ORBIS ABSOLUTE RETURN FUNDS

QUARTERLY REPORTS

30 SEPTEMBER 2005

ORBIS OPTIMAL

US$ Fund / Euro Fund

ORBIS LEVERAGED

US$ Fund / Euro Fund

NOTICES

EU Savings Directive. *Orbis' assessment is that all of the Orbis Funds are outside of the scope 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. *The Board of Inland Revenue 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 2004. Certification is granted retrospectively, therefore there can be no assurance that the Orbis Funds will be certified as distributing funds for fiscal 2005 or for future accounting periods.*

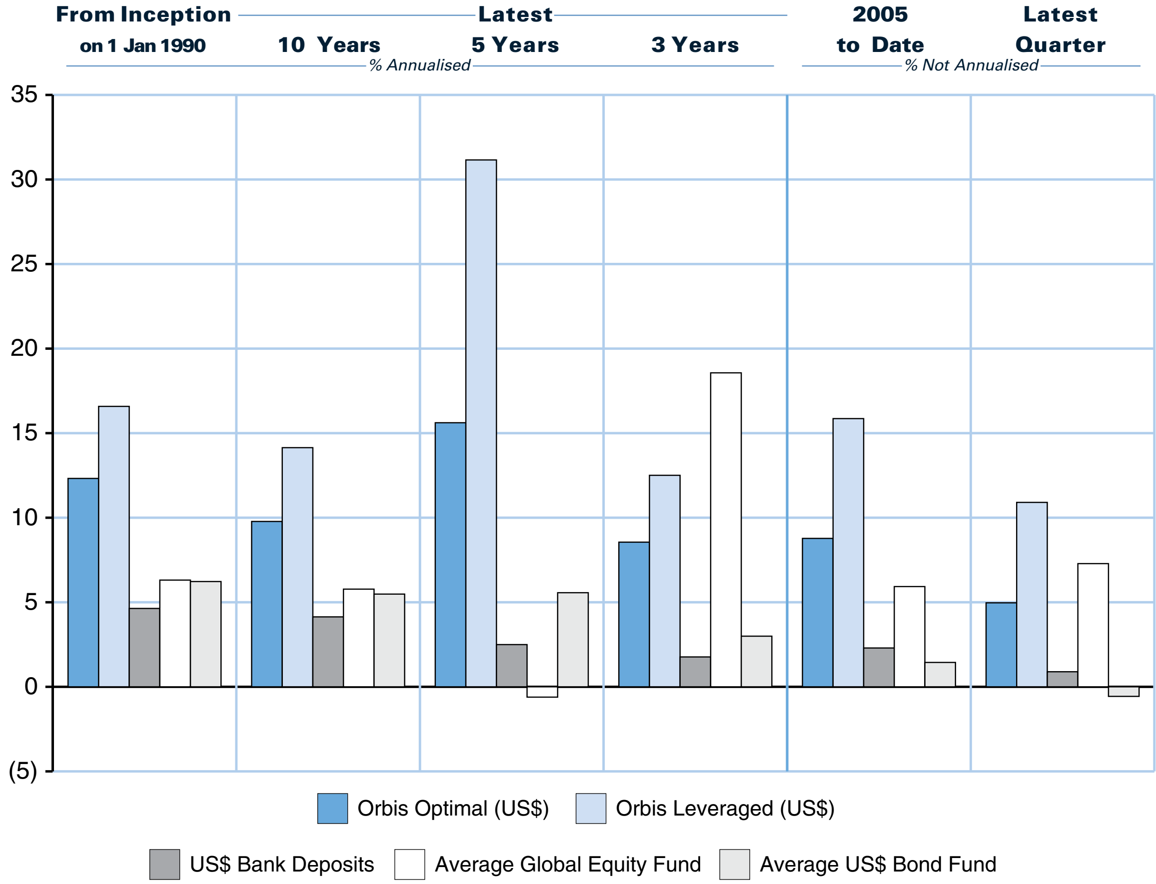
U.S. Persons. *Recently, the United States Securities and Exchange Commission (the "SEC") adopted rules requiring certain investment managers, including non-U.S. advisers, to register as investment advisers. In the Orbis Funds' subscription form, investors represent that they are not "U.S. Persons" under Regulation S pursuant to U.S. federal securities laws. We have always considered a "U.S. Person" to include a nominee acting for the benefit, directly or indirectly, of a U.S. investor. In connection with the new rule, we are also treating as a "U.S. Person" (1) any discretionary account that is managed by another person for the benefit of a person resident in the United States (the term "discretionary account" does not refer to a personal trust or estate), (2) any "private fund" as defined under the new rule, such as a fund of funds that has conducted an offering in the United States or that has U.S. investors and (3) any SEC-registered fund. We must "look through" private funds and SEC-registered funds to see if there are ultimately U.S. investors in such funds. A "private fund" is generally any investment vehicle that (a) is excepted from the definition of an "investment company" pursuant to Section 3(c)(1) or 3(c)(7) of the U.S. Investment Company Act of 1940 and (b) permits investors to redeem their investment within two years of the purchase of such investment. Generally, if the investment vehicle is not sold in the United States or to U.S. Persons, it will not be considered a private fund.*

