

ORBIS OPTIMAL

US\$ Fund / Euro Fund

ORBIS LEVERAGED

US\$ Fund / Euro Fund



ORBIS ABSOLUTE RETURN FUNDS

QUARTERLY REPORTS

30 JUNE 1999

THE FAMILY OF ORBIS OFFSHORE FUNDS

ABSOLUTE RETURN FUNDS

- These Funds seek absolute (*ie positive*) returns regardless of stockmarket trends
- They invest directly or indirectly in the most appropriate mix of Orbis Equity Funds
- They manage risk of loss with discretionary stockmarket hedging
- They are able to have no net exposure to stockmarket trends
- They are differentiated from each other by their risk levels and their base currencies

ORBIS OPTIMAL (US\$) FUND

This Fund seeks capital appreciation in its base currency, the US dollar, while offering a low risk global portfolio. The Fund invests in selected Orbis Equity Funds. The risk of loss of the Fund is managed with discretionary stockmarket hedging.

ORBIS OPTIMAL (EURO) FUND

This Fund seeks capital appreciation in euro on a low risk global portfolio. The Fund supplements its sole investment, the Orbis Optimal (US\$) Fund, with currency hedging enabling the Fund to be managed in its base currency, the euro.

ORBIS LEVERAGED (US\$) FUND

This Fund seeks capital appreciation in US dollars on a leveraged global portfolio. The Fund invests up to 200% of its net assets, primarily in the Orbis Optimal (US\$) Fund. The stockmarket and currency exposures of the Fund are actively managed.

ORBIS LEVERAGED (EURO) FUND

This Fund seeks capital appreciation in euro on a leveraged global portfolio. The Fund supplements its sole investment, the Orbis Leveraged (US\$) Fund, with currency hedging enabling the Fund to be managed in its base currency, the euro.

EQUITY FUNDS

- Each Fund remains fully invested in equities selected from a specified geographic region
- Each is actively managed to outperform a “Benchmark” index of the stockmarkets in its region
- The equities are selected based on detailed proprietary research which emphasises relative value
- A Fund’s portfolio may be focused and, unlike an index fund, notably different from its Benchmark
- However, the resulting risk of underperforming the Benchmark is regularly monitored

ORBIS GLOBAL EQUITY FUND

This Fund invests globally and seeks to earn higher returns than world stockmarkets. The Fund’s Benchmark is the FT/S&P Actuaries World Index, including income. The Fund’s currency exposure is managed relative to that of the World Index.

ORBIS AFRICA EQUITY (RAND) FUND

This Fund invests in African, usually South African, equities. The Fund’s Benchmark is the Johannesburg Stock Exchange/Actuaries All Share Index, including income. The Fund does not hedge currencies, and thus is exposed to the rand.

ORBIS JAPAN EQUITY (YEN) FUND

This Fund invests in Japanese equities. The Fund’s Benchmark is the Japanese stockmarket, measured by the Tokyo Stock Price Index, including income (“TOPIX”). The Fund does not hedge currencies, and thus is exposed to the yen.

ORBIS JAPAN EQUITY (US\$) FUND

This Fund invests in the Orbis Japan Equity (Yen) Fund. The Fund usually hedges most or all of its currency exposure into US dollars. The Fund’s Benchmark is the Japanese stockmarket, measured by TOPIX hedged into dollars, including income.

OTHER SERVICES

Orbis also manages two US limited partnerships.

UK Distributor Status has been granted to Orbis Global Equity Fund, Orbis Optimal (US\$) Fund and Orbis Leveraged (US\$) Fund for each year from inception to 1997, inclusive. The Directors have applied for certification for fiscal 1998 for all of the Orbis Funds. Certification is granted retrospectively and cannot be guaranteed.

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 Annual Reports.

Past performance is not necessarily indicative of future performance.

CHAIRMAN'S LETTER

Dear Fellow Member,

The Orbis Funds benefited from developments in world investment markets last quarter. In recent years, most investment markets have been driven by momentum. Last quarter, investors switched their focus to those stockmarkets and individual shares that offered superior value. This was more conducive to Orbis' investment approach of selecting equities for their fundamental value rather than their momentum. Helped by this, Orbis Global Equity, Orbis Japan Equity (US\$) and Orbis Africa Equity outperformed their benchmark stockmarket indices by 10.8, 4.7 and 11.9 percentage points, respectively. Successful stock selection ensured that the Orbis Optimal investment approach, of investing in Orbis Equity Funds augmented with hedging of associated stockmarket risk, was profitable. This in turn made the Orbis Leveraged policy of gearing an investment in Orbis Optimal rewarding.

