen Class	231,100	274,261	794,758
Derivatives	979	4,030	13,574
Cash and cash equivalents	799	250	17,222
Subscriptions receivable	-	-	103
	232,878	278,541	825,657
Liabilities			
Redemptions payable	-	-	419
Payable for investment purchased	-	-	15,692
Other payables and accrued liabilities	47	42	60
	47	42	16,171
Net assets attributable to holders of redeemable Fund shares	232,831	278,499	809,486



William B Gray,
on behalf of the Board of Directors

Hamilton, Bermuda
27 January 2015

See accompanying notes on page 7

ORBIS JAPAN EQUITY (US\$) FUND

STATEMENTS OF COMPREHENSIVE INCOME (US\$ 000's)

For the years ended 31 December	2014	2013
Income		
Net gain on financial assets and liabilities at fair value through profit or loss	2,265	266,788
Other foreign currency gain	316	524
Interest	-	1
	2,581	267,313
Expenses		
Administration, professional fees and other	92	114
	92	114
Increase in net assets attributable to holders of redeemable Fund shares	2,489	267,199

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE FUND SHARES (US\$ 000's)

For the years ended 31 December	2014	2013
Balance at beginning of year	278,499	809,486
Increase in net assets attributable to holders of redeemable Fund shares from operations	2,489	267,199
Shareholders' activity during the year		
Subscriptions		
Orbis funds	-	20
Other shareholders	34,902	48,934
Switches between funds	4,801	31,241
Redemptions		
Orbis funds	-	(28,800)
Other shareholders	(33,416)	(49,969)
Switches between funds	(54,444)	(799,612)
Balance at end of year	232,831	278,499

See accompanying notes on page 7

ORBIS JAPAN EQUITY (US\$) FUND

STATEMENTS OF CASH FLOWS (US\$ 000's)

For the years ended 31 December	2014	2013
Cash flows from operating activities		
Proceeds from realisation of investments	102,149	892,159
Purchases of investments	(53,356)	(110,497)
Operating expenses paid	(87)	(132)
Interest received	-	1
Net cash provided by operating activities	48,706	781,531
Cash flows from financing activities		
Proceeds from subscription of redeemable Fund shares	39,703	80,297
Payments on redemption of redeemable Fund shares	(87,860)	(878,800)
Net cash used in financing activities	(48,157)	(798,503)
Net increase (decrease) in cash and cash equivalents	549	(16,972)
Cash and cash equivalents – Beginning of Year	250	17,222
Cash and cash equivalents – End of Year	799	250

See accompanying notes on page 7

General information

Orbis Japan Equity (US\$) Fund Limited (the “Fund”) is an open-ended mutual fund company incorporated in Bermuda, with its registered office at Orbis House, 25 Front Street, Hamilton, HM 11, Bermuda.

The Fund seeks higher returns in US dollars than the Japanese stockmarket hedged into US dollars, without greater risk of loss. The Fund invests substantially all of its assets in the Orbis SICAV - Japan Equity Fund - Yen Class (“Japan Equity (Yen)”) and hedges the resulting Japanese yen exposure into US dollars, with the result that the Fund’s returns are managed in US dollars.

Orbis Investment Management (B.V.I) Limited has been contractually appointed as the “Manager” of the Fund.

These financial statements were authorised for issue by the Board of Directors on 27 January 2015.

Summary of significant accounting policies

Basis of preparation. These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). The Fund adopted this basis of accounting from 1 January 2014 as required by the Canadian Accounting Standards Board and has applied it consistently in preparing the Statement of Financial Position as at 1 January 2013 and throughout all subsequent periods presented. Prior to 1 January 2014, the Fund’s financial statements were prepared in accordance with generally accepted accounting principles in Canada and Bermuda as defined in Part V of the Chartered Professional Accountants Canada Handbook (“Canadian GAAP”). The Transition to IFRS note on page 9 details the impact of the transition to IFRS on the Fund’s financial position, income and cash flows as previously reported under Canadian GAAP.

All references to net assets throughout this document refer to net assets attributable to holders of redeemable Fund shares.

The financial statements have been prepared on a historical cost basis, except for Financial assets and liabilities held at fair value through profit or loss, which are measured at fair value.

Financial instruments.

Recognition. Financial assets and financial liabilities are recognised when the Fund becomes party to the contractual provisions of the instrument. Financial assets are derecognised when the rights to receive cash flows from the asset have expired or the Fund has transferred substantially all the risks and rewards of ownership. Financial liabilities are derecognised when the obligation under the liability is discharged, cancelled or expired.

