

ANNUAL
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31 DECEMBER 2008

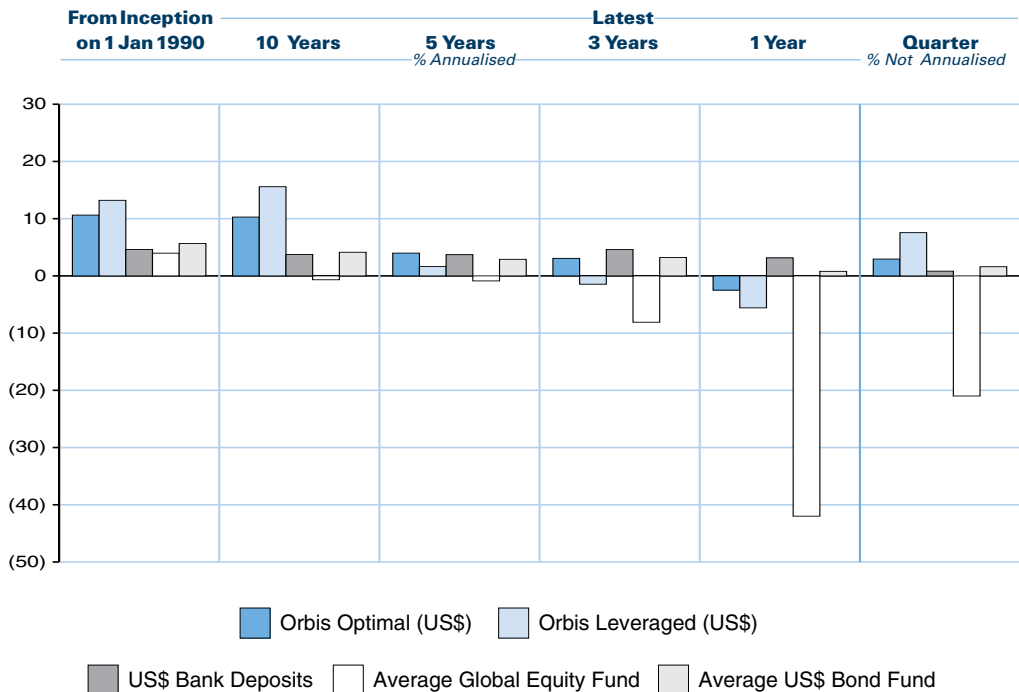


ORBIS OPTIMAL

ORBIS LEVERAGED

ORBIS OPTIMAL AND ORBIS LEVERAGED AT 31 DECEMBER 2008

TOTAL RATE OF RETURN IN US DOLLARS



The Optimal and Leveraged (Euro) and (Yen) Funds are based on the same portfolios as the Optimal and Leveraged (US\$) Funds, respectively, and are therefore not shown separately above. Average Global Equity Fund and Average US\$ Bond Fund source: Morningstar, Inc.

Total Rate of Return in Fund Currency:	From Inception	Latest			Quarter % Not Annualised
		5 Years % Annualised	3 Years	1 Year	
Optimal (US\$) Fund (launched 1 Jan 1990)	10.6	4.0	3.1	(2.5)	2.9
Leveraged (US\$) Fund (launched 1 Jan 1990)	13.2	1.7	(1.5)	(5.6)	7.6
US\$ Bank Deposits	4.6	3.7	4.6	3.1	0.8
Average Global Equity Fund	4.0	(0.9)	(8.1)	(42.0)	(21.0)
Average US\$ Bond Fund	5.7	2.9	3.2	0.8	1.6
Optimal (Euro) Fund (launched 30 Jun 1998)	8.1	3.1	1.0	(0.1)	3.5
Leveraged (Euro) Fund (launched 30 Jun 1998)	12.5	0.9	(2.6)	(5.6)	6.0
Euro Bank Deposits	3.4	3.2	3.9	4.5	1.1
Average Global Equity Fund	(2.8)	(2.9)	(13.0)	(39.5)	(20.5)
Average Euro Bond Fund	3.2	2.1	0.4	1.6	2.1
% appreciation of the euro versus the US dollar	2.4	2.1	5.7	(4.2)	(0.7)
Optimal (Yen) Fund (launched 1 Jan 2006)	(1.9)			(9.0)	(1.8)
Leveraged (Yen) Fund (launched 1 Jan 2006)	(5.6)			(8.6)	5.8
Yen Bank Deposits	0.5			0.8	0.3
Average Global Equity Fund	(15.8)			(52.8)	(32.7)
Average Yen Bond Fund	0.3			0.7	1.0
% appreciation of the yen versus the US dollar	9.1			23.0	17.3

PRESIDENT'S LETTER

Dear Member,

The Orbis Absolute Return Funds produced losses in 2008, as shown in the table on the previous page. Members might find those returns disappointing, and for good reason, because the Absolute Return Funds are designed to have the ability to deliver positive returns that are largely independent of stockmarket movements. Also, looking at the outperformance of the Orbis Global Equity Fund against its Benchmark, Members might have expected the Absolute Funds to have captured more of the value added in the Global Equity Fund. However, most of that outperformance stemmed from the Global Equity Fund having a combination of both (a) less exposure than its Benchmark to currencies that depreciated and (b) equity holdings that were naturally less sensitive to stockmarket movements (or in other words a beta of less than 1), neither of which translate directly through to the Absolute Return Funds. The Manager's report goes into the attribution of the Funds' returns in more detail.

