

QUARTERLY
REPORTS
30 SEPTEMBER 2008



ORBIS GLOBAL
ORBIS AFRICA
ORBIS ASIA EX-JAPAN
ORBIS JAPAN

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Chart Data (Overleaf). Orbis Africa is not compared with the Average South Africa Equity Fund because the offshore sector includes insufficient comparables. Orbis Japan Equity Fund is the Yen Class of the Japan Equity Fund of the Orbis SICAV. The Orbis Japan (US\$) Fund and the Euro Class of the Japan Equity Fund of the Orbis SICAV are based on the same equity portfolio as the Orbis Japan Equity Fund, and therefore are not shown separately. Total rate of return on each graph is in the Orbis Fund's base currency.

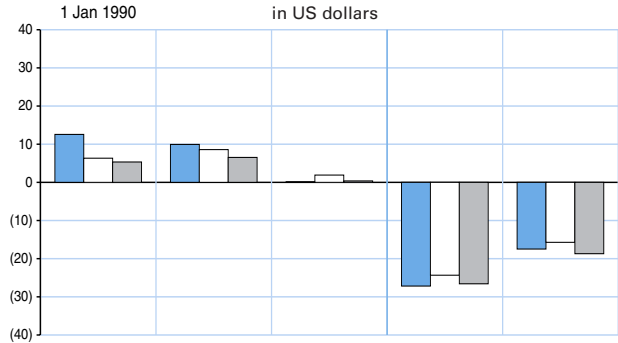
We invite you to visit our website, www.orbisfunds.com, where you may register on-line to receive regular reports on our Funds automatically by e-mail. We hope that this enables you to keep in better touch with us and with your investments.

TOTAL RATE OF RETURN

From Inception on Latest 5 Years Latest 3 Years 2008 to Date Latest Quarter
 % Annualised % Not Annualised

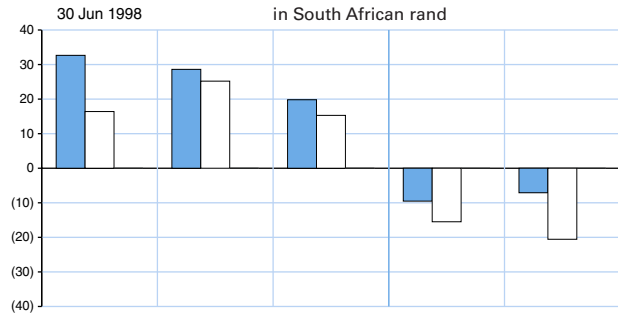
ORBIS GLOBAL EQUITY FUND

This Fund invests in equities globally and seeks to earn higher returns than world stockmarkets. The Fund's Benchmark is the FTSE World Index, including income ("World Index"). The Fund's currency exposure is managed relative to that of the World Index.



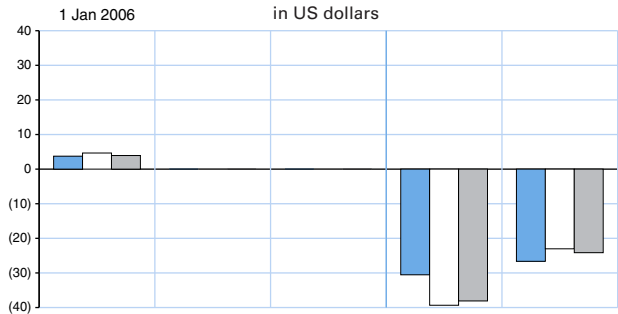
ORBIS AFRICA EQUITY (RAND) FUND

This Fund invests mainly in South African equities. The Fund's Benchmark is the FTSE/JSE Africa All Share Index, including income ("JSE Index"). The Fund does not hedge currencies, and thus is exposed to the rand.



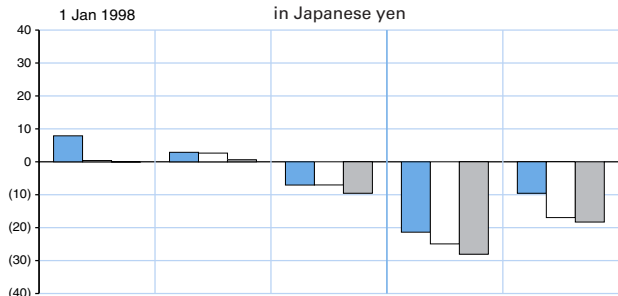
ORBIS ASIA EX-JAPAN EQUITY FUND

This Fund invests mainly in Asian equities outside Japan, and seeks to earn higher returns than the average of the Asia ex-Japan equity markets. The Fund's Benchmark is the MSCI All Country Asia ex Japan (Net) (US\$) Index, including income ("MSCI Asia ex-Japan Index"). The Fund's currency exposure is managed relative to that of its Benchmark.



ORBIS JAPAN EQUITY FUND

This Fund invests in Japanese equities. The Benchmark of the Fund's Yen Class is the Japanese stockmarket, measured by the Tokyo Stock Price Index, including income ("TOPIX"). The Yen Class does not hedge currencies, and therefore is exposed to the Japanese yen. This Fund is also available in euro and US dollars.