For the latest quarter, **Orbis Optimal (US\$)** earned 9.5%, Bank Deposits 1.2% and the Average Global Equity Fund 4.9%. This raised your Fund's return for the first six months of 1999 to 16.9%. This was strong performance by Orbis Optimal (US\$), particularly given your Fund's aversion to risk and its substantial stockmarket hedging. For the six months, Bank Deposits yielded 2.5% and the Average Global Equity Fund rose 8.4%. Since inception on 1 January 1990, Orbis Optimal (US\$) has earned 12.2% pa, while Bank Deposits returned 5.8% pa and the Average Global Equity Fund 8.6% pa.

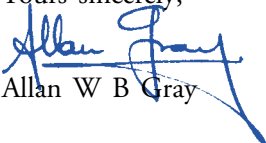
The recent results of **Orbis Leveraged (US\$)** are vindicating our recent decision to focus its geared portfolio to a greater extent on Orbis Optimal (US\$) and less on incremental investments. Orbis Leveraged (US\$) earned 17.2% in the latest quarter and 29.1% in 1999 to date. We are encouraged that the Fund has continued its recovery, but recognise that the Fund's results over the latest three years remain unsatisfactory. Since inception, Orbis Leveraged (US\$) has earned 13.0% pa, while Bank Deposits and the Average Global Equity Fund have returned 5.8% pa and 8.6% pa, respectively.

Our euro overlay funds, which allow investors to participate in the Optimal and Leveraged portfolios but with a base currency of the euro, achieved similarly strong performance last quarter. **Orbis Optimal (Euro)** earned 8.9% and **Orbis Leveraged (Euro)** 17.1%. For the first six months of 1999, Orbis Optimal (Euro) returned 16.1% and Orbis Leveraged (Euro) 27.9%. Since inception on 30 June 1998, Orbis Optimal (Euro) has earned 16.9% and Orbis Leveraged (Euro) 13.8%.

We have introduced several changes intended to improve this report. The most noticeable is that we have marked the first anniversary of Orbis Optimal (Euro) and Orbis Leveraged (Euro) by adding separate reports on these Funds. A further change is that we have included, for each Fund, a table headed "Analysis of Stockmarket Exposure". We intend to present this table regularly in future and hope that it will enhance your understanding of the Funds. An explanation of the table is provided in the Manager's Report for the Orbis Optimal (US\$) Fund, which is overleaf.

These Absolute Return Funds seem to have been sailing into the wind in recent years. Hopefully the recent return to more normal stockmarkets emphasising value will continue, enabling us to reward your patience.

Yours sincerely,


Allan W B Gray

Hamilton, Bermuda
21 July 1999

ORBIS OPTIMAL (US\$) FUND

MANAGER'S REPORT AT 30 JUNE 1999

Total Rate of Return	From Inception	Latest		1999	Latest
	on 1 Jan 1990	5 Years	3 Years		
	% Annualised			% Not Annualised	
In the benchmark currencies:*					
Orbis Optimal (US\$)	12.4	10.1	9.9	16.9	9.5
In US dollars:					
Orbis Optimal (US\$)	12.2	7.9	6.5	16.9	9.5
Bank Deposits	5.8	2.7	1.3	2.5	1.2
Average Global Equity Fund	8.6	10.7	11.4	8.4	4.9

* 100% US dollars since 30 June 1998, previously 40% dollars, 40% ecu and 20% yen.

We have added the "Analysis of Stockmarket Exposure" on the next page as an ongoing enhancement to this report. The numbers in the Equity Exposure column are derived from your Fund's positions in Orbis Equity Funds as shown at the top of page 3. For example, at 30 June 67% of your Fund was invested in Orbis Global Equity and, because 36% of the latter was deployed in US equities, your Fund's long US Equity Exposure was 24% of net assets. The Portfolio Hedging column in the table summarises the short exposure to each stockmarket that results from the hedging contracts disclosed opposite. For example, the Fund had 30% hedging against the Japanese stockmarket, achieved by sales of Japanese stock index futures contracts based on the TOPIX and Nikkei 225 indices.

We define the Accounting Exposure as the Equity Exposure minus the Portfolio Hedging. For example, the Fund's Accounting Exposure to the Japanese stockmarket was 17% of net assets, comprising 47% Equity Exposure minus Portfolio Hedging of 30%. Accounting Exposure is conceptually simple, but rarely provides the best estimate of exposure to future stockmarket moves. This is because some shares are more sensitive to stockmarket fluctuations than others—for example, utility shares are typically less sensitive to stockmarket moves than shares in stockbrokers. Thus your Fund's 24% US Equity Exposure does not necessarily imply equivalent exposure to US stockmarket fluctuations.