While they didn't produce positive returns which is the ultimate yardstick of performance for Absolute Return Funds, in the context of what happened in the global investment environment, the Funds did achieve the objective of bringing some relative stability to a global investment portfolio by containing their losses to substantially less than those experienced by equities. Further, the recent experience of the greater hedge fund industry has highlighted the prudence of the way in which your Funds were initially structured 19 years ago: a simple, scalable and highly transparent hedging approach; using relatively liquid, publicly traded investment holdings whose prices are easily and independently verified; using listed hedging instruments rather than over-the-counter (OTC) contracts to minimise counter-party exposures; and where all assets are held by an independent custodian and verified yearly by a reputable auditor. This has proven valuable in light of what has happened at a surprising number of absolute return funds over the past year. So, while your Funds' returns in 2008 are disappointing in absolute terms, it is reassuring that their investment approach has proved resilient in extreme conditions of stress and uncertainty.

Massive investment losses, near-term uncertainty and increasingly gloomy economic prospects have now created extreme risk-aversion as investors prioritise preservation of **nominal** capital over prospective **real** returns. This rush to perceived low risk is so extreme that investors are now willing to accept a paltry 0.0% per annum on 30-day US Treasury bills and 2.9% per annum on 30-year US Treasury bonds. At the same time, the prospective long-term return on investments with uncertain future returns has increased. The result is that, although their short-term returns might well be negative, investments with uncertain returns now offer significantly higher prospective long-term returns than those with certain returns. That means that, at least in our opinion, investments with predictable returns are in fact more risky than investments with uncertain returns for investors with a long term investment horizon, at least if risk is defined as the probability of negative **real** returns. This has two implications for the Orbis Absolute Return Funds when viewed in the context of a global investment portfolio. First, all else equal, they are more attractive relative to cash than they were and second, the opportunity to add value through investment selection has increased. We are pleased to have made a substantial investment in our investment team over the past few years, hopefully increasing our ability to assess those opportunities on behalf of you, the Funds' Members.

Yours sincerely,



William B Gray

Hamilton, Bermuda
16 January 2009

The aims of the Absolute Return Funds are to provide pleasing returns as stand-alone investments, as well as high quality diversification options for Members to use in their portfolio of investments. The Optimal Fund does so on an ungeared basis and the Leveraged Fund uses borrowing to gear its investment in Optimal by about 185%. Since their inceptions, Optimal and Leveraged have accomplished their objectives, providing absolute returns comparable to those achieved by Orbis Global Equity Fund, and providing a low correlation to other asset classes and hence smoother overall long-term returns for those who invested in Global in combination with one of the Absolute Return Funds.

The Absolute Return Funds have produced their diversifying results largely by using stockmarket hedging to eliminate stockmarket risk, isolate returns generated by our selected stocks' outperformance or underperformance against their respective stockmarkets, and thus capture the value we add through our skills in picking stocks (which we refer to as "stockpicking alpha"). They also make incremental investments designed to add to and further diversify returns without adding commensurate levels of risk.

To illustrate, consider the performance breakdown of the Optimal Fund for the past 10 years, as shown in the table below. From this, we can see that 7.3% per annum was added through equity selection, 0.9% per annum through stockmarket selection, and 0.7% per annum through currency selection. While the contributions from market and currency exposures may seem small, it is important to view them in the context of risk. As can be seen at the bottom of the table, the returns from market selection have a very low correlation of 0.2, and the returns from currencies have had no correlation whatsoever with the returns generated from stockpicking alpha. Simplistically, this means that these smaller contributors have often zipped when our prime mover, alpha generation, zagged.

Optimal (US\$) Fund Value Added: 10 Years to 31 December 2008			
	<i>% per annum</i>		
<i>contribution from</i>	Equity Alpha	Market	Currency
United States	2.6	(0.2)	(1.0)
Japan	2.2	0.8	0.4
Europe	1.6	0.0	0.6
Asia ex-Japan	(0.1)	0.3	0.3
South Africa	0.9	0.0	0.1
Rest of World	(0.1)	(0.0)	0.3
Total	7.3	0.9	0.7
Correlation with Alpha	1.0	0.2	0.0

Source: Orbis

The benefits of adding the market and currency exposures can be viewed when similarly breaking down Optimal's performance for the past year. As is seen in the 2008 attribution table opposite, the contribution from our underlying stockpicking alpha was negative 4.2%, well below our standard, although half of that emanated from the equity portfolios' having a beta of less than one. Fortunately, currency returns zipped, with a positive 3.5% return, countering a large portion of the losses as stockpicking alpha zagged, significantly helping to keep the overall loss for the year in the low single digits.