Measurement. The Fund’s investments are initially recognised at fair value on the trade date. Transaction costs are expensed as incurred. Subsequent to initial recognition, investments are measured at fair value. Changes in their fair value, together with realised gains and losses on disposal calculated using the average cost method, are included in the Statements of Comprehensive Income as Net gain on financial assets and liabilities at fair value through profit or loss.

The fair value of the investment in Japan Equity (Yen) is based on its net asset value at the year-end date as this is the price at which the Fund would transact in these shares. The fair value of investments not traded in an active market, including over-the-counter derivatives, is determined using valuation techniques commonly applied by market participants, making the maximum use of market inputs and assumptions based on existing market conditions. Should any price be unavailable or considered unrepresentative of fair value, a price considered fair by the Manager will be used.

Cash and cash equivalents and all other receivables and payables are classified under IFRS as loans and receivables and other financial liabilities, which are short-term in nature are measured at amortised cost which approximates fair value.

Classification. The Fund's investments are categorised under IFRS as at fair value through profit or loss as follows:

(i) ***Designated as at fair value through profit or loss upon initial recognition***

Financial instruments designated upon initial recognition as being managed and having their performance evaluated on a fair value basis in accordance with the Fund's investment strategy, which includes the investment in Japan Equity (Yen).

(ii) ***Held for trading***

Derivatives held by the Fund, which include forward currency contracts, are classified as held for trading unless they are designated as effective hedging instruments as defined by *IAS 39 Financial Instruments: Recognition and Measurement*. The Fund does not designate any of its derivative instruments as hedges for hedge accounting purposes.

Offsetting. Financial assets and financial liabilities are offset when the Fund has a legally enforceable right to offset recognised amounts and either intends to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Foreign currency translation. These financial statements are presented in US dollars, the Fund's functional and presentation currency, being the currency in which performance is measured and reported and in which shares are issued and redeemed.

Transactions in foreign currencies are translated using exchange rates prevailing at the dates of the transactions. Assets and liabilities denominated in foreign currencies are translated using exchange rates prevailing at the year-end.

In the Statements of Comprehensive Income, translation gains and losses on financial instruments at fair value through profit or loss are included in Net gain on financial assets and liabilities at fair value through profit or loss. Other translation gains and losses are included in Other foreign currency gain (loss).

Cash and cash equivalents. Cash and cash equivalents include cash and other highly liquid investments held for meeting short-term cash commitments.

Payable for investment purchased. Payable for investment purchased represents amounts to be paid for an investment in Japan Equity (Yen) contractually purchased but which settled subsequent to the year-end.

Income and expenses. Income and expenses are recorded on an accrual basis.

Taxes. There are no Bermuda income, profit, capital, capital gains, estate or inheritance taxes payable by the Fund or its shareholders in respect of shares in the Fund. The Bermuda Government has undertaken that, in the event that any such Bermuda taxes are levied in Bermuda in the future, the Fund and its shares will be exempt from such taxes until 31 March 2035.

Accounting estimates and assumptions. The preparation of financial statements requires management to make estimates and assumptions concerning the future. Actual results may differ from these estimates.

The most significant use of assumptions and estimation applied in preparing these financial statements relate to the determination of the fair value of financial instruments. The Fund may hold financial instruments which are not quoted in active markets, such as over-the-counter derivatives. The fair value of these instruments may be determined using valuation techniques based on observable market prices from reputable pricing sources or indicative pricing. Where such valuation techniques have been applied, they are validated and periodically reviewed. Changes in relevant assumptions could affect the fair values reported in the financial statements.

Standards issued but not yet effective. The final version of *IFRS 9 Financial Instruments*, was issued by the IASB in July 2014 and will replace *IAS 39 Financial Instruments: Recognition and Measurement*. *IFRS 9* introduces a model for classification and measurement, a single, forward-looking 'expected loss' impairment model and a substantially reformed approach to hedge accounting. *IFRS 9* is effective for annual periods beginning on or after 1 January 2018, but early adoption is permitted. The Fund is in the process of assessing the impact of *IFRS 9* and has not yet determined when it will adopt the new standard.

Transition to IFRS

Upon transition to IFRS, the Fund adopted a voluntary exemption to designate financial assets and liabilities at fair value through profit or loss. All financial assets and liabilities so designated were previously carried at fair value under Canadian GAAP.

Under Canadian GAAP, the Fund was exempt from providing a statement of cash flows whereas IFRS does not provide for any such exemption.