For this reason, we also show the Fund's Beta Adjusted Exposure to each stockmarket. Beta is a statistical measure of historic sensitivity to stockmarkets (we adjust Beta to improve its ability to measure prospective stockmarket sensitivity, although it remains heavily influenced by past data). Equities selected for their value, which we favour, tend to be less sensitive than average to stockmarket moves, so your Fund's Beta Adjusted Exposure is usually below its Accounting Exposure. It follows that we would tend to over-hedge your Fund if we only considered its Accounting Exposure. The Beta Adjusted Exposure may be a more representative measure of exposure to stockmarket fluctuations in "normal" conditions. However, because stockmarket moves are not always "normal", we monitor both your Fund's Accounting Exposure and its Beta Adjusted Exposure. At the quarter-end, the Fund's Beta Adjusted Exposure included a positive stance of 9% on the Japanese stockmarket. Conversely, because we suspect that prospective returns on the US stockmarket may be abnormal, your Fund had sufficient Portfolio Hedging against the US stockmarket to eliminate all of its Accounting Exposure to that market. Overall, no matter how you assess it, the Fund remained substantially hedged.

MANAGER Orbis Investment Management Limited	INVESTMENT ADVISOR Orbis Investment Advisory Limited	CUSTODIAN The Bank of Bermuda Limited
<i>DIRECTORS Allan W B Gray, Chairman</i>	<i>John C R Collis</i>	<i>Geoffrey M Gardner</i>
	<i>Alan Gilbertson</i>	<i>William D Thomson</i>

ORBIS OPTIMAL (US\$) FUND AT 30 JUNE 1999

STATEMENT OF NET ASSETS (UNAUDITED)

Security	Market Value US\$ 000's	% of Fund
Orbis Global Equity Fund	390,870	67
Orbis Japan Equity (US\$) Fund	149,527	26
Orbis Africa Equity (Rand) Fund	27,310	5
Total Equity Exposure	567,707	98
Portfolio Hedging:		
Stock Index Futures Sold:		
Japan: TOPIX TSE 9/1999	(71,175)	(30)
Nikkei 225 CME 9/1999	(60,971)	
Nikkei 225 OSA 9/1999	(42,024)	
US: S&P 500 CME 9/1999	(124,353)	(24)
NASDAQ 100 CME 9/1999	(17,708)	
UK: FTSE 100 LIFFE 9/1999	(51,604)	(9)
South Africa: JSE All Share Top 40 SAFEX 9/1999	(19,366)	(4)
Germany: DAX DTB 9/1999	(17,433)	(3)
France: CAC 40 MATIF 7/1999	(14,777)	(2)
Spain: IBEX 35 MEFF 7/1999	(12,125)	(2)
Sweden: OMX OMLX 7/1999	(10,053)	(2)
Market Value	(441,589)	(76)
Contract Value	424,287	73
Net Balances at Brokers	28,671	5
Balance Committed to Above Positions	11,369	2
Net Current Liabilities	(1,235)	-
Net Assets	577,841	100
Net Asset Value per Share	19,314,167 shares issued	US\$ 29.92

ANALYSIS OF STOCKMARKET EXPOSURE

Region	Equity Exposure	Portfolio Hedging	Accounting Exposure	Beta Adjusted Exposure*
	%	%	%	%
Japan	47	(30)	17	9
US	24	(24)	-	(5)
Continental Europe	12	(9)	3	1
UK	10	(9)	1	(2)
South Africa	5	(4)	1	1
Total	98	(76)	22	4

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

CURRENCY DEPLOYMENT

	% of Fund
US dollar	100

ORBIS OPTIMAL (EURO) FUND

MANAGER'S REPORT AT 30 JUNE 1999

Total Rate of Return in euro:	From Inception on 30 Jun 1998 <i>% Annualised</i>	1999 to Date <i>% Not Annualised</i>	Latest Quarter
Orbis Optimal (Euro)	16.9	16.1	8.9
<i>% appreciation of the euro versus the US dollar</i>	<i>(5.5)</i>	<i>(11.7)</i>	<i>(3.9)</i>

