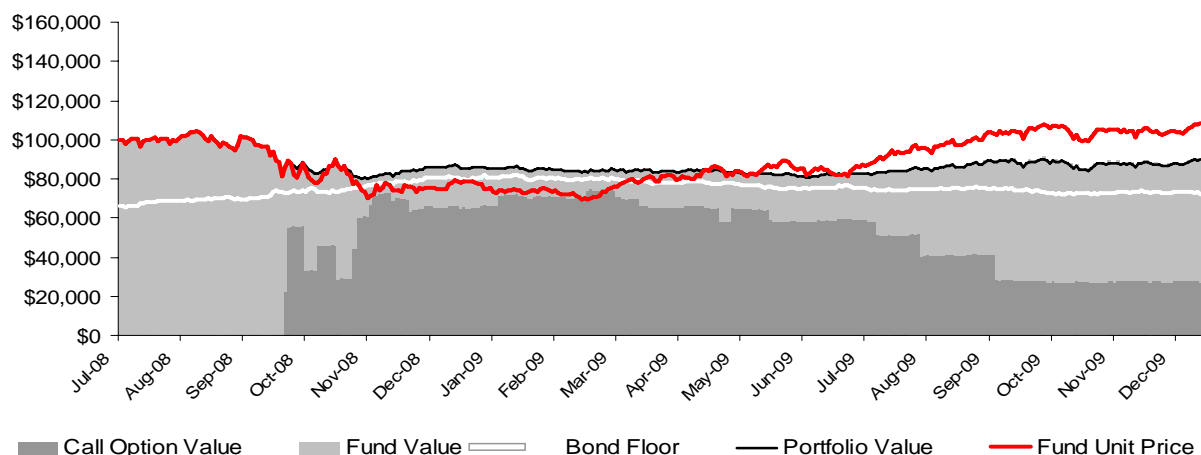


### Perpetual Protected Investments – Series 3 Half-yearly performance summary as at 31 December 2009

#### Ausbil Australian Active Equity Fund

Ausbil Australian Active Equity Fund  
Value of \$100,000 Invested in PPI



The above graph represents the changes in the indicative value of your investment from 25 July 2008 to 31 December 2009. Your portfolio value is calculated as the sum of fund units, call options and cash at any given point in time. The graph does not represent a direct investment into the Ausbil Australian Active Equity Fund Source: Perpetual

#### At a Glance

|                     |              |                                      |        |
|---------------------|--------------|--------------------------------------|--------|
| Investment date     | 19 July 2007 | Value as at 31/12/09 of \$1 invested | \$0.89 |
| Protection end date | 31 May 2014  | Percentage allocation of Fund units  | 68.21% |
| Maturity date       | 1 June 2014  |                                      |        |

Source: Perpetual

The following information has been provided by the Fund Manager who has given their consent for it to be published. The information below represents a direct investment in the Fund not an investment in Perpetual Protected Investments Series 3.

#### Fund Commentary

In the six months to December the Portfolio benefited from positions in the Healthcare, Financials ex REITs, Consumer Staples and Utilities sectors. Conversely, the REITs and

Telecommunications sectors detracted from performance.

At a stock level, overweight positions in Leighton Holdings, AXA Asia Pacific, Toll

Holdings and Asciano were the largest contributors to relative performance. Nil holdings in Woolworths also added value to relative performance. Detractors to the Portfolio over the six months included holdings in the Australian stock Exchange, Santos, Oil Search and Crown which underperformed the market. The nil holdings in AMP also detracted from relative performance.

### Market Review

The Australian equity market reported a 3.7% rise in December, bringing the total return for the calendar year to +37.6%. M&A activity remained a key focus for investors during December after NAB announced a surprise bid for AXA - exceeding an increased (and final) offer from AMP. Telstra, meanwhile, downgraded its FY10 revenue guidance and announced the formalisation of its terms of engagement on the NBN with the Government. Stocks with USD earnings began to outperform as many investors reduced underweight USD denominated earnings exposures in anticipation of an eventual recovery in the US dollar.

### Outlook

The domestic economy remains well positioned amongst OECD peers with both cyclical and structural factors driving a rebound in economic growth. The strong government fiscal position, the country's competitive advantage in delivering commodities into growth markets and its strong population growth from both natural increase and immigration are helping to underpin a surprisingly strong recovery. Tempering this through 2010 will be the RBA's monetary policy stance, which will be increasingly restrictive. Offshore economies are unlikely to see any short term alteration to loose monetary conditions until it is clear that economic recovery has taken hold and is self-sustaining. Fiscal stimulus measures are likely to have a very supportive effect through the calendar year for Australia and both developed and emerging economies. Our expectation is for earnings to be upgraded over the next 6 months. On that basis we believe that the market remains reasonable value and should deliver solid total returns over that period.

### Performance as at 31 December 2009

|           | 3 months (%) | 1 year (%) | 2 years (%) pa | 3 years (%) pa | 5 years (%) pa | Inception (%) pa |
|-----------|--------------|------------|----------------|----------------|----------------|------------------|
| Gross     | 4.02         | 42.07      | -3.69          | 2.90           | 12.41          | 13.44            |
| Net       | 3.79         | 40.81      | -4.56          | 1.96           | 11.37          | 12.37            |
| Benchmark | 3.37         | 37.59      | -8.33          | -0.78          | 8.29           | 8.98             |

| Stock name              | %            | Sector weight          | %          |
|-------------------------|--------------|------------------------|------------|
| BHP Billiton            | 14.75        | Financials (x LPT)     | 37.37      |
| National Australia Bank | 8.30         | Materials              | 30.22      |
| CBA                     | 7.86         | Consumer Discretionary | 10.14      |
| ANZ Bank                | 7.38         | Industrials            | 6.71       |
| Rio Tinto               | 5.48         | Energy                 | 6.23       |
| Wesfarmers              | 4.97         | Consumer Staples       | 5.90       |
| Macquarie Group         | 2.76         | LPTs                   | 2.87       |
| News Corporation        | 2.66         | Cash                   | 0.57       |
| Asciano Group           | 2.61         | <b>TOTAL</b>           | <b>100</b> |
| Oil Search              | 2.56         |                        |            |
| <b>Total</b>            | <b>59.33</b> |                        |            |



### **Investment Objective**

The aim of the Fund is to outperform the S&P/ASX 300 Accumulation Index over the medium to long term with moderate tax effective income. The Fund invests in a portfolio of listed Australian equities that are generally chosen from the S&P/ASX 300 Index.

### **Benchmark**

S&P / ASX 300 Accumulation Index

### **Investment Category**

Australian Equities

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