Orbis Fund Benchmark Average Fund in Sector

ORBIS GLOBAL EQUITY FUND AT 30 SEPTEMBER 2008

Total Rate of Return in US dollars:	From Inception	Latest		2008	Latest
	on 1 Jan 1990	5 Years	3 Years	to Date	Quarter
		% Annualised		% Not Annualised	
Orbis Global Equity	12.6	9.9	0.1	(27.2)	(17.5)
World Index	6.3	8.6	1.9	(24.3)	(15.7)
Average Global Equity Fund	5.3	6.5	0.4	(26.6)	(18.7)

At the time of writing, global equity prices, as represented by the Benchmark FTSE World Index, have fallen 48% since their peak on 31 October 2007. Your Fund has done little better, registering a decline of 45% over the same period. We regret that we were not able to protect your Fund against loss the way we did after the 2000 peak, when it declined little in the face of a similar decline in the World Index. The 2000 peak was characterised by massive divergences in the valuations of companies on the stockmarket. Some were extremely overvalued while others were very undervalued. When the “internet bubble” popped, the authorities took actions that were ultimately successful in maintaining confidence in the face of a declining stockmarket, and the prices of the undervalued shares declined little, allowing your Fund to decline much less than the overall stockmarket. The stockmarket environment leading into the current decline was very different in that there was little divergence in the valuations of companies. Also, while the authorities have again tried to maintain confidence, they have been unsuccessful as the burden of excessive borrowings has weighed on all asset prices. After years of very easy access to low-cost capital, used by borrowers to buy assets at ever higher prices, when asset prices declined lenders demanded their money back, forcing the continued sale of assets at ever lower prices and creating a negative reinforcing cycle. Borrowers could no longer choose what to sell to support their obligations as buyers disappeared; they became forced sellers. The result is that there has been almost nowhere to hide for a fully invested equity portfolio as the age-old adage “Cash is King” has proven true in this bear market.

The fact that it has been a broad-based decline doesn't mean we haven't made our fair share of mistakes. We are disappointed that the Fund didn't do better in protecting your hard-earned savings from the fall-out in the Financials sector, where last year we were warning of significant impending problems and discussing our zero exposure to the US and UK banks at the centre of the problem. While we successfully avoided those banks and the many bank failures thus far, the Fund lost 80% of its investment in insurer AIG, whose demise was essentially a direct result of the banks' problems.

There is an old investing adage “the market can stay irrational a lot longer than you can stay liquid” that we didn't pay sufficient heed to in our investment assessment of AIG, and which we think is pertinent to investors in developed western stockmarkets today. It is interesting to note that AIG didn't go under because the value of its debts exceeded the value of its assets, rather it couldn't afford to continue to post the collateral needed to hold its assets in the face of market-driven price declines. Even now that AIG is being forced to sell assets at fire-sale prices, the market is putting a \$28 billion dollar value on the equity of the company, but that is scant consolation now that the US Government owns 80% of AIG having provided it with the cash it needed to continue to hold those positions until the asset sales could be completed.

We believe investors in global stockmarkets currently face a similar situation. While shares overall appear to be more attractive than cash at current prices, there is a good chance that they will become priced even more attractively in the not too distant future. It is after all the nature of markets that they cycle around normal but tend to go through boom and bust cycles, with the size

of the bust often proportional to the size of the preceding boom. The recent boom we saw in asset prices was massive, so it would be surprising if the bust didn't eventually take prices well below fair value. In that regard, our research leads us to believe that shares in developed stockmarkets are currently priced at close to fair value given the long-term prospects for earnings and the risk premium required for equities. They are far from being as cheap as they were in previous major bear markets. Japan is the exception in that regard (see the Orbis Japan Equity Fund report for more detail) but we cannot expect Japanese shares to rescue an entire global equity portfolio. Those attracted to global equities for their long-term return potential should, as always, ensure they are willing and able to continue to hold their shareholdings through a period of lower share prices should it occur.

Having said that, in addition to the Japanese shares, we are finding some attractive values in western markets and we believe the current portfolio will provide higher long-term returns than cash, although the road will be bumpy. At one end of the spectrum are companies like Cisco, which has relatively little debt and whose earnings are expected to hold up better than average, yet has fallen by 52% in price and now sells at less than 11 times its annual earnings. At the other end of the spectrum are the shares of some companies that we know well and have owned before, that have been punished severely for their higher than average borrowings and been subject to forced selling by some of their shareholders. In one recent example, the Fund has bought back shares of a company at about 40% of the price it sold them for only three months ago, while the long-term fundamentals have changed little.

There are also companies whose share prices have fallen significantly and whose long-term position will be enhanced by the likely changes that the current credit crunch and bear market are ushering in. A prolonged period of very constrained availability of capital will lead to a structural increase in the cost of capital. This will amount to a significant headwind for the global economies and all companies, and should with time cull the herd, reduce supply and improve the competitive pricing environment. The beneficiaries will be companies whose industry's business model requires a lot of capital and which are able to fund that requirement themselves while their competitors cannot. Samsung Electronics would fall into this category.