This Fund's investment objective states "the Orbis Optimal (Euro) Fund seeks capital appreciation in euro on a low risk global portfolio. It invests in the Orbis Optimal (US\$) Fund and hedges most or all of its currency exposure from US dollars into euro." The result is that Orbis Optimal (Euro) is, in effect, the same investment as Orbis Optimal (US\$) except managed in euro rather than in dollars. As a consequence, this Fund's returns *in euro* usually approximate the returns on Orbis Optimal (US\$) *in dollars*, adjusted by the short-term interest rate differential between the euro and the dollar. Page 2 shows the returns on Orbis Optimal (US\$) for various periods since its inception on 1 January 1990. For the overall period since inception, Orbis Optimal (US\$) has earned 12.2% pa, Bank Deposits 5.8% pa and the Average Global Equity Fund 8.6% pa, each measured in dollars.

It follows that your choice between this Fund and Orbis Optimal (US\$) should be dictated by the "base currency" in which you wish us to manage your investment. The fluctuations in the exchange rate between the euro and the dollar are shown above for various periods (the ecu was used for the period until launch of the euro on 1 January 1999). Even in the year since this Fund's inception, these exchange rate fluctuations have been substantial. This highlights the importance of selecting an investment managed in the "base currency" best suited to your needs.

The opposite page shows the Fund's deployment at the quarter-end. The Statement of Net Assets shows that 100% of Orbis Optimal (Euro) was invested in Orbis Optimal (US\$). As shown on page 3, Orbis Optimal (US\$) in turn invests in a portfolio of selected Orbis Equity Funds augmented with stockmarket hedging. The stockmarket hedging within Orbis Optimal (US\$) allows that Fund, and therefore Orbis Optimal (Euro), to materially reduce or even eliminate stockmarket exposure, and therefore target positive returns regardless of the current trend in stockmarkets (or any other asset class). This is why we refer to both of these Orbis Optimal Funds as "Absolute Return Funds".

The table on the opposite page headed "Analysis of Stockmarket Exposure" looks through this Fund's investment in Orbis Optimal (US\$) at the quarter-end to present Orbis Optimal (Euro)'s indirect exposure to stockmarkets. The headings in the table are explained on page 2. A comparison between this table and the corresponding one for Orbis Optimal (US\$) on page 3 confirms that, aside from currency exposure, the investment exposure of the two Funds was identical. For example, Orbis Optimal (Euro), like its dollar counterpart, had total Beta Adjusted Exposure to stockmarkets of just 4% at the quarter-end.

Finally, the Currency Deployment at the foot of the opposite page shows that Orbis Optimal (Euro) was 100% exposed to the euro at the quarter-end. In contrast, as shown on page 3, Orbis Optimal (US\$) was 100% exposed to the dollar.

MANAGER Orbis Investment Management Limited	INVESTMENT ADVISOR Orbis Investment Advisory Limited	CUSTODIAN The Bank of Bermuda Limited
DIRECTORS Allan W B Gray, Chairman	John C R Collis	Geoffrey M Gardner
	Alan Gilbertson	William D Thomson

ORBIS OPTIMAL (EURO) FUND AT 30 JUNE 1999

STATEMENT OF NET ASSETS (UNAUDITED)

Security	Market Value € 000's	% of Fund
Orbis Optimal (US\$) Fund	6,945	100
Net Current Liabilities (Mainly the result of currency hedging)	(24)	-
Net Assets	6,921	100
Net Asset Value per Share	592,154 shares issued	€ 11.69

ANALYSIS OF STOCKMARKET EXPOSURE

Region	Equity Exposure	Portfolio Hedging	Accounting Exposure	Beta Adjusted Exposure*
	%	%	%	%
Japan	47	(30)	17	9
US	24	(24)	-	(5)
Continental Europe	12	(9)	3	1
UK	10	(9)	1	(2)
South Africa	5	(4)	1	1
Total	98	(76)	22	4

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

CURRENCY DEPLOYMENT

	% of Fund
Euro	100

ORBIS LEVERAGED (US\$) FUND

MANAGER'S REPORT AT 30 JUNE 1999

Total Rate of Return	From Inception	Latest		1999	Latest
	on 1 Jan 1990	5 Years	3 Years		
	% Annualised			% Not Annualised	
In the benchmark currencies:*					
Orbis Leveraged (US\$)	13.2	8.7	3.9	29.1	17.2
In US dollars:					
Orbis Leveraged (US\$)	13.0	6.6	0.6	29.1	17.2
Bank Deposits	5.8	2.7	1.3	2.5	1.2
Average Global Equity Fund	8.6	10.7	11.4	8.4	4.9

* 100% US dollars since 30 June 1998, previously 40% dollars, 40% ecu and 20% yen.