Please contact the Orbis Investor Services Team (see the back cover for contact details) if you fall within any of the four categories of U.S. Persons identified above. If you do not respond by 30 November 2005, we will treat you as a non-U.S. Person for these purposes.

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. Past performance is not necessarily indicative of future performance. Orbis Fund share prices fluctuate and are not guaranteed.*

ORBIS OPTIMAL AND ORBIS LEVERAGED AT 30 SEPTEMBER 2005

TOTAL RATE OF RETURN IN US DOLLARS



The Optimal and Leveraged (Euro) 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: Standard & Poor's Internationally Marketed sector index.

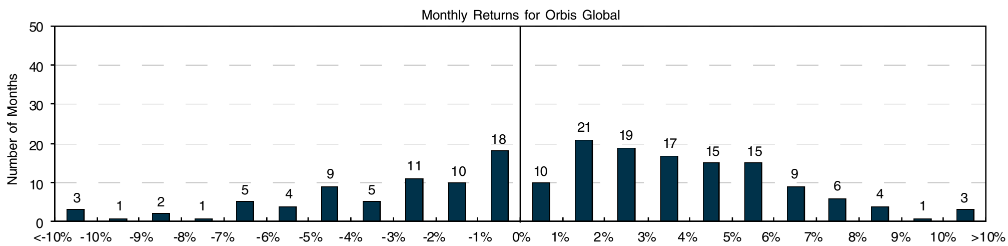
We invite you to visit our website, orbisfunds.com, where you may register on-line to automatically receive regular reports on our funds by e-mail. We hope that it enables you to keep in better touch with us and your investments.

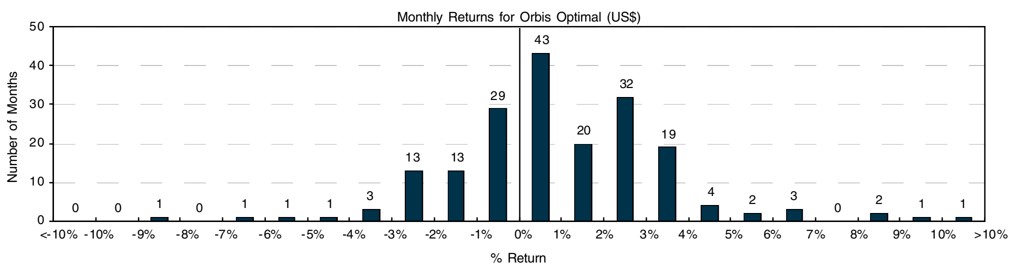
ORBIS OPTIMAL (US$) FUND AT 30 SEPTEMBER 2005

Total Rate of Return in US dollars:	From Inception on 1 Jan 1990	Latest 5 Years	Latest 3 Years	2005 to Date	Latest Quarter
	% Annualised			% Not Annualised	
Orbis Optimal (US$)	**12.3**	**15.6**	**8.6**	**8.8**	**5.0**
US$ Bank Deposits	4.6	2.5	1.8	2.3	0.9
Average Global Equity Fund	6.3	(0.6)	18.6	5.9	7.3
Average US$ Bond Fund	6.2	5.6	3.0	1.4	(0.6)

Considering its low-risk mandate, Orbis Optimal produced pleasing returns for the latest quarter and year-to-date as shown in the table above. September was a particularly strong month, where the Fund's 3.3% gain puts it in the top 15% of monthly returns for the history of the Fund.