The recent price declines are difficult to stomach, and we regret not being able to lessen the impact of the stockmarket decline on you, our fellow Members. We have as always drawn some lessons from what has happened, but none bring into question our confidence in the effectiveness of the disciplined, contrarian, long-term value approach that the firm and Allan Gray Limited have practised for over thirty-five years. While share prices might well see lower levels before the current bear market is over, market timing is extraordinarily difficult, investor sentiment is currently extremely negative, and we are confident that if we continue to invest using the same disciplined and patient process satisfying results will accrue to Members who follow a similar approach.

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
Citibank Canada

ORBIS GLOBAL EQUITY FUND AT 30 SEPTEMBER 2008

STATEMENT OF NET ASSETS (UNAUDITED)

Security	Market Value US\$ 000's	Fund's % Equities	Exposure to Currencies	% of World Index
North America		33	31	50
Microsoft	577,361	7		
CVS Caremark	340,751	4		
Comcast - A	314,062	4		
Cisco Systems	288,298	4		
Johnson & Johnson	279,527	4		
Tyco International	167,076	2		
Legg Mason	119,062	1		
Micron Technology	99,969	1		
Positions less than 1%	476,492	6		
Japan		23	47	9
Mitsubishi UFJ Financial	418,630	5		
T&D Holdings	268,832	3		
Yamada Denki	260,556	3		
Sumitomo Mitsui Financial	160,100	2		
Fuji Media Holdings	129,925	2		
Sundrug	119,393	1		
Keyence	89,861	1		
Nippon Television Network	86,348	1		
Nomura Research Institute	83,624	1		
Sony Financial Holdings	82,750	1		
Positions less than 1%	201,219	3		
Europe		23	10	29
Bayerische Motoren Werke	291,794	4		
SAP	226,560	3		
Cable and Wireless	215,405	3		
Stora Enso - R	177,185	2		
Sanofi-aventis	160,548	2		
Dassault Systèmes	132,371	2		
Lagardère	100,019	1		
Rentokil Initial	95,751	1		
Television Francaise 1	94,209	1		
COLT Telecom	82,231	1		
Positions less than 1%	265,958	3		
Asia ex-Japan		17	12	5
Samsung Electronics - Common and Preference	500,140	6		
Singapore Airlines	174,484	2		
Fubon Financial Holding - Common and GDR	134,411	2		
Cathay Pacific Airways	98,079	1		
Positions less than 1%	461,718	6		
Other		4	-	7
Harmony Gold Mining - Common and ADR	146,872	2		
Positions less than 1%	162,493	2		
Net Current Assets	16,901	-		
Net Assets	8,100,965	100	100	100
Net Asset Value per Share	US\$ 91.93		88,120,445 shares issued	

ORBIS AFRICA EQUITY (RAND) FUND AT 30 SEPTEMBER 2008

Total Rate of Return in South African rand:	From Inception	Latest		2008 to Date	Latest Quarter
	on 30 Jun 1998	5 Years	3 Years		
		% Annualised		% Not Annualised	
Orbis Africa Equity	32.7	28.6	19.8	(9.5)	(7.1)
JSE Index	16.4	25.2	15.3	(15.5)	(20.6)
% appreciation of the rand versus the US dollar	(3.1)	(3.5)	(8.4)	(17.2)	(5.5)

Note: Orbis Africa Equity is not compared with the Average South Africa Equity Fund because the offshore sector includes insufficient comparables.

The benchmark FTSE/JSE Africa All Share Index is down 53% in US dollar terms from its peak in October 2007. This is attributable to the rand value of the index falling by 32%, and a weakening of the rand versus the US dollar accounting for the remainder of the decline. The South African stockmarket decline in US dollar terms compares with a 48% decline in the FTSE World Index over the same period.

We are the first to admit that we cannot reliably predict macro-economic changes or even stockmarket returns. But we did take the view that the rapid synchronised global economic growth, commodity boom, credit bubble and strong rand were unlikely to prove sustainable, and positioned the Fund to provide the best possible defence within its mandate constraints against an unwinding of the excesses of the last decade. This strategy has proven successful in somewhat ameliorating the negative returns suffered by the benchmark, but we are mindful that absolute negative returns are always painful.

On the bright side, we now see much more attractive value in the stocks in the Fund. By way of example, global brewer SABMiller is a large position in the Fund, which we believe offers very attractive value. SABMiller will undoubtedly face many challenges in the recessionary environment we are entering, not the least of which will be slowing (or even declining) beer sales in its emerging markets of Latin America, Eastern Europe and Africa. However, we believe that its profits will prove to be far less cyclical and more sustainable than those of the average company. This is partly due to relatively stable demand patterns for beer, and also SABMiller's powerful competitive position and very high barriers to entry in most of its markets, which lend SABMiller considerable pricing power.

SABMiller is more than just a pure defensive play. The company has many opportunities to steadily grow its profits over the long-term, including: completing the restructuring of the Colombian beer business acquired from the controlling family; building the newly merged MillerCoors into a worthy competitor to Anheuser-Busch; playing a leading role in the rationalisation of the Chinese brewing industry; shifting the mix of beers sold towards its premium brands such as Peroni, MGD, Pilsner Urquell and Grolsch; and growing per capita consumption in many of its territories where consumption is significantly lower than global averages. We believe that SABMiller has the best management in the beer industry to execute and capitalise on these opportunities.