Fund shares and Founders' shares were classified as equity under Canadian GAAP. Upon transition to IFRS, both the Fund and Founders' shares are classified as liabilities as the Fund has a contractual obligation to redeem these shares upon request by the shareholder. These shares do not meet the exemption criteria for classification as equity as stated in *IAS 32 Financial Instruments: Presentation*. Other than presentation, there was no impact to the net assets of the Fund.

Fair value measurement

Fair value hierarchy. The Fund's financial instruments measured at fair value are categorised within a three level fair value hierarchy, based on the lowest level input significant to the fair value measurement.

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Valuation techniques for which the lowest level input significant to the fair value measurement is directly or indirectly observable.

Level 3: Valuation techniques for which the lowest level input significant to the fair value measurement is unobservable.

All of the Fund's financial instruments are Level 2 investments. The fair value of the investment in Japan Equity (Yen) is based on its net asset value per share. Forward currency contracts are valued at their mid-market prices, determined using valuation techniques that incorporate market observable inputs including foreign exchange spot and forward rates.

Transfers between levels of the fair value hierarchy are deemed to have occurred at the end of the reporting period. There were no transfers between levels during the year ended 31 December 2014 or 31 December 2013.

Net gain on financial assets and liabilities at fair value through profit or loss.

For the years ended 31 December	2014	2013
	US\$ 000's	US\$ 000's
Realised gains		
Japan Equity (Yen)	15,900	162,330
Derivatives	28,863	123,120
Change in unrealised losses		
Japan Equity (Yen)	(39,447)	(9,118)
Derivatives	(3,051)	(9,544)
Net gain on financial assets and liabilities at fair value through profit or loss	2,265	266,788

Derivative financial instruments. Subject to its investment restrictions, the Fund may utilise derivative financial instruments, primarily to manage its exposure to currency risk. The Fund only invests in such instruments if they are sufficiently marketable such that an objective market price may be obtained from a third party and they can be realised within a period considered acceptable. Thus, the instruments used are usually forward currency contracts. The Fund has entered into agreements whereby all of its currency transactions with the counterparty to that agreement can be netted in various events of default. On the Statements of Financial Position, unrealised gains and losses on forward currency contracts are offset only when they share the same maturity date, settle in the same currency and are held with the same counterparty.

The following table provides details of the forward currency contracts held by the Fund.

Currency	Maturity date	Contract value	Contract value	Market value	Unrealised gains	Unrealised losses	Net unrealised gain
		000's	US\$ 000's	US\$ 000's	US\$ 000's	US\$ 000's	US\$ 000's
31 December 2014							
JPY	13 February 2015	(7,379,300)	(62,167)	(61,612)	1,683	(1,128)	555
JPY	10 April 2015	(9,540,813)	(80,024)	(79,706)	1,229	(911)	318
JPY	12 June 2015	(10,741,793)	(89,912)	(89,806)	106	-	106
			(232,103)	(231,124)	3,018	(2,039)	979
31 December 2013							
JPY	13 June 2014	(28,880,206)	(278,515)	(274,485)	4,031	(1)	4,030
1 January 2013							
JPY	7 June 2013	(68,947,500)	(809,395)	(795,821)	13,574	-	13,574

Financial risk management

The Fund's investment activities expose it to a variety of financial risks: market risk (which includes currency risk, interest rate risk and price risk), credit risk and liquidity risk.

The Fund's overall risk management program focuses on ensuring compliance with the Fund's prospectus. The investments of the Fund are managed by the Manager in accordance with the investment strategy and investment guidelines of the Fund.

Market risk.

Currency risk. Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Fund invests substantially all of its assets in Japan Equity (Yen) which invests in a portfolio of Japanese equities. The currency exposure of the Fund is managed, principally by using forward currency contracts to sell Japanese yen against the US dollar. As a result, the Fund's returns are managed in US dollars and the Fund is not subject to a significant level of risk due to changes in foreign exchange rates. The Fund does not designate any forward currency contracts as hedges.

Interest rate risk. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates.

The majority of the Fund's financial assets and liabilities are non-interest bearing. Accordingly the Fund is not subject to significant levels of risk due to fluctuations in the prevailing levels of market interest rates.

Price risk. Price risk is the risk that the fair value of a financial instrument will fluctuate as a result of changes in market prices, other than those arising from currency or interest rate risk.