In this quarter's Orbis Global Equity Fund report, we discuss how, despite having earned remarkably steady longer-term returns, Orbis Global is bound to experience reasonably variable short-term performance results. The charts below compare the variability of monthly returns experienced by Orbis Global to that experienced by Orbis Optimal.





As shown above, Orbis Optimal has been successful in significantly dampening the frequency of outsized short-term returns, particularly losses. More importantly, the Fund's stockmarket hedging strategy has been successful at capturing more of the return than the loss experience from the underlying Orbis Equity Funds over a full stockmarket cycle. Since inception, Orbis Optimal has been able to capture 83% of the total return of Orbis Global while experiencing about 40% of the monthly loss experience. Even more notably for when it comes to building an investment portfolio, Orbis Optimal's short-term returns have been reasonably independent of those of Orbis Global, as they have been with those of other investment classes. Orbis Optimal's monthly returns have only a 0.4 correlation with those of Orbis Global since inception in 1990. The result is that Orbis Optimal would have proven to be a very efficient addition to many investment portfolios, reducing risk experience much more than the portfolio return. For example, a portfolio comprising 60% Orbis Global and 40% Orbis Optimal would have achieved 95% of the return of Orbis Global while experiencing only 74% of the volatility since 1990.

ORBIS OPTIMAL (US$) FUND AT 30 SEPTEMBER 2005

STATEMENT OF NET ASSETS *(UNAUDITED)*

Security	Market Value US$ 000's	% of Fund
Orbis Global Equity Fund	3,574,006	89
Orbis Africa Equity (Rand) Fund	228,229	6
Orbis SICAV - Japan Core Equity Fund	53,816	1
Total Equity Exposure	3,856,051	96
Portfolio Hedging:		
Stock Index Futures Sold:		
US: E-Mini S&P 500 12/2005	(1,568,158)	(39)
Japan: TOPIX 12/2005	(589,218)	(15)
South Africa: FTSE/JSE Top 40 12/2005	(461,551)	(12)
Germany: DAX 12/2005	(372,203)	(9)
Hong Kong: Hang Seng 10/2005	(279,339)	(7)
Korea: KOSPI 200 12/2005	(278,516)	(7)
UK: FTSE 100 12/2005	(219,409)	(6)
Italy: S&P/MIB 12/2005	(54,404)	(1)
France: CAC40 10/2005	(16,043)	-
Contract Value	3,730,894	93
Net Balances at Brokers	243,260	6
Balance Committed to Above Positions	135,313	3
Net Current Assets	36,218	1
Net Assets	**4,027,582**	**100**
Net Asset Value per Share	64,602,358 shares issued	**US$ 62.34**

ANALYSIS OF STOCKMARKET EXPOSURE

Region	Equity Exposure	Portfolio Hedging	Accounting Exposure	Beta Adjusted Exposure*
	%	%	%	%
Japan	25	(15)	10	10
United States	24	(39)	(15)	(15)
Europe	18	(16)	2	-
Asia ex-Japan	17	(14)	3	5
South Africa and Other	12	(12)	-	-
Total	**96**	**(96)**	**-**	**-**

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

CURRENCY DEPLOYMENT

	% of Fund
US dollar	75
Japanese yen	18
Hong Kong dollar	7
Net Assets	**100**

ORBIS OPTIMAL (EURO) FUND AT 30 SEPTEMBER 2005

Total Rate of Return in euro:	From Inception on 30 Jun 1998	Latest 5 Years	Latest 3 Years	2005 to Date	Latest Quarter
	% Annualised			% Not Annualised	
Orbis Optimal (Euro)	**11.5**	**14.0**	**7.5**	**10.8**	**4.9**
Euro Bank Deposits	3.2	3.0	2.3	1.6	0.5
Average Global Equity Fund	1.1	(6.6)	11.0	19.4	8.0
Average Euro Bond Fund	4.6	5.8	5.3	3.9	0.4
% appreciation of the euro versus the US dollar	*1.3*	*6.4*	*6.8*	*(11.3)*	*(0.7)*

In effect, apart from its currency exposure, Orbis Optimal (Euro) is the same investment as Orbis Optimal (US$). Given this, we refer regular readers to the Orbis Optimal (US$) Fund report on page 2. First-time readers may find it informative to also read the text below in italics.