SABMiller is currently trading on less than 11 times earnings. We find this to be a very attractive valuation, which provides investors in this stock with the opportunity to earn significantly better than cash returns over the long term. While we cannot control or consistently predict macro events, we are confident that if we maintain a portfolio of which SABMiller is representative, the Fund should be able to produce a pleasing result for patient long-term Members.

<i>DIRECTORS</i>	<i>Allan W B Gray, Chairman</i>	<i>John C R Collis</i>	<i>William B Gray</i>	<i>Ian Liddle</i>	<i>Simon C Marais</i>
MANAGER	INVESTMENT ADVISORS			CUSTODIAN	
Orbis Investment Management Limited	Orbis Investment Advisory Limited			Citibank Canada	
	Allan Gray Limited				

ORBIS AFRICA EQUITY (RAND) FUND AT 30 SEPTEMBER 2008

STATEMENT OF NET ASSETS (UNAUDITED)

Security <i>(Ranked by sector)</i>	Market Value R 000's	% of Fund	% of JSE Index
Industrial and Cyclical Services		31	17
Remgro	165,819	10	
Sappi - Common and ADR	85,321	5	
Compagnie Financière Richemont - A shares and SADR	69,022	4	
Sun International	43,850	3	
Nampak	40,494	3	
Mondi	36,037	2	
Naspers	22,627	1	
Positions less than 1%	38,795	3	
Non-Cyclicals		28	22
MTN Group	149,662	9	
SABMiller	110,225	7	
Illovo Sugar	69,005	4	
Shoprite Holdings	64,842	4	
Aspen Pharmacare Holdings	24,393	2	
Network Healthcare Holdings	20,345	1	
Positions less than 1%	22,294	1	
Resources		21	42
Northam Platinum	95,218	6	
AngloGold Ashanti	86,646	5	
Harmony Gold Mining - Common and ADR	74,639	5	
Sasol - Common and ADR	55,942	3	
African Rainbow Minerals	22,421	1	
Positions less than 1%	15,731	1	
Financials		18	19
Standard Bank Group	72,856	5	
ABSA Group	65,807	4	
Sanlam	65,728	4	
Coronation Fund Managers	31,072	2	
Liberty Group	23,555	1	
FirstRand	16,858	1	
Positions less than 1%	11,683	1	
Net Current Assets	30,192	2	
Net Assets	1,631,079	100	100
<i>(Currency exposure 98% rand, 1% Canadian dollar, 1% other)</i>			
Net Asset Value per Share	R 816.04	1,998,784 shares issued	

ASIA EX-JAPAN EQUITY FUND AT 30 SEPTEMBER 2008

**Total Rate of Return
in US dollars:**

Asia ex-Japan Equity, Investor Shares

MSCI Asia ex-Japan Index
Average Asia ex-Japan Equity Fund

**From Inception
on 1 Jan 2006**

% Annualised

**Latest
2 Years**

**2008
to Date**

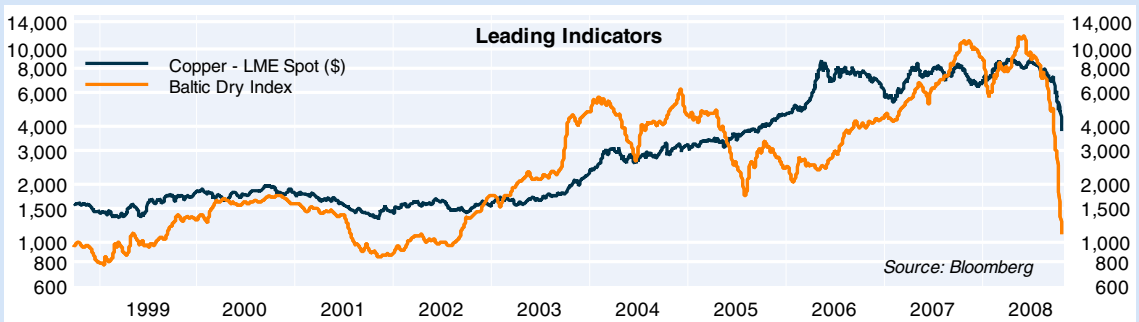
% Not Annualised

**Latest
Quarter**

3.7	(0.9)	(30.5)	(26.6)
4.7	(0.8)	(39.3)	(23.0)
3.9	(0.9)	(38.1)	(24.1)

At the time of writing, your Fund is 57% off its peak established this time last year, and 27% below its launch price almost three years ago. While obviously we are not pleased with the loss in the Fund, the drop is less surprising for Asia ex-Japan than for other equity funds owing to the volatility of this emerging region, which is currently reflective of many different factors, including the general global bear market, the tendency for emerging markets to amplify the swings of more established markets, less than robust corporate governance, higher political risk and less mature regulatory, legal and banking systems.