Optimal (US\$) Fund Value Added: 1 Year to 31 December 2008			
<i>% per annum</i>			
<i>contribution from</i>	Equity Alpha	Market	Currency
United States	(4.4)	1.2	(1.0)
Japan	1.2	(2.4)	4.3
Europe	(2.1)	(0.1)	(0.2)
Asia ex-Japan	0.4	(1.0)	0.3
South Africa	1.0	0.1	0.0
Rest of World	(0.2)	(0.4)	0.1
Total	(4.2)	(2.6)	3.5

Source: Orbis

Despite the 2.6% loss from incremental stockmarket exposure in 2008, we continue to believe that maintaining a small net long exposure to equities in Optimal will have a positive long-term impact. According to industry and internal research, maintaining up to 10% net long stockmarket exposure over the long term is found to add to returns of market-neutral funds without adding materially to overall risk. This has been borne out in practice in Optimal as is seen in the first table. Although 2008 would not build confidence in this regard, we believe it is possible to identify stockmarkets where a long-term investor can expect equity returns to exceed the return on cash. Furthermore, again, over the long term, there is a margin of safety to the stockmarket exposures as, owing to risk premium, equities tend to produce superior returns to cash over long holding periods. Importantly, all told, the level of risk introduced by the incremental stockmarket positions is well below the level of risk introduced by our stock selection, helping to ensure that the Funds' performance will continue to be dominated by stockpicking alpha over the long term and bear little relation to the return of stockmarkets.

We consider a normal net long beta-adjusted exposure for Optimal to be 10% and seek to maintain that exposure in stockmarkets that we believe are most likely to produce returns above the return on cash. In instances when we are particularly enthusiastic about the return prospects of a stockmarket, a Policy Group Meeting is called to discuss the merits and a trading position may be added. In 2008, we did this on two occasions – in the summer we raised the weighting from 10% to 14%, and in the fall, as markets continued to swoon around the globe, we added again, bringing the total net long exposure in Optimal to 17%, the highest level in the last 10 years and at the very high end of the range you should expect to see. At times when we are particularly bearish on stockmarket prospects globally, we will go through the same decision-making process and can reduce the net long exposure to as low as zero.

As the 13% net long exposure to Japan indicates, we are optimistic about the prospects for Japanese shares to outperform the return on cash. Our increasing enthusiasm for Japanese shares this year has been well chronicled in past Manager's reports and, in combination with an extreme spike, we reopened the Japan Equity Fund to new investors on 28 October. As we enter 2009, we continue to believe that current Japanese valuations and company fundamentals more than justify Optimal's net long exposure.

ORBIS OPTIMAL FUNDS

The Orbis Optimal Funds seek capital appreciation on a low risk global investment portfolio and are offered in a choice of dollars, euro or yen. The Orbis Optimal (US\$) Fund invests principally in selected Orbis equity mutual funds and seeks to substantially reduce the stockmarket exposure inherent in these investments through stockmarket hedging. The Orbis Optimal (Euro) and (Yen) Funds seek capital appreciation in their base currencies by investing substantially all of their assets in the Orbis Optimal (US\$) Fund and hedging most or all of their currency exposure into their base currencies by selling forward dollars into their base currencies.

ORBIS OPTIMAL (US\$) FUND AT 31 DECEMBER 2008

STATEMENT OF NET ASSETS

Number Held	Security	Market Value US\$ 000's	% of Fund
28,340,323	Orbis Global Equity Fund	2,294,716	74
9,189,130	Orbis Japan Equity (US\$) Fund	189,204	6
1,125,842	Orbis Africa Equity (Rand) Fund	91,552	3
11,516,731	Orbis SICAV - Europe Equity Fund	86,772	3
4,252,406	Orbis SICAV - Japan Core Equity Fund	46,623	1
	Total Equity Exposure	2,708,867	87
	Portfolio Hedging:		
	Stock Index Futures Sold:		
(11,050)	US: E-mini S&P 500 3/2009	(497,250)	(25)
(5,979)	E-mini Russell 2000 3/2009	(295,183)	
(5,558)	Japan: TOPIX 3/2009	(528,458)	(17)
(1,052)	Germany: DAX 3/2009	(177,733)	(6)
(2,627)	France: CAC40 1/2009	(118,280)	(4)
(1,810)	UK: FTSE 100 3/2009	(116,149)	(4)
(1,962)	Korea: KOSPI 200 3/2009	(114,409)	(4)
(5,095)	South Africa: FTSE/JSE Top 40 3/2009	(107,690)	(4)
(2,360)	Europe: Dow Jones Euro STOXX 50 3/2009	(80,824)	(2)
(698)	Australia: SPI 200 3/2009	(46,251)	(1)
(1,305)	Singapore: MSCI Singapore 1/2009	(39,865)	(1)
(381)	Hong Kong: Hang Seng 1/2009	(35,407)	(1)
(525)	China: H shares 1/2009	(26,747)	(1)
	Contract Value	2,129,252	69
	Net Balances at Brokers	326,973	10
	Balance Committed to Above Positions	271,979	9
	Net Current Assets	123,419	4
	Net Assets	3,104,265	100