This Fund seeks capital appreciation in euro on a low risk global portfolio. It invests in the Orbis Optimal (US$) Fund and hedges most or all of its currency exposure from US dollars into euro. The result is that this Fund may be expected to earn returns in euro which usually approximate those on Orbis Optimal (US$) 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$) in dollars for various periods, including 12.3% per annum for the period since that Fund's inception on 1 January 1990.

The returns of Orbis Optimal (Euro) may also differ from those of Orbis Optimal (US$) because the policy of these Funds is to avoid net short currency positions. For example, page 3 shows that at the quarter-end the Currency Deployment of Orbis Optimal (US$) comprised 75% US dollars, 18% Japanese yen and 7% Hong Kong dollars. If Orbis Optimal (Euro) had simply hedged 100% of net assets from US dollars into euro as usual, it would have included minus 25% exposure to the US dollar. Instead, as shown opposite, this Fund's hedging into euro was adjusted in order to avoid a negative dollar position.

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 above table shows the fluctuations in the exchange rate between the euro and the dollar for various periods (the ecu was used prior to 1 January 1999). The table highlights that these exchange rate fluctuations can be substantial and that it is therefore important to select an investment managed in the base currency best suited to your needs.

The Fund's deployment at the quarter-end is shown opposite. The Statement of Net Assets shows that 101% of Orbis Optimal (Euro) was invested in Orbis Optimal (US$). Details of the portfolio of Orbis Optimal (US$) are in turn disclosed on page 3. Note that Orbis Optimal (US$), and therefore Orbis Optimal (Euro), can include sufficient stockmarket hedging to materially reduce or even eliminate all stockmarket exposure, and thus can target positive returns regardless of the current trend in stockmarkets (or any other asset class). This is why we refer to the Orbis Optimal Funds as "Absolute Return Funds".

Finally, the Analysis of Stockmarket Exposure opposite looks through the investment in Orbis Optimal (US$) at the quarter-end to present Orbis Optimal (Euro)'s indirect exposure to stockmarkets. A comparison between this table and the corresponding one for Orbis Optimal (US$) on page 3 confirms that, aside from currency exposure, the investment exposure of the two Funds was virtually identical.

ORBIS OPTIMAL (EURO) FUND AT 30 SEPTEMBER 2005

STATEMENT OF NET ASSETS *(UNAUDITED)*

Security		Market Value € 000's	% of Fund
Orbis Optimal (US$) Fund		646,427	101
Net Current Liabilities		(9,387)	(1)
Net Assets		**637,040**	**100**
Net Asset Value per Share	28,851,912 shares issued		**€ 22.08**

ANALYSIS OF STOCKMARKET EXPOSURE

Region	Equity Exposure	Portfolio Hedging	Accounting Exposure	Beta Adjusted Exposure*
	%	%	%	%
Japan	26	(15)	11	10
United States	24	(39)	(15)	(15)
Europe	18	(17)	1	-
Asia ex-Japan	17	(14)	3	5
South Africa and Other	12	(12)	-	-
Total	**97**	**(97)**	**-**	**-**