After a long boom in cheap credit and abundant liquidity, it is becoming increasingly clear that even after the current credit crunch is alleviated, we are very likely going to see a prolonged period of global recession. Booms, like the world has been experiencing in credit and liquidity for the past 20 years are virtually always followed by busts of similar overall proportion, if different in duration and/or depth. The current recession in the west is most certainly now impacting Asia's exporters and should bleed across into their domestic economies, debunking any notion of Asia's economy decoupling from their western customers. When one looks at the recent price drops for copper and the Baltic Dry Index (BDI) in the chart below, one gets a sense of how certain and powerful the decline in economic activity might be. Copper, used across many areas of the economy and more intensely in younger economies, has historically been a fairly reliable indicator of future economic activity. The BDI represents prices currently being paid for ship cargo capacity in the future, and with so much of global trade now focused on the emerging and exporting regions of Asia, it is a particularly pointed indicator of economic vitality for Asia ex-Japan. Both of these indicators had held up well into the west's banking crisis, in part as commodities were the darling investment with significant speculative support well into 2008. As with most speculations, these have come crashing back to earth. Thus from an economic activity standpoint, the peak levels in copper and BDI should not have been so high, and the descent should not have been as abrupt, but regardless these indicators point to a difficult global economic environment and potentially particularly rough sledding for the export economies of Asia for a time.



Although this economic and market outlook may seem harsh, the volatility represented by the recent sharp market decline and preceding euphoric bull market peak is within the range of what was thought possible when launching the Fund nearly three years ago. Likewise, the near- or medium-term headwinds do not diminish our very positive 10 to 15-year outlook for the Asia ex-Japan region that formed the basis of the Fund. When the next global bull market unfolds, as it inevitably will, we believe Asia will be the focus of attention for global equity investors. As with any of our Funds, we continue to advise clients to take a disciplined approach to how they use the Asia ex-Japan Fund in their investment portfolio, ensuring it is of a size befitting one's risk tolerance and willingness and ability to be patient.

DIRECTORS Allan W B Gray, Chairman John C R Collis William B Gray Claude Kremer Austin J O'Connor David T Smith
MANAGER Orbis Investment Management (B.V.I.) Limited
INVESTMENT ADVISOR Orbis Investment Management Limited
CUSTODIAN Citibank International plc (Lux. Branch)

ASIA EX-JAPAN EQUITY FUND AT 30 SEPTEMBER 2008

STATEMENT OF NET ASSETS (UNAUDITED)

Security	Fair Value US\$ 000's	Fund's % Equities	Exposure to Currencies	% of MSCI Index
Greater China		59	59	52
China		17	17	23
GOME Electrical Appliances	29,483	4		
E-House (China) Holdings - ADR	17,010	3		
Shanda Interactive Entertainment - ADR	16,965	3		
TravelSky Technology	14,770	2		
Global Bio-chem Technology Group	14,358	2		
SINA	9,529	1		
Positions less than 1%	10,945	2		
Hong Kong		13	13	13
Cathay Pacific Airways	48,950	8		
China Power International Development	8,021	1		
Sa Sa International Holdings	7,888	1		
Television Broadcasts	7,875	1		
Positions less than 1%	10,738	2		
Taiwan		29	29	16
China Life Insurance	42,957	6		
Polaris Securities	41,015	6		
SinoPac Financial Holdings	32,304	5		
Taiwan Cooperative Bank	28,122	4		
Fubon Financial Holding - Common and GDR	25,753	4		
Capital Securities	14,100	2		
Positions less than 1%	11,087	2		
Korea		23	23	21
Samsung Electronics - Common and Preference	62,556	9		
Hyundai Motor - Second Preference and First Preference	32,054	5		
SK Telecom - ADR and Common	26,486	4		
Korea Investment Holdings	22,503	3		
Hanil Cement	7,098	1		
Positions less than 1%	4,262	1		
Thailand		11	11	2
CP All	26,355	4		
Bank Of Ayudhya	22,907	3		
TMB Bank	13,916	2		
Charoen Pokphand Foods	12,783	2		
Singapore		6	6	7
Singapore Airlines	33,507	5		
Positions less than 1%	4,886	1		
Other		1	1	18
Positions less than 1%	8,429	1		
Net Current Assets	1,794	-		
Net Assets	671,406	100	100	100
Net Asset Value per Share - Investor Shares		US\$ 10.82		