Orbis Leveraged (US\$) continued its recovery during the latest quarter. The Fund earned 17.2%, raising its return for the first six months of 1999 to 29.1%. These returns were attributable to strong contributions from Orbis Optimal (US\$), which earned 9.5% last quarter and 16.9% in 1999 to date. At the quarter-end, as the Statement of Net Assets on the opposite page shows, 187% of your Fund was invested in Orbis Optimal (US\$) and 2% in the First Russian Frontiers Trust. The Fund also held a 5% incremental short position against the US stockmarket.

We have added the table opposite headed "Analysis of Stockmarket Exposure" to help us communicate how your Fund is positioned. The Accounting Exposure is defined as the sum of the Fund's Equity Exposure and its Stock Index Futures. For example, your Fund's Accounting Exposure to Japan of 32% consisted of Equity Exposure of 88% and short Stock Index Futures amounting to 56%. Your Fund's 88% Japanese Equity Exposure in turn comprised Orbis Optimal (US\$)'s 47% Japanese Equity Exposure, as shown on page 3, multiplied by 187% because 187% of your Fund was invested in Orbis Optimal (US\$). Similarly, your Fund's short Japanese Stock Index Futures of 56% consisted of 30% Portfolio Hedging within Orbis Optimal (US\$), also shown on page 3, multiplied by 187%.

The Accounting Exposure does not make allowance for the fact that the portfolio of equities underlying your Fund, being selected for their value, tend to be less sensitive than average to stockmarket moves. We therefore also present the Fund's Beta Adjusted Exposure. This provides an indication of what your Fund's exposure to stockmarket fluctuations would be if historical relationships endured. Assessed on this basis, your Fund's exposure to Japanese stockmarket fluctuations declines to 17% of assets.

Your Fund's total Beta Adjusted Exposure shown opposite is small at just 7%. The Fund's future returns therefore are likely to be driven primarily by share selection, historically our greatest strength. We find the current prospects exciting. The Equity Exposure column shows that more than half of your Fund's stock-picks are based on the Japanese and South African stockmarkets, which for some time have been and remain in a stage typically conducive to value based share selection. The shift of stockmarket leadership towards value within Europe, and most recently the US, is helping the balance of your Fund's Equity Exposure to be similarly rewarding. Finally, Orbis Leveraged (US\$) has Beta Adjusted Exposure of 17% to the Japanese stockmarket, because we believe our selected Japanese shares are attractive, and minus 14% to the US because we consider it significantly overvalued.

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DIRECTORS Allan W B Gray, Chairman John C R Collis Geoffrey M Gardner Alan Gilbertson William D Thomson		

ORBIS LEVERAGED (US\$) FUND AT 30 JUNE 1999

STATEMENT OF NET ASSETS (UNAUDITED)

Security	Market Value US\$ 000's	% of Fund
Orbis Optimal (US\$) Fund	482,532	187
Incremental Equity Position:		
First Russian Frontiers Trust	4,405	2
Position to Manage Stockmarket Exposure:		
Stock Index Futures Sold:		
US: S&P 500 CME 9/1999	(12,090)	(5)
Contract Value	11,453	5
Margin Balances at Broker	1,294	-
Balance Committed to Above Position	657	-
Investments	487,594	189
Loans	(229,500)	(89)
Net Current Liabilities	(367)	-
Net Assets	257,727	100
Net Asset Value per Share	8,044,988 shares issued	US\$ 32.04

ANALYSIS OF STOCKMARKET EXPOSURE

Region	Equity Exposure	Stock Index Futures	Accounting Exposure	Beta Adjusted Exposure*
	%	%	%	%
Japan	88	(56)	32	17
US	45	(50)	(5)	(14)
Continental Europe	22	(17)	5	2
UK	19	(17)	2	(2)
South Africa	9	(7)	2	2
Russia	2	-	2	2
Total	185	(147)	38	7

* This is Equity Exposure, multiplied by a Beta determined using Blume's technique, minus Stock Index Futures.