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

CURRENCY DEPLOYMENT

	% of Fund
Euro	75
Japanese yen	18
Hong Kong dollar	7
Net Assets	**100**

ORBIS LEVERAGED (US$) FUND AT 30 SEPTEMBER 2005

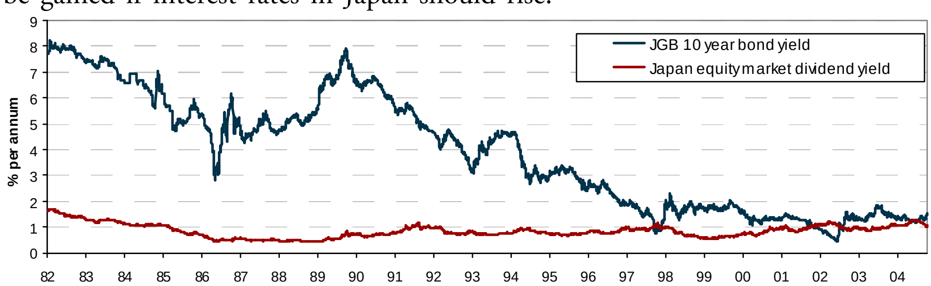
Total Rate of Return in US dollars:	From Inception on 1 Jan 1990	Latest 5 Years	Latest 3 Years	2005 to Date	Latest Quarter
	% Annualised			% Not Annualised	
Orbis Leveraged (US$)	**16.6**	**31.2**	**12.5**	**15.9**	**10.9**
US$ Bank Deposits	4.6	2.5	1.8	2.3	0.9
Average Global Equity Fund	6.3	(0.6)	18.6	5.9	7.3
Average US$ Bond Fund	6.2	5.6	3.0	1.4	(0.6)

The Fund gained a strong 10.9% in the third quarter, with the bulk of performance, 8.5 percentage points, coming from the geared position in the lower risk Orbis Optimal (US$) Fund, which itself had an abnormally strong quarter. The Fund's incremental investment positions also added to the Fund's return in the quarter, led by the short position in the 10-Year Japanese Government Bond (JGB) futures. We hasten to add that this gain only serves to offset the loss made earlier in the year, let alone making up for the losses of previous years, as detailed further below.

Looking at the Statement of Net Assets on the opposite page, one could infer that the short JGB futures position, with a face value equivalent to 89% of the Fund's net assets, will be a major factor in longer-term performance. We would not expect that to be the case and it is therefore important to put this position into the proper context. Very simplistically, we view the short JGB futures position as a hedge against a broad-based rise in interest rates and therefore borrowing costs for the Fund. The Fund has effectively sold JGBs underlying the futures contracts in an amount equivalent to its borrowings. In the event of a broad-based rise in interest rates, gains in the short JGB futures positions would help long-term members offset some of the higher future borrowing costs. For example, an immediate 1% rise in JGB yields would result in approximately a 6% gain for the Fund. While the opposite is of course also the case, we would submit that it is much less likely given that the 10-Year JGB currently yields only 1.5% per annum.

As with any other investment, the cost of being early can be, and has been in this case, painful, as Japanese interest rates have remained lower for longer than we had anticipated. Since the JGB futures position was put in place in March of 2002, the yields on the long bonds have remained approximately constant. As the market had built in some expectation of rising yields, the surprisingly stable low rates led to a cumulative loss from the short position of 4.7% over the past 3½ years.

This being said, with the positive economic developments coming out of Japan, described in this quarter's report for the Orbis SICAV - Japan Equity Fund, and a current JGB yield that is low historically and relative to other domestic comparables, as is seen in the chart below, we believe that the risk of rates falling substantially or staying the same, is markedly less than the reward to be gained if interest rates in Japan should rise.



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

MANAGER
Orbis Investment Management Limited

INVESTMENT ADVISOR
Orbis Investment Advisory Limited

CUSTODIAN
The Bank of Bermuda Limited

ORBIS LEVERAGED (US$) FUND AT 30 SEPTEMBER 2005

STATEMENT OF NET ASSETS *(UNAUDITED)*

Security	Market Value US$ 000's	% of Fund
Orbis Optimal (US$) Fund	1,805,341	188
Incremental Position:		
Bond Futures Sold:		
Japan: JGB 10-Year 12/2005	(851,556)	(89)
Contract Value	862,460	90
Balances at Brokers	(7,302)	(1)
Balance Committed to Above Position	3,602	-
Loans	(861,000)	(89)
Net Current Assets	11,777	1
Net Assets	**959,720**	**100**
Net Asset Value per Share	8,564,542 shares issued	**US$ 112.06**