Net Asset Value per Share US\$68.14 45,555,162 shares issued
(At 31 December 2007: US\$ 69.88; 69,517,222 shares issued)

ORBIS OPTIMAL (EURO) AND (YEN) FUNDS AT 31 DECEMBER 2008

STATEMENT OF NET ASSETS

Number Held	Security	Market Value € 000's	% of Fund
13,657,804	Orbis Optimal (US\$) Fund	665,767	98
	Net Current Assets	12,643	2
	Net Assets	678,410	100
	Net Asset Value per Share		
	Euro Class	€ 22.72	20,911,391 shares issued
	Yen Class	¥ 944	27,284,748 shares issued

(At 31 December 2007: Euro Class € 22.74; 24,400,074 shares issued)
Yen Class ¥ 1,037; 5,838,568 shares issued)

See accompanying notes

ORBIS OPTIMAL FUNDS AT 31 DECEMBER 2008

ANALYSIS OF STOCKMARKET EXPOSURE

Region	Equity Exposure	Portfolio Hedging	Accounting Exposure	Beta Adjusted Exposure*
	%	%	%	%
Japan	30	(17)	13	13
North America	24	(25)	(1)	-
Europe	16	(16)	-	-
Asia ex-Japan	11	(7)	4	4
Other	6	(5)	1	-
Total	87	(70)	17	17

* Equity Exposure, multiplied by a Beta determined using Blume's technique, minus Portfolio Hedging.

CURRENCY DEPLOYMENT

	US\$ Fund	Euro Fund	Yen Fund
	%	%	%
US dollar	75	-	-
Euro	-	79	-
Japanese yen	10	12	88
Asia ex-Japan and other currencies	15	9	12
Net Assets	100	100	100

See accompanying notes

ORBIS LEVERAGED FUNDS

The Orbis Leveraged Funds seek capital appreciation on a leveraged global investment portfolio and are offered in a choice of dollars, euro or yen. The Orbis Leveraged (US\$) Fund uses financial leverage to invest up to 200% of its net assets, principally in selected Orbis Funds, and manages its currency and stockmarket exposure. It maintains a core position in the risk-averse Orbis Optimal (US\$) Fund. The Orbis Leveraged (Euro) and (Yen) Funds invest substantially all of their assets in the Orbis Leveraged (US\$) Fund and, by selling forward dollars into their base currencies, hedge most or all of their currency exposure into their base currencies.

ORBIS LEVERAGED (US\$) FUND AT 31 DECEMBER 2008

STATEMENT OF NET ASSETS

Number Held	Security	Market Value US\$ 000's	% of Fund
11,979,766	Orbis Optimal (US\$) Fund	816,301	192
	Incremental Position:		
	Bond Futures Sold:		
(255)	Japan: JGB 10-Year 3/2009	(394,116)	(93)
	Contract Value	392,007	92
	Balances at Brokers	5,935	2
	Balance Committed to Above Position	3,826	1
	Loans	(395,300)	(93)
	Net Current Liabilities	(93)	-
	Net Assets	424,734	100

Net Asset Value per Share US\$ 105.62 4,021,450 shares issued

(At 31 December 2007: US\$ 111.87; 9,745,091 shares issued)

ORBIS LEVERAGED (EURO) AND (YEN) FUNDS AT 31 DECEMBER 2008

STATEMENT OF NET ASSETS

Number Held	Security	Market Value € 000's	% of Fund
2,282,216	Orbis Leveraged (US\$) Fund	172,442	98
	Net Current Assets	3,444	2
	Net Assets	175,886	100

Net Asset Value per Share

Euro Class € 34.48 2,708,941 shares issued

Yen Class ¥ 842 12,414,154 shares issued

(At 31 December 2007: Euro Class € 36.54; 5,946,488 shares issued)

Yen Class ¥ 921; 64,552,107 shares issued)

See accompanying notes

ANALYSIS OF STOCKMARKET EXPOSURE

Region	Equity Exposure	Stockmarket Positions	Accounting Exposure	Beta Adjusted Exposure*
	%	%	%	%
Japan	58	(33)	25	26
North America	46	(49)	(3)	-
Europe	30	(30)	-	-
Asia ex-Japan	21	(13)	8	7
Other	12	(10)	2	-
Total	167	(135)	32	33

* Equity Exposure, multiplied by a Beta determined using Blume's technique, minus Stockmarket Positions.