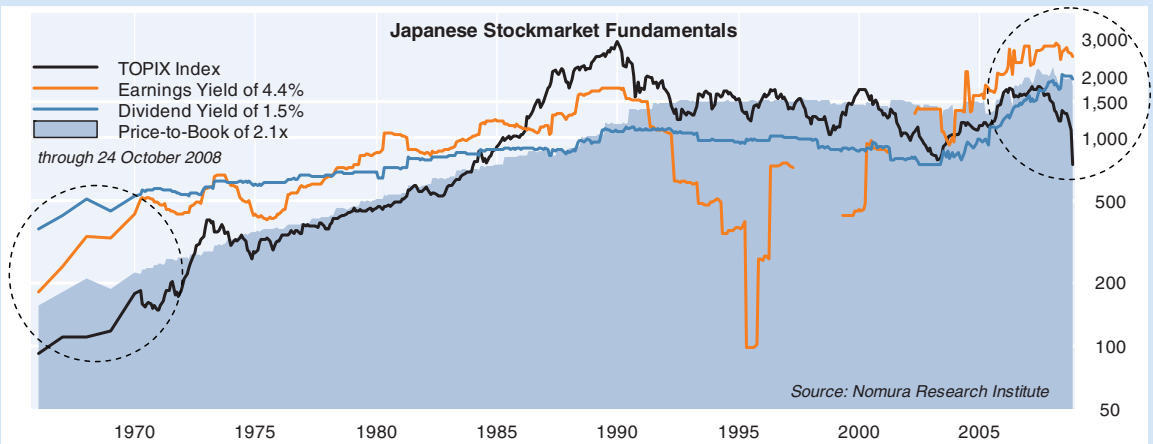
JAPAN EQUITY FUND AT 30 SEPTEMBER 2008

Total Rate of Return	From	Latest		2008 to Date	Latest Quarter
	Inception	5 Years	3 Years		
		% Annualised		% Not Annualised	
Yen Class (launched 1 Jan 1998)	7.9	2.9	(7.1)	(21.4)	(9.6)
TOPIX	0.4	2.6	(7.0)	(24.9)	(16.9)
Average Japan Equity Fund	(0.1)	0.6	(9.6)	(28.1)	(18.3)
<i>% appreciation of the yen versus the US dollar</i>	1.9	1.0	2.2	4.9	(0.2)
Euro Class (launched 1 Jan 2003)	9.4	5.5	(4.6)	(19.8)	(9.2)
TOPIX Hedged into euro	8.9	5.5	(4.0)	(22.8)	(16.1)
<i>% appreciation of the euro versus the US dollar</i>	5.2	3.8	5.4	(3.5)	(10.6)

Seemingly taking its cue from the other developed markets, the Japanese stockmarket has had one of its worst quarters in memory, and at time of writing has plunged 47% in the last year. While your Fund has performed better, being down 40%, that is of small consolation when the price decline experienced by fellow Members is so large. Of greater impact is the fact that, for Members invested in the Yen Class, it should be noted that the purchasing power of their investment has declined markedly less, as the yen has appreciated significantly against just about every other currency in the past year, including 21% and 37% gains against the US dollar and euro, respectively.

Our sense of frustration when we look at recent performance is significantly offset when we shift our gaze to the valuations and prospective returns for the stocks in the portfolio and the many excellent new opportunities now being presented. The Japanese stockmarket is now selling at its 25-year low reached in 2003. This is absolutely remarkable when one considers the great strides corporate Japan has made in terms of earnings and balance sheet strength since 2003. Over this period, corporate return on invested capital has roughly doubled and corporate balance sheets are now the envy of the rest of the world that has just recently come to realise how overleveraged they have become. The Japanese stockmarket carries a debt-to-tangible equity ratio of 30%, clearly standing out when compared to figures of 95% each for the US and Europe. Japan's corporate conservatism has recently begun to pay off, as some Japanese banks with their superior liquidity have begun to purchase the attractive assets of US and European banks at depressed prices.

At times like this it is important to step back and look at a very long-term perspective. The chart below puts the level at which Japanese shares are currently being valued in long term context and demonstrates what an exceptional opportunity Japan is today. The chart below shows the price level of the TOPIX Index from 1965 to today. The orange and blue lines and the blue shaded area represent the levels at which the TOPIX would be if it was selling at its long-term average valuation based on the earnings, dividends and book values respectively at the time. From this chart, one can see that rarely does the TOPIX price sit consistently above or below the average of the three valuation measures, it instead tends to trend away from "normal" for some time, turn, and then shoots through. We can also see quite clearly that the Japanese shares are now as far below their average valuation levels as they have been since the early 1970s!

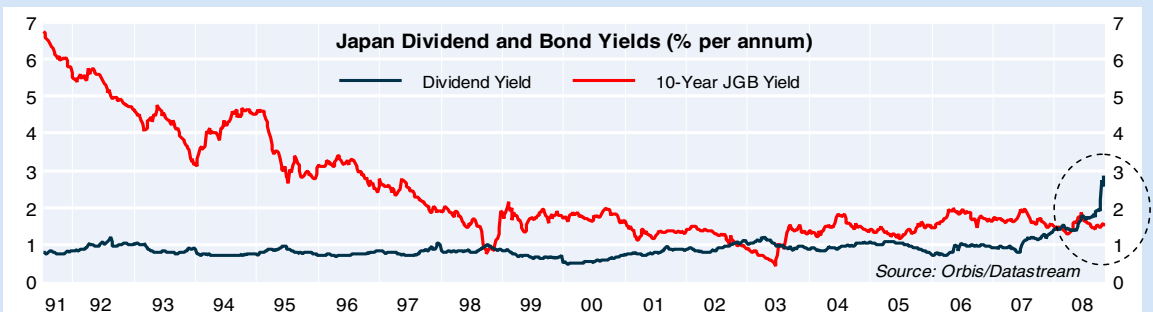


JAPAN EQUITY FUND AT 30 SEPTEMBER 2008

When looking at the most recent period on the previous chart, it would not have been surprising for 2007 to have marked a bottom for Japanese shares in relation to valuation. But instead things have become considerably cheaper, bringing to mind an investing truism—if something is irrationally priced, it can always become more irrationally priced! So we are reminded that while valuation determines share prices in the long term, greed and fear play an even greater part in setting prices in the short term. Thus, just as attractive valuations didn't lead to higher prices in 2008, so even more attractive valuations may not portend higher prices in the short or medium term. Therein lies the power of investing for the long term—being willing to be exposed to short-term loss when fear of losses is rife and being willing and able to hold through further declines in price, enables and usually accompanies outstanding long-term investment returns.

