Investing with Perpetual

2009

Perpetual is one of Australia's leading funds management companies

About Perpetual

Perpetual is one of Australia's most experienced investment services groups, with an enduring passion for protecting and growing our clients' wealth. Founded in Sydney in 1886 as Perpetual Trustees, we've helped generations of Australians invest and manage their wealth through all market conditions.

Products we offer

We offer a broad range of investment, superannuation and retirement income products. You can mix and match products to meet your specific investment objectives, whether you are interested in personal savings, investment, superannuation funds or allocated pension plans.

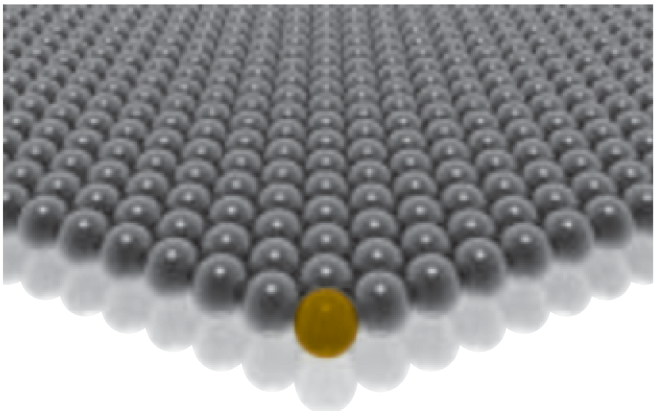
Investment style and approach

Australian shares

Our investment philosophy is to invest in quality Australian companies at attractive prices. While valuation is the key to the way we invest, quality always comes first as not every company that appears cheap will perform well over the long term. Looking closely at the balance sheet strength and capital structure of companies, in particular, has helped our performance. We've avoided those companies with high levels of debt whose value has been eroded in the recent markets.

This fundamental approach to investing has allowed our Australian equities team to generate consistent outperformance of each fund's respective benchmark over the long term. Irrespective of the latest fad or fashion, our fundamental investment philosophy has never wavered.

We focus our attention on those companies that exhibit characteristics such as an ability to generate recurring earnings, strong interest cover, a strong balance sheet and sound capital structure, a conservative level of debt, a history of dividends, and a sound management team with a strong shareholder focus.



International shares

Our global equities investment team focuses on quality stocks that offer value. We focus our attention on those companies that exhibit characteristics including an ability to generate earnings and cashflow, strong interest cover, a strong balance sheet and sound capital structure, a conservative level of debt, a history of dividends and a sound management team with a strong shareholder focus.

Property

We focus on selecting property investments that represent the best quality and value relative to other property investments in the market. We will seek to identify investments that demonstrate sound management, recurring earnings and distribution growth, quality portfolios and sound capital management.

Our capabilities allow us to invest in listed property trusts, listed real estate management and development companies, unlisted property funds or other property related vehicles.

Derivatives may be used to adjust currency exposure (where appropriate), hedge selected shares or securities against adverse movements in market prices, gain exposure to relevant indices, gain short-term exposure to the market, build positions in selected companies or issuers of securities as a short-term strategy to be reversed as the physical positions are built up.

Mortgages

Our experienced mortgages team aims to construct well diversified portfolios of mortgages with a focus on credit quality. The team's ability to access credit quality ensures that we take on well priced risk within our mortgage fund portfolios. The key steps in our process are to source mortgage fund applications both directly and indirectly, and rigorous in-house due diligence on each application with a focus on credit quality.

Loans are made only to financially sound borrowers who must satisfy our rigorous credit checks. A procedure for checking and confirming the credit worthiness of borrowers (both individuals and companies, including guarantors) is performed by our mortgage managers for each loan application and forms part of the loan recommendation.

The procedure to control exposure to any one borrower involves each application listing the existing loans of the borrower. Credit Reference Association of Australia (CRAA) checks made in respect of all parties to the loan. Throughout the process we use a panel of independent property valuers who must be fully qualified and have a minimum of five years' experience. All properties are revalued each time a mortgage is renewed.

Fixed income and cash

Our fixed income team has a tried and tested investment philosophy that focuses on identifying quality securities and investments that are attractively valued. In this way, the team manages fixed income portfolios in a similar way to our well-established and highly successful Australian equities team. Our credit team seeks to invest in a diversified range of high quality income-generating securities, which our systematic investment process identifies as having strong credit quality and attractive value relative to the investment universe.

Our investment approach to managing cash is to choose a diversified selection of quality money market securities, focused on delivering liquidity and capital stability across our cash portfolios.

Diversified funds

We offer a range of multi-asset class funds to meet investors' growth and income requirements. Our multi-asset class funds can invest in Australian shares, international shares, fixed income securities, property securities, direct property, mortgages, cash, credit, infrastructure and enhanced cash.

Our multi-asset class funds are actively managed. We believe we can add value by regularly reviewing the asset mix to take into account changing market conditions, as well as through tactical asset allocation and careful stock selection. This style seeks to enhance performance by allowing us to favour asset classes that perform better under certain conditions.

Perpetual's wholesale funds

lower ← Potential returns → higher

Income	Diversified	Capital growth	
▪ Cash Management Fund ▪ Monthly Income Fund ▪ Diversified Income Fund	▪ Conservative Growth Fund ▪ Diversified Growth Fund ▪ Balanced Growth Fund	▪ Property Income Fund ▪ Split Growth Fund ▪ International Share Fund ▪ Alpha Quant Share Fund ▪ Industrial Share Fund ▪ Property Securities Fund ▪ Australian Share Fund	▪ Concentrated Equity Fund ▪ Ethical SRI Fund ▪ SHARE-PLUS Long Short Fund ▪ Smaller Companies Fund ▪ Geared International Share ▪ Geared Australian Fund

lower ← Potential risk → higher

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