CURRENCY DEPLOYMENT

	US\$ Fund	Euro Fund	Yen Fund
	%	%	%
US dollar	62	(38)	(38)
Asia ex-Japan and other currencies	29	29	29
Japanese yen	20	20	120
Euro	(11)	89	(11)
Net Assets	100	100	100

See accompanying notes

ORBIS LEVERAGED (US\$) FUND

STATEMENT OF CASH FLOWS

For the Years Ended 31 December:	US\$ 000's	
	2008	2007
Cash Flows from Operating Activities:		
Proceeds from sale of investments and currencies	1,520,828	371,621
Purchases of investments	(225,235)	(502,587)
Decrease (increase) in margin deposits at brokers	7,470	(5,702)
Interest and other borrowing costs	(36,993)	(66,398)
Other expenses	(371)	(412)
Net Cash Provided by (Used in) Operating Activities	1,265,699	(203,478)
Cash Flows from Financing Activities:		
Net (redemptions paid) subscriptions received	(605,927)	95,490
Loan drawdowns	10,959,000	8,484,500
Loan repayments	(11,618,200)	(8,405,000)
Net Cash (Used In) Provided by Financing Activities	(1,265,127)	174,990
Net Increase (Decrease) in Cash	572	(28,488)
Cash - Beginning of Year	5,150	33,638
Cash - End of Year	5,722	5,150

See accompanying notes

STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS

Reporting Currency (MILLIONS):	Orbis Optimal				Orbis Leveraged			
	(US\$)		(Euro) and (Yen)		(US\$)		(Euro) and (Yen)	
	US\$		€		US\$		€	
For the Years Ended 31 December:	2008	2007	2008	2007	2008	2007	2008	2007
Investment Income:	9	8	-	-	5	1	-	-
Interest and Dividends	9	8	-	-	5	1	-	-
Expenses:	4	10	-	-	38	65	-	-
Manager's Fees	-	4	-	-	-	-	-	-
Interest and Other Borrowing Costs	3	5	-	-	37	65	-	-
Other	1	1	-	-	1	-	-	-
Net Investment Income (Loss)	5	(2)	-	-	(33)	(64)	-	-
Net Gain (Loss) from								
Investments and Currencies:	(150)	288	26	13	(22)	70	31	(20)
Realised	1,789	141	-	36	352	47	50	39
Unrealised	(1,939)	147	26	(23)	(374)	23	(19)	(59)
(Decrease) Increase in Net Assets								
Resulting from Operations	(145)	286	26	13	(55)	6	31	(20)
Members' Activity During the Year:								
Subscriptions:								
Orbis Funds	753	777	4	71	107	220	-	-
Other Members	228	390	90	76	17	40	10	83
Switches Between Funds	133	245	284	19	24	16	12	303
Redemptions:								
Orbis Funds	(1,921)	(571)	(36)	(16)	(678)	(49)	-	-
Other Members	(501)	(336)	(104)	(100)	(57)	(110)	(80)	(54)
Switches Between Funds	(301)	(39)	(178)	(21)	(23)	(18)	(380)	(237)
(Decrease) Increase in Net Assets	(1,754)	752	86	42	(665)	105	(407)	75
Net Assets at Beginning of Year	4,858	4,106	592	550	1,090	985	583	508
Net Assets at End of Year	3,104	4,858	678	592	425	1,090	176	583

See accompanying notes

General

The Orbis Absolute Return Funds seek absolute returns regardless of stockmarket trends by investing directly or indirectly in the Manager's optimal mix of hedged Orbis Equity Funds. The Orbis Optimal Funds seek capital appreciation through a low risk global portfolio and are managed in US dollar, euro or Japanese yen. The Orbis Leveraged Funds seek capital appreciation on a leveraged global portfolio and are also managed in US dollar, euro or Japanese yen.

On 1 January 2006, Orbis Optimal (Euro) Fund Limited and Orbis Leveraged (Euro) Fund Limited each launched a Japanese Yen share class and were renamed Orbis Optimal Overlay Funds Limited and Orbis Leveraged Overlay Funds Limited, respectively. Throughout this report these Funds may also be referred to as "Optimal (Euro) and (Yen)" or "Leveraged (Euro) and (Yen)", respectively.

Each of these Absolute Return Funds is a Bermuda company.

Effective 1 October 2007, Citibank Canada was appointed Custodian and Citigroup Fund Services (Bermuda) Ltd. was appointed Administrator and Transfer Agent for the Funds.