The turmoil in global financial markets that has spread to Japan is, in our view, at the same time creating an environment that could help spur Japanese shares. With 10-Year Japanese Government Bonds (JGBs) having been yielding less than 2% per annum, high single-digit to low double-digit yields available in places like Australia, New Zealand and South Africa have been enticing Japanese investors to ship their capital overseas, participating in the so-called “carry trade” in search of higher yielding investments based in other currencies. Further, this flow of capital from yen into the “carry trade” currencies helped bolster those currencies against the yen, often adding further to the total return. Unfortunately for those investors, there is no such thing as a free lunch, and the “carry trade” currencies have devalued dramatically recently against the yen, wiping out years of yield pickup. If history and human nature serve as guides, this painful recent experience should be convincing Japanese investors to bring money back to Japan and keep it there.

Once repatriated, we expect most capital will immediately find a “safe place” in government bonds or under the mattress, but over time a good portion of these funds should serve as an additional source of money flowing into equities that now sell at extremely attractive levels when compared to other Japanese investment alternatives. The chart below compares the dividend yield of Japanese equities to the interest rate of the 10-Year JGBs. The cash yield paid by stocks has rarely been higher than the cash yield offered by bonds, owing in part to the prospect of growth offered by shares. Today this relationship is as extreme as it has been in our memory.



Reverting to basics, we have tirelessly studied the fundamental outlook and valuation levels of the Fund's holdings as well as many other shares that have failed to make it through the research process. It is that foundation that makes us bullish on Japanese shares, and extraordinarily bullish on your Fund. As always, however, we find predicting future market movements, particularly in the near term, to be difficult, nay impossible with any useful degree of accuracy. As such, we focus our energies on controlling what we can—performing diligent and disciplined research, maintaining a portfolio we believe has excellent risk-adjusted prospects, and waiting for enough investors to agree with us so that the Fund achieves the hoped-for excess return. We encourage our investors to take a similar approach—invest in a disciplined and diligent way, maintain a portfolio of investments that makes sense for your risk tolerance, and then be patient, especially at times like this when that patience is most assuredly being tested.

DIRECTORS Allan W B Gray, Chairman John C R Collis William B Gray Claude Kremer Austin J O'Connor David T Smith
MANAGER Orbis Investment Management (B.V.I.) Limited **INVESTMENT ADVISOR** Orbis Investment Management Limited **CUSTODIAN** Citibank International plc (Lux. Branch)

JAPAN EQUITY FUND AT 30 SEPTEMBER 2008

STATEMENT OF NET ASSETS (UNAUDITED)

Security <i>(Ranked by sector)</i>	Fair Value ¥ 000's	% of Fund	% of TOPIX
Consumer Non-Durables		34	17
Yamada Denki	19,568,153	8	
Sundrug	13,058,388	5	
Nomura Research Institute	12,990,459	5	
Canon Marketing Japan	9,050,679	4	
KOMERI	8,053,829	3	
ASKUL	6,474,867	3	
Tsuruha	4,055,625	2	
H.I.S.	3,845,758	1	
ITOCHU Techno-Solutions	3,266,208	1	
Positions less than 1%	4,816,369	2	
Financials		28	18
Mitsubishi UFJ Financial	21,305,712	9	
T&D Holdings	17,770,116	7	
Sumitomo Mitsui Financial	11,105,010	5	
SBI Holdings	9,970,170	4	
Sony Financial Holdings	8,288,795	3	
Positions less than 1%	586,748	-	
Communications and Utilities		17	11
Fuji Media Holdings	9,599,200	4	
Net One Systems	6,435,044	3	
Nippon Television Network	6,365,911	3	
TV Asahi	6,209,237	3	
Jupiter Telecommunications	5,287,244	2	
Obic Business Consultants	3,728,076	1	
OBIC	3,679,163	1	
Cyclicals		15	40
Toda	10,619,136	4	
PARK 24	7,530,646	3	
Mitsubishi Logistics	5,487,040	2	
Aisin Seiki	5,347,950	2	
Daito Trust Construction	3,904,443	2	
Positions less than 1%	4,326,791	2	
Technology		6	14
Keyence	10,151,648	4	
Positions less than 1%	6,157,245	2	
Net Current Assets	754,311	-	
Net Assets	249,789,971	100	100
Net Asset Value per Share			
Yen Class <i>(Currency exposure 100% yen)</i>	¥ 2,262	107,090,829 shares issued	
Euro Class <i>(Currency exposure 100% euro)</i>	€ 16.74	3,027,067 shares issued	

ORBIS JAPAN EQUITY (US\$) FUND AT 30 SEPTEMBER 2008

Total Rate of Return in US dollars:	From Inception		Latest		2008	Latest
	on 12 Jun 1998	5 Years	3 Years	to Date	Quarter	
	% Annualised		% Not Annualised			
Orbis Japan Equity (US\$)	9.0	5.6	(4.0)	(20.7)	(9.6)	
TOPIX Hedged	4.0	6.1	(3.1)	(23.6)	(16.5)	
<i>% appreciation of the US dollar versus the yen</i>	<i>(2.9)</i>	<i>(0.9)</i>	<i>(2.1)</i>	<i>(4.6)</i>	<i>0.2</i>	