The Fund is exposed to price risk arising from its indirect investments in equity securities through its holding in Japan Equity (Yen). The manager of Japan Equity (Yen) attempts to mitigate price risk through the use of a consistent and carefully considered investment approach, based on extensive proprietary investment research, appropriate diversification of investments and equity selection in accordance with the investment guidelines of that Fund. In constructing the portfolio, the manager of Japan Equity (Yen) assesses not only each equity's perceived risk and reward but also, in order to manage risk further by appropriate diversification, its correlation with the rest of the portfolio. The manager of Japan Equity (Yen) also takes into account the composition of its performance benchmark, the TOPIX and monitors its risk of underperforming its benchmark by comparing its weighting in each industry sector with that of the benchmark and ensuring that deviations in such weightings, which are prompted by detailed "bottom up" research, are not inconsistent with the manager's "top down" macroeconomic view. The maximum risk resulting from the Fund's financial instruments is equal to their fair value.

Considering the historical correlation between the return of the underlying equities held by Japan Equity (Yen) at year-end and the returns of the Japanese stockmarket index, the impact on the Fund's net assets of a 5% change in that market as at 31 December 2014 would have been 4.9% (31 December 2013 – 5.0%; 1 January 2013 – 5.0%). Historical correlation may not be representative of future correlation. Actual results may differ and those differences could be material.

Credit risk. Credit or counterparty risk arises from the potential inability of a counterparty to a financial instrument to perform its contractual obligations, resulting in a financial loss to the Fund.

Credit risk arises primarily from the Fund's forward currency contracts and cash and cash equivalents. The maximum exposure to credit risk at the year-end is the carrying value of these financial assets.

The Manager seeks to reduce the Fund's credit risk to the extent practicable by dealing only with counterparties which have investment grade ratings from a recognised rating agency; arranging for equity transactions to be settled "delivery versus payment" whenever possible; and, to limit its risk to the amount of any net unrealised gain, by entering into agreements whereby all its currency transactions with the counterparty to that agreement can be netted.

Liquidity risk. Liquidity risk is the risk that the Fund will not be able to generate sufficient cash resources to meet its obligations as they fall due.

For the Fund, exposure to liquidity risk may arise from the requirement to meet cash redemption requests, normally payable within 5 business days of any weekly Dealing Day.

The Fund invests the majority of its assets in Japan Equity (Yen) which is redeemable weekly. The majority of Japan Equity (Yen)'s investments are actively traded on a stock exchange and can be readily disposed of. The Fund also invests in derivative contracts traded over-the-counter. These may not be able to be liquidated quickly at an amount close to their fair value to meet liquidity requirements or to respond to specific events such as deterioration in the creditworthiness of any particular issuer.

Fund shares are redeemable weekly on demand at the holder's option, and all other payables are due within one month. Although the Fund shares are redeemable on demand, the Manager does not envisage that will be representative of their actual cash outflows, as holders of these instruments will typically retain them for the medium to long term.

Net assets attributable to holders of redeemable shares

The Fund issues two classes of redeemable shares, Fund and Founders' shares, both of which are classified as financial liabilities. Notwithstanding that the net assets attributable to holders of redeemable Fund shares are classified as a liability in these financial statements, the Manager considers those net assets to represent the Fund's capital. The amount of such net assets can change significantly due to changes in the value of the Fund's investments and from weekly subscriptions or redemptions placed at the discretion of the holders of the redeemable Fund shares. The Fund is not subject to any externally imposed capital requirements.

The Fund's authorised share capital comprises 100 million redeemable Fund shares and 12,000 redeemable Founders' shares each with a par value of US\$1 per share. Fund shares participate pro rata in the Fund's net assets and dividends, are redeemable at the holders' option at their net asset value per share on any weekly Dealing Day and are non-voting. At the year-end, they are carried at their redemption value which is equivalent to their net asset value. Founders' shares do not participate in the Fund's net assets, are redeemable at the holder's option at par value only after all Fund shares have been redeemed and carry the right to vote. All authorised Founders' shares are issued, fully paid, carried at their par value of, in thousands, US\$12 (31 December 2013 – US\$12; 1 January 2013 – US\$12) and included in Other payables and accrued liabilities on the Statements of Financial Position. There were no transactions in Founders' shares in 2014 or 2013.

Fund share transactions, in thousands of shares, were as follows:

For the years ended 31 December	2014	2013
Balance at beginning of year	7,090	31,864
Subscriptions		
Orbis funds	-	1
Other shareholders	923	1,468
Switches between funds	123	1,032
Redemptions		
Orbis funds	-	(1,005)
Other shareholders	(880)	(1,571)
Switches between funds	(1,475)	(24,699)
Balance at end of year	5,781	7,090

The Net Asset Value per Fund share at 31 December 2014 was US\$ 40.27.