Significant Accounting Policies

These financial statements have been prepared in accordance with generally accepted accounting principles in Canada and Bermuda. The Funds' significant accounting policies are as follows:

Investments. Investments are recorded as of the trade date and are stated at their fair values. Investments in Orbis Funds are valued at their year-end Net Asset Value per share, while other marketable securities, including futures and options, are valued at their closing prices and forward currency contracts at their mid prices. If these prices are unavailable or considered unrepresentative of fair value, a price considered fair by the Manager will be used. Futures contracts are stated at their full face market value with the net of the market and contract values representing their unrealised gain or loss. The amounts realised may differ from these valuations due to variations in pricing, exchange rates, trading volumes and regulations. At the year-end, the cost of investments, in millions, was for Optimal (US\$) US\$2,816 (2007 - cost US\$2,703, market US\$4,466), for Optimal Overlay €653 (2007 - cost €591, market €592), for Leveraged (US\$) US\$654 (2007 - cost US\$1,592, market US\$2,121) and for Leveraged Overlay €167 (2007 - cost €554, market €583).

Foreign Currency Translation. Assets, liabilities and forward currency contracts denominated in foreign currencies are translated into the Reporting Currency shown on page 9 using exchange rates prevailing at the year-end. Income and expenses in foreign currencies are translated into the Reporting Currency at the exchange rates prevailing at the dates of the transactions. Translation exchange gains and losses are included in the Statement of Operations.

Income and Expenses. The accrual basis is used to recognise income and expenses. Dividends are accrued on the ex-date of the dividend, net of withholding taxes. Realised gains and losses on investments are based on average cost. All income and expenses which can be allocated directly to individual share classes are charged to those share classes. Income and expenses which do not relate specifically to a particular share class are allocated between the share classes pro rata to their Net Asset Values.

Accounting Estimates. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Net Current Assets or Liabilities. Net current assets or liabilities include primarily unrealised gains or losses on forward currency contracts, cash including US\$138 million in Optimal (US\$), amounts due to shareholders and other miscellaneous accounts receivable and payable, the individual amounts of which are not significant in relation to the total net assets of the Fund except for certain balances which will be disclosed elsewhere in these financial statements.

Taxes

There are no Bermuda income, profit, capital, capital gains, estate or inheritance taxes payable by the Funds or their Members in respect of shares in the Funds. The Bermuda Government has undertaken that, in the event that any such taxes are levied in the future, the Funds and their shares will be exempt from such taxes until 28 March 2016.

Share Capital

Orbis Optimal (US\$)'s authorised share capital comprises 200 million Fund shares and 12,000 issued Founders' shares, all with a US\$1 par value. Each of the other Funds' authorised share capital comprises 100 million Fund shares and 12,000 issued Founders' shares, all with a US\$1 par value. Each Fund's authorised share capital remains unchanged from 31 December 2007. Fund shares participate pro rata in their Fund's net assets and dividends, are redeemable, and are non-voting. Founders' shares do not participate in their Fund's portfolio, are redeemable at par value only after all Fund shares have been redeemed, and carry the right to vote. If a Fund is wound up or dissolved, the Founders' shares will participate only to the extent of their par value.

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

	Orbis Optimal (US\$)		Orbis Optimal Overlay (Euro) (Yen)			
	2008	2007	2008	2007	2008	2007
Balance at beginning of year	69,517	62,855	24,400	23,669	5,839	4,024
Subscriptions						
Orbis Funds	10,669	11,306	184	2,381	-	2,592
Other Members	3,254	5,662	3,691	3,222	976	487
Switches Between Funds	1,877	3,548	5,110	776	25,723	189
Redemptions						
Orbis Funds	(27,980)	(8,372)	(422)	(705)	(3,767)	-
Other Members	(7,314)	(4,911)	(4,231)	(4,088)	(1,128)	(1,135)
Switches Between Funds	(4,468)	(571)	(7,821)	(855)	(358)	(318)
Balance at end of year	45,555	69,517	20,911	24,400	27,285	5,839

	Orbis Leveraged (US\$)		Orbis Leveraged Overlay (Euro) (Yen)			
	2008	2007	2008	2007	2008	2007
Balance at beginning of year	9,745	8,940	5,946	12,395	64,552	9,443
Subscriptions						
Orbis Funds	952	1,900	-	-	-	-
Other Members	145	355	76	697	1,250	9,139
Switches Between Funds	209	134	77	111	1,615	48,323
Redemptions						
Orbis Funds	(6,267)	(436)	-	-	-	-
Other Members	(543)	(989)	(1,076)	(1,111)	(6,830)	(2,168)
Switches Between Funds	(220)	(159)	(2,314)	(6,146)	(48,173)	(185)
Balance at end of year	4,021	9,745	2,709	5,946	12,414	64,552

Material Contracts

At year-end, the following Funds had forward currency contracts settling on 5 June 2009 having net contract and net market values as set out below. These contracts expose the Funds to credit risk arising from the potential inability of a counterparty to perform under the terms of a contract. To limit its risk to the amount of any net unrealised gain, each Fund has entered into agreements whereby all its currency transactions with the counterparty to that agreement can be netted.