ANALYSIS OF STOCKMARKET EXPOSURE

Region	Equity Exposure	Stockmarket Positions	Accounting Exposure	Beta Adjusted Exposure*
	%	%	%	%
Japan	48	(28)	20	18
United States	45	(73)	(28)	(28)
Europe	33	(31)	2	-
Asia ex-Japan	31	(26)	5	10
South Africa and Other	22	(21)	1	-
Total	**179**	**(179)**	**-**	**-**

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

CURRENCY DEPLOYMENT

	% of Fund
US dollar	70
Japanese yen	43
Euro	(17)
Hong Kong dollar	14
British pound	(10)
Net Assets	**100**

ORBIS LEVERAGED (EURO) FUND AT 30 SEPTEMBER 2005

Total Rate of Return in euro:	From Inception on 30 Jun 1998	Latest 5 Years	Latest 3 Years	2005 to Date	Latest Quarter
	% Annualised			% Not Annualised	
Orbis Leveraged (Euro)	**20.2**	**31.1**	**13.1**	**15.4**	**10.7**
Euro Bank Deposits	3.2	3.0	2.3	1.6	0.5
Average Global Equity Fund	1.1	(6.6)	11.0	19.4	8.0
Average Euro Bond Fund	4.6	5.8	5.3	3.9	0.4
% appreciation of the euro versus the US dollar	*1.3*	*6.4*	*6.8*	*(11.3)*	*(0.7)*

In effect, apart from its currency exposure, Orbis Leveraged (Euro) is the same investment as Orbis Leveraged (US$). Given this, we refer regular readers to the Orbis Leveraged (US$) Fund report on page 6. First-time readers may find it informative to also read the text below in italics.

This Fund seeks capital appreciation in euro on a leveraged global portfolio. It invests in the Orbis Leveraged (US$) Fund and hedges most or all of its currency exposure from US dollars into euro. The result is that this Fund may be expected to earn returns in euro which approximate those on Orbis Leveraged (US$) 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$) in dollars for various periods, including 16.6% per annum for the period since that Fund's inception on 1 January 1990.

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 above table shows the fluctuations in the exchange rate between the euro and the dollar for various periods (the ecu was used prior to 1 January 1999). The table highlights that these exchange rate fluctuations can be substantial and that it is therefore important to select an investment managed in the base currency best suited to your needs.

The Fund's deployment at the quarter-end is shown opposite. The Statement of Net Assets shows that 100% 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 all stockmarket exposure, and thus can target positive returns regardless of the current trend in stockmarkets (or any other asset class). This is why we refer to the Orbis Leveraged Funds as "Absolute Return Funds".

The Analysis of Stockmarket Exposure opposite looks through the investment in Orbis Leveraged (US$) at the quarter-end to present Orbis Leveraged (Euro)'s indirect exposure to stockmarkets. A comparison between this table and the corresponding one for Orbis Leveraged (US$) on page 7 confirms that, aside from currency exposure, the investment exposure of the two Funds was virtually identical.

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 and buying euro amounting to 100% of net assets.

ORBIS LEVERAGED (EURO) FUND AT 30 SEPTEMBER 2005

Statement of Net Assets *(Unaudited)*

Security		Market Value € 000's	% of Fund
Orbis Leveraged (US$) Fund		458,555	100
Net Current Liabilities		(6)	-
Net Assets		**458,549**	**100**
Net Asset Value per Share	12,051,343 shares issued		**€ 38.05**

Analysis of Stockmarket Exposure

Region	Equity Exposure	Stockmarket Positions	Accounting Exposure	Beta Adjusted Exposure*
	%	%	%	%
Japan	48	(28)	20	18
United States	45	(73)	(28)	(28)
Europe	33	(31)	2	-
Asia ex-Japan	31	(26)	5	10
South Africa and Other	22	(21)	1	-
Total	**179**	**(179)**	**-**	**-**

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

Currency Deployment

	% of Fund
Euro	82
Japanese yen	43
US dollar	(30)
Hong Kong dollar	14
British pound	(9)
Net Assets	**100**

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