CURRENCY DEPLOYMENT

	% of Fund
US dollar	98
Euro	10
British pound	(10)
Russian rouble	2
Net Assets	100

ORBIS LEVERAGED (EURO) FUND

MANAGER'S REPORT AT 30 JUNE 1999

Total Rate of Return in euro:	From Inception on 30 Jun 1998 <i>% Annualised</i>	1999 to Date <i>% Not Annualised</i>	Latest Quarter
Orbis Leveraged (Euro)	13.8	27.9	17.1
<i>% appreciation of the euro versus the US dollar</i>	<i>(5.5)</i>	<i>(11.7)</i>	<i>(3.9)</i>

This Fund's investment objective states "the Orbis Leveraged (Euro) Fund seeks capital appreciation in euro on a leveraged global portfolio. It invests in the Orbis Leveraged (US\$) Fund and hedges most or all of its currency exposure from US dollars into euro." The result is that Orbis Leveraged (Euro) is, in effect, the same investment as Orbis Leveraged (US\$) except managed in euro rather than in dollars. As a consequence, this Fund's returns *in euro* approximate the returns on Orbis Leveraged (US\$) *in dollars*, adjusted by the short-term interest rate differential between the euro and the dollar. Page 6 shows the returns on Orbis Leveraged (US\$) for various periods since its inception on 1 January 1990. For the overall period since inception, Orbis Leveraged (US\$) has earned 13.0% pa, Bank Deposits 5.8% pa and the Average Global Equity Fund 8.6% pa, each measured in dollars.

It follows that your choice between this Fund and Orbis Leveraged (US\$) should be dictated by the "base currency" in which you wish us to manage your investment. The fluctuations in the exchange rate between the euro and the dollar are shown above for various periods (the ecu was used for the period until launch of the euro on 1 January 1999). Even in the year since this Fund's inception, these exchange rate fluctuations have been substantial. This highlights the importance of selecting an investment managed in the "base currency" best suited to your needs.

The opposite page shows the Fund's deployment at the quarter-end. The Statement of Net Assets shows that 101% of Orbis Leveraged (Euro) was invested in Orbis Leveraged (US\$). Details of the portfolio of Orbis Leveraged (US\$) are in turn disclosed on page 7. Note that Orbis Leveraged (US\$), and therefore Orbis Leveraged (Euro), can include sufficient stockmarket hedging to materially reduce or even eliminate its stockmarket exposure, and therefore can target positive returns regardless of the current trend in stockmarkets (or any other asset class). This is why we refer to both of these Orbis Leveraged Funds as "Absolute Return Funds".

The table on the opposite page headed "Analysis of Stockmarket Exposure" looks through this Fund's investment in Orbis Leveraged (US\$) at the quarter-end to present its indirect exposure to stockmarkets. The table headings are explained on page 6. A comparison between this table and the corresponding one for Orbis Leveraged (US\$) on page 7 confirms that, aside from currency exposure, the investment exposure of the two Funds was identical. For example, Orbis Leveraged (Euro), like its dollar counterpart, had total Beta Adjusted Exposure to stockmarkets of just 7% at the quarter-end.

Finally, this Fund's Currency Deployment is shown at the foot of the opposite page, while that for Orbis Leveraged (US\$) is on page 7. A comparison of the two shows that at the quarter-end Orbis Leveraged (Euro) had modified the currency exposure it derived from Orbis Leveraged (US\$) by selling dollars, buying euro amounting to 100% of net assets.

MANAGER Orbis Investment Management Limited	INVESTMENT ADVISOR Orbis Investment Advisory Limited	CUSTODIAN The Bank of Bermuda Limited
DIRECTORS Allan W B Gray, Chairman John C R Collis Geoffrey M Gardner Alan Gilbertson William D Thomson		

ORBIS LEVERAGED (EURO) FUND AT 30 JUNE 1999

STATEMENT OF NET ASSETS (UNAUDITED)

Security	Market Value € 000's	% of Fund
Orbis Leveraged (US\$) Fund	75,234	101
Net Current Liabilities <i>(Mainly the result of currency hedging)</i>	(1,074)	(1)
Net Assets	74,160	100
Net Asset Value per Share	6,517,489 shares issued	€ 11.38

ANALYSIS OF STOCKMARKET EXPOSURE

Region	Equity Exposure	Stock Index Futures	Accounting Exposure	Beta Adjusted Exposure*
	%	%	%	%
Japan	89	(57)	32	17
US	45	(50)	(5)	(14)
Continental Europe	22	(17)	5	2
UK	19	(17)	2	(2)
South Africa	9	(7)	2	2
Russia	2	-	2	2
Total	186	(148)	38	7

* This is Equity Exposure, multiplied by a Beta determined using Blume's technique, minus Stock Index Futures.

CURRENCY DEPLOYMENT

	% of Fund
US dollar	(2)
Euro	110
British pound	(10)
Russian rouble	2
Net Assets	100



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