Currency	Contract Value	Base Currency		
		Contract Value	Market Value	Unrealised Gain (Loss)
Orbis Optimal (US\$)	000's	US\$ 000's	US\$ 000's	US\$ 000's
AUD	-	(388)	-	388
EUR	(290,587)	(401,975)	(404,588)	(2,613)
GBP	(104,210)	(155,676)	(152,087)	3,589
JPY	(45,041,602)	(503,195)	(498,454)	4,741
KRW	-	1,064	-	(1,064)
ZAR	(1,467,500)	(148,954)	(150,480)	(1,526)
		(1,209,124)	(1,205,609)	3,515
Orbis Optimal Overlay		€ 000's	€ 000's	€ 000's
CAD	143	84	85	1
GBP	439	459	403	(56)
HKD	(87,300)	(8,058)	(8,068)	(10)
JPY	19,901,558	161,726	159,817	(1,909)
SGD	(23,252)	(11,612)	(12,243)	(631)
USD	(597,987)	443,252	457,012	13,760
		585,851	597,006	11,155
Orbis Leveraged (US\$)		US\$ 000's	US\$ 000's	US\$ 000's
AUD	-	54	-	(54)
EUR	(32,630)	(41,390)	(45,431)	(4,041)
GBP	(209)	(314)	(305)	9
JPY	(112,280)	(1,125)	(1,242)	(117)
KRW	-	639	-	(639)
		(42,136)	(46,978)	(4,842)
Orbis Leveraged Overlay		€ 000's	€ 000's	€ 000's
GBP	349	365	489	124
JPY	10,582,500	83,505	85,478	1,973
USD	(125,256)	90,950	91,937	987
		174,820	177,904	3,084

Commitments

Orbis Leveraged (US\$) has a multi-currency line of credit, secured by a pledge of its assets, that may be drawn in two tranches. At 31 December 2008, (i) the first tranche of US\$450 million expiring on 10 June 2010 had drawn US\$395.3 million (2007 - was fully drawn), was charged interest at LIBOR plus 0.85%, totaling 1.25% per annum, and bore a commitment fee of 0.15% per annum on undrawn balances, and (ii) the second tranche of US\$50 million (2007 - US\$850 million) expiring on 26 May 2009 was undrawn (2007 - US\$604.5 million), was charged interest at LIBOR plus 0.65%, and bore a commitment fee of 0.10% per annum on undrawn balances.

During 2008, the margin balances supporting Orbis Optimal (US\$)'s Portfolio Hedging were at times funded partly by an uncommitted margin facility which was secured by, and was not permitted to exceed, a maximum of 10% of the Fund's net asset value. The margin facility was terminated on 15 October 2008. At 31 December 2007, the margin facility was not drawn upon and no shares of Orbis Global Equity Fund Limited were pledged as collateral.

Related Party Transactions

Orbis Investment Management Limited has been contractually appointed as "Manager" of the Funds. Orbis Optimal (US\$) pays the Manager a performance-based fee of up to 0.5% per annum of weekly net assets whenever that Fund's price exceeds its maximum price in the period from the date of inception to the date one year prior to the date of calculation, and its trailing one-year return exceeds that of Bank Deposits plus 5%. Orbis Optimal (Euro) and (Yen), Orbis Leveraged (US\$) and Orbis Leveraged (Euro) and (Yen) do not directly pay a fee to the Manager. To the extent that they directly or indirectly invest in other Orbis Funds, these Funds indirectly bear the management fees paid by such other funds. Each Orbis Equity Fund directly or indirectly pays a performance-based fee. At 31 December 2008 and 2007, there was no management fee payable by Orbis Optimal (US\$).

At the year-end, other Orbis funds held, in thousands of shares, 29,224 (2007 - 46,535) in Orbis Optimal (US\$), 2,950 (2007 - 3,188) in Orbis Optimal (Euro), 350 (2007 - 4,116) in Orbis Optimal (Yen) and 2,282 (2007 - 7,598) in Orbis Leveraged (US\$). 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 Managers and Investment Advisors, held, in thousands of shares, 5,006 (2007 - 8,414) in Orbis Optimal (US\$), 12,317 (2007 - 13,367) in Orbis Optimal (Euro), 24,725 (2007 - 795) in Orbis Optimal (Yen), 276 (2007 - 385) in Orbis Leveraged (US\$), 28 (2007 - 1,662) in Orbis Leveraged (Euro) and 7,465 (2007 - 56,573) in Orbis Leveraged (Yen). Other related party amounts disclosed may include client activity that occurred on 31 December, subsequent to the close of the fiscal year and which have been transacted based on the 31 December Net Asset Value.