Orbis Japan Equity (US\$) was formed to serve investors who wish to invest in Japanese equities while remaining exposed to the dollar. As shown in the Statement of Net Assets below, the Fund's entire equity exposure comprises shares in the Luxembourg-domiciled Orbis SICAV - Japan Equity Fund - Yen Class. Given this, we refer readers to the Orbis SICAV - Japan Equity Fund report on page 9. A further difference between the Funds is that the US\$ Fund is Bermuda-domiciled and regulated whereas the Orbis SICAV is Luxembourg-domiciled and regulated. First-time readers may also find it informative to read the text in italics below.

The Fund's currency hedging reduces or eliminates the effect on its share price of fluctuations in the yen/dollar exchange rate. Most Japanese equity funds do no currency hedging and therefore their returns are, when translated into dollars, directly influenced by these exchange rate fluctuations. As the statistics above show, these fluctuations are often large. The result is that this Fund's dollar returns above are not comparable with those of the Average Japan Equity Fund or those of Orbis SICAV - Japan Equity Fund - Yen Class, when their returns are likewise expressed in dollars. The returns on Orbis Japan Equity (US\$) in dollars approximate those on the Orbis SICAV - Japan Equity Fund - Yen Class in yen, adjusted for the short-term interest rate differential between the US and Japan.

STATEMENT OF NET ASSETS (UNAUDITED)

Security	Market Value US\$ 000's	% of Fund
Orbis SICAV - Japan Equity Fund - Yen Class	359,787	101
Net Current Liabilities	(2,375)	(1)
Net Assets	357,412	100
Net Asset Value per Share	US\$ 24.23	14,751,528 shares issued

DEPLOYMENT

		% of Fund
Stockmarket exposure	Japan	100
Currency exposure	US dollar	100

DIRECTORS

Allan W B Gray, Chairman

John C R Collis

William B Gray

MANAGER

Orbis Investment Management (B.V.I.) Limited

INVESTMENT ADVISOR

Orbis Investment Management Limited

CUSTODIAN

Citibank Canada

NOTICES

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 or wish to discuss how we define new investors and how this will be administered, 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@orbisfunds.co.za.

Sources. FTSE World Index and FTSE/JSE Africa All Share Index: FTSE International Limited; TOPIX: Tokyo Stock Exchange; MSCI Asia ex-Japan Index: MSCI Inc.; and Average Fund: Morningstar, Inc. All rights reserved. "FTSE" is a trademark of the London Stock Exchange Limited and is used by FTSE International Limited under licence. "MSCI" is a trademark of MSCI Inc. and is used by Orbis Investment Management Limited under licence. 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.

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 Global Equity Fund, Orbis Africa Equity (Rand) Fund, Orbis SICAV - Asia ex-Japan Equity Fund - Investor Class, Orbis SICAV - Japan Equity Fund and Orbis Japan Equity (US\$) Fund 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 Funds will be certified as distributing funds for fiscal 2008 or for future accounting periods.

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 (B.V.I.) Limited and Orbis Investment Management Limited are licensed to conduct investment business by the Bermuda Monetary Authority.

CHARACTERISTICS OF ORBIS EQUITY FUNDS

Structure	Open-ended investment companies.
Minimum initial investment	US\$50,000 or the equivalent in any major currency.
Subscriptions / redemptions	Weekly, each Thursday, at the Net Asset Value per share calculated at 5:30 p.m. (Bermuda time) on that day.
Dealing deadlines	<p>For subscriptions, a properly completed Application Form, together with the corresponding payment, must be received by the Fund's Registrar by 5:00 p.m. (Bermuda time) for Orbis Global, Orbis Africa and Orbis Japan (US\$) Funds, and 5:30 p.m. (Bermuda time) for Orbis SICAV - Asia ex-Japan and Orbis SICAV - Japan Funds, on a Dealing Day to be considered for that day.</p> <p>For redemptions, proper instructions must be received by the Fund's Registrar by noon (Bermuda time) for Orbis Global, Orbis Africa and Orbis Japan (US\$) Funds, and 5:30 p.m. (Bermuda time) for Orbis SICAV - Asia ex-Japan and Orbis SICAV - Japan Funds, on a Dealing Day to be accepted on that day.</p>
Prices available from	<p>Telephone: +1 (441) 296 3002 Website: www.orbisfunds.com Newspapers: Financial Times, International Herald Tribune Reuters page: ORBIS Bloomberg: ORBGLEF BH, ORBAFRI BH, ORBJEYA LX, ORBJPNE LX, ORBAEFI LX or ORBJEUA BH</p>
Regulation	Orbis Global, Orbis Africa and Orbis Japan Equity (US\$) are regulated by the Bermuda Monetary Authority. Orbis SICAV - Asia ex-Japan and Orbis SICAV - Japan are regulated by the Commission de Surveillance du Secteur Financier in Luxembourg.
For further information	Contact the Investor Services Team of Orbis. Please refer to the back cover for contact information.