Investment in Japan Equity (Yen)

The Fund meets the definition of an investment entity within *IFRS 10 Consolidated Financial Statements* and measures its investment in Orbis SICAV – Japan Equity Fund – Yen class, a Luxembourg SICAV with its principal place of business in Luxembourg, at fair value through profit or loss. At 31 December 2014, the Fund owned 13.0% of the shares in issue of Orbis SICAV – Japan Equity Fund (31 December 2013 – 14.7%; 1 January 2013 – 35.2%). Each share of an Orbis SICAV Fund, along with all other shares in issue irrespective of the Class or Fund to which they belong, is entitled to one vote at all general meetings of shareholders. The percentage of voting rights held by the Fund in the Orbis SICAV at 31 December 2014 was 2.1% (31 December 2013 – 3.6%; 1 January 2013 – 13.2%).

Related party transactions

The Fund does not directly pay a fee to its Manager, but, because it remains substantially invested in Japan Equity (Yen), it indirectly bears a portion of that fund's management fee.

The shareholders have approved director's fees to each of John Collis and David Smith of US\$ 1,000 for 2014 (2013 – US\$ 1,000 to John Collis). No other directors have received any remuneration or other direct benefit material to them.

At the year-end, other Orbis funds held no shares (31 December 2013 – none; 1 January 2013 – 1,004 thousand) in the Fund. Other related parties, which include institutional and other clients managed on a discretionary basis and the directors and officers of the Orbis funds and of their Investment Managers and Investment Advisors, held, in thousands of shares, 181 (31 December 2013 – 1,449; 1 January 2013 – 18,231) in the Fund, excluding their indirect holdings via other Orbis Funds.

NOTICES

Annual General Meeting. Notice is hereby given that the Annual General Meeting of Orbis Japan Equity (US\$) Fund Limited (the “Fund”) will be held at the offices of Orbis Investment Management Limited, Orbis House, 25 Front Street, Hamilton HM 11, Bermuda on 31 March 2015 at 10:00 am. Members are invited to attend and address the meeting. The Agenda will comprise the following:

- Review of Minutes of the Annual General Meeting of Members of the Fund held on 31 March 2014
- Review of 2014 audited financial statements
- Proposed re-appointment of Allan W B Gray, John C R Collis, William B Gray and David T Smith as Directors of the Fund
- Approval of proposed Director's fees for the year to 31 December 2015 to each of Messrs Collis and Smith of US\$1,000
- Proposed re-appointment of Ernst & Young as Auditors for the year to 31 December 2015

By Order of the Board, James J Dorr, Secretary

Notice to Persons in the European Economic Area (EEA). The Fund is an alternative investment fund that is neither admitted for public marketing anywhere in the EEA nor marketed in the EEA for purposes of the Alternative Investment Fund Managers Directive. As a result, persons located in any EEA 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.

EU Savings Directive. Orbis’ assessment is that the Fund is effectively exempt from the application of the European Union Savings Directive 2003/48/EC of 3 June 2003 on taxation of savings income in the form of interest payments. Payments from the Fund, including dividends and redemption proceeds to residents of the European Union, should not be subject to having tax withheld by paying agents under the Directive.

Supplemental Disclosure under the Distance Marketing of Financial Services Directive. Disclosure requirements arising from the European Council Distance Marketing Directive (No. 2002/65/EC) apply to financial services supplied at a distance to consumers in the European Union. The Fund has determined that for the purposes only of meeting the Directive requirements, the Luxembourg Distance Marketing of Consumer Financial Services Law of 2006 shall apply to the establishment of relations with prospective and current Members entitled to the benefit of the Directive. The Fund is required to provide specified information to prospective and current Members. This specified information, which is provided in English, is contained in the Fund's Prospectus, Application Form and (for Members who elect to view their account online at www.orbis.com) the terms of use of Orbis’ website. These services are not a type of financial service to which cancellation rights apply.

Other. This Report does not constitute a financial promotion, a recommendation, an offer to sell or a solicitation to buy shares or units of the Fund. Subscriptions are only valid if made on the basis of the current Prospectus of the Fund. Certain capitalised terms are defined in the Glossary section of the Fund's Prospectus, a copy of which is available upon request. Orbis Investment Management (B.V.I.) Limited is licensed to conduct investment business by the Bermuda Monetary Authority.

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