AUDITORS' REPORT

To the Members of
Orbis Optimal (US\$) Fund Limited ("Optimal US\$"),
Orbis Optimal Overlay Funds Limited ("Optimal (Euro) and (Yen)"),
Orbis Leveraged (US\$) Fund Limited ("Leveraged US\$"), and
Orbis Leveraged Overlay Funds Limited ("Leveraged (Euro) and (Yen)")
or collectively the "Funds":

We have audited the Statements of Net Assets of the Funds (companies incorporated with limited liability in Bermuda) on pages 4 and 6 as at 31 December 2008, the Statement of Cash Flows for Leveraged (US\$) on page 8, the related Statements of Operations and Changes in Net Assets on page 9 and the accompanying notes on pages 10 to 13 for the year then ended. These financial statements are the responsibility of the Funds' management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in Canada and Bermuda. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, these financial statements present fairly, in all material respects, the financial positions of the Funds as at 31 December 2008 and the results of their operations and the changes in their net assets and the cash flows for Leveraged (US\$) for the year then ended in accordance with accounting principles generally accepted in Canada and Bermuda.

Ernst & Young Ltd.

Hamilton, Bermuda
19 January 2009

Ernst & Young Ltd.
Chartered Accountants

NOTICES

ANNUAL GENERAL MEETINGS

Notice is hereby given that the Annual General Meetings of Orbis Optimal (US\$) Fund Limited, Orbis Optimal Overlay Funds Limited, Orbis Leveraged (US\$) Fund Limited and Orbis Leveraged Overlay Funds Limited (the "Orbis Funds") will be held at the offices of Orbis Investment Management Limited, 34 Bermudiana Road, Hamilton, Bermuda on 22 April 2009 at 10:30 a.m. Members are invited to attend and address these meetings. The Agendas comprise the following:

- Review of Minutes of the Annual General Meetings of Members of the Orbis Funds held on 18 April 2008
- Review of audited financial statements in the 2008 Annual Reports
- Proposed re-appointment of the present Directors as shown in the Manager's Reports
- Approval of proposed Directors' fees for the year to 31 December 2009 to each of Messrs Collis and Thomson of US\$10,000 for each of Orbis Optimal (US\$) Fund Limited and Orbis Leveraged (US\$) Fund Limited, and US\$1,000 for each of Orbis Optimal Overlay Funds Limited and Orbis Leveraged Overlay Funds Limited
- Proposed re-appointment of Ernst & Young as Auditors for the year to 31 December 2009

By Order of the Boards, James J Dorr, Secretary

NEW INVESTORS

Some of the Orbis Funds are temporarily not accepting new investors and new investments. For details, see the current Orbis Funds Subscription and Switch Form, a copy of which is available on our website, www.orbisfunds.com. We will reopen the Orbis Funds to new investors when we consider it appropriate to do so, and will post notice of the reopening on our website and via our automated e-mail services facility. If you have any questions, wish to discuss how we define new investors and how this will be administered, or wish us to inform you when the Funds are reopened to new investors, please contact the Investor Services Team at Orbis, at +1 (441) 296 3000, by e-mail at clientservice@orbisfunds.com, or by mail to: The Investor Services Team, Orbis Group, 34 Bermudiana Road, Hamilton HM 11, Bermuda. Residents of Australia or New Zealand should contact Orbis in Australia at 61 (0)2 8224 8600 or e-mail clientservice@orbisfunds.com.au. South African residents should contact Allan Gray Unit Trust Limited at 0860 000 654 (toll free from within South Africa) or e-mail clientservice@allangray.co.za.

SOURCES

Average Fund: Morningstar, Inc. All rights reserved. Average Fund data (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from the use of this information. Total Rate of Return for Bank Deposits is the compound total return for one-month interbank deposits in the specified currency.

EU SAVINGS DIRECTIVE

Orbis' assessment is that all of the Orbis Funds are 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 Orbis Funds, 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.

UK DISTRIBUTOR STATUS

HM Revenue & Customs has certified each of the Orbis Funds as a distributing fund for the purposes of Chapter V of Part XVII of the United Kingdom Income and Corporation Taxes Act 1988 from the Fund's inception until 31 December 2007. Certification is granted retrospectively, therefore there can be no assurance that the Orbis Funds will be certified as distributing funds for fiscal 2008 or for future accounting periods.

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 Orbis Funds have 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 Orbis Funds are required to provide specified information to prospective and current Members. This specified information, which is provided in English, is contained in the Orbis Funds' Prospectuses, Application Form and (for Members who sign up for Orbis' online portfolio services facility at www.orbisfunds.com) the Orbis Funds Portfolio Services Agreement. These services are not a type of financial service to which cancellation rights apply.

RISK WARNINGS

Past performance is not indicative of future performance. Orbis Fund share prices fluctuate and are not guaranteed. When making an investment in the Funds, an investor's capital is at risk.

OTHER

This Report does not constitute an offer to sell or a solicitation to buy shares of Orbis Funds. Subscriptions are only valid if made on the basis of the current prospectus of an Orbis Fund. Certain capitalised terms are defined in the Glossary section of the Orbis Funds General Information document, copies of which are available upon request from the Manager. Orbis Investment Management Limited is licensed to conduct investment business by the Bermuda Monetary Authority.

We invite you to visit our website, www.orbisfunds.com, where you may register on-line to receive regular reports on our funds automatically by e-mail. We hope that this enables you to keep in better touch with us and with your investments.

