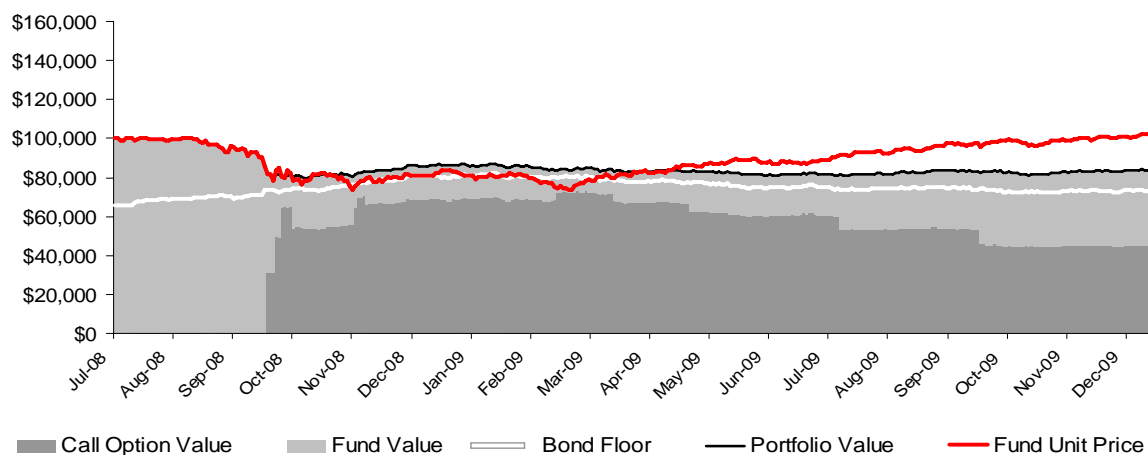


### Perpetual Protected Investments – Series 3 Half-yearly performance summary as at 31 December 2009

#### BlackRock Global Allocation Fund (Class D units) (Aust)

BlackRock Global Allocation Fund Class D Units  
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 BlackRock Global Allocation Fund (Class D units) (Aust)

Source: Perpetual

#### At a Glance

Investment date	19 July 2007	Value as at 31/12/09 of \$1 invested	\$0.83
Protection end date	31 May 2014	Percentage allocation of Fund units	45.76%
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

The Fund outperformed its benchmark over the six month period to end of December 2009.

Within the fixed income portfolio, the Fund's allocation to Treasury Inflation Protected Securities and convertible bonds was additive to performance over the quarter.

Over the September quarter, contributing positively to the Fund's relative performance was an overweight equity allocation to Brazil, Bermuda, and Russia, an underweight to the U.S., and strong stock selection in Japan and Canada. Detracting moderately from the Fund's performance was an overweight equity exposure in Japan and India, and an underweight equity exposure in France, Spain, and Australia. Detracting moderately from the Fund's performance was an underweight and stock selection in Financials, Industrials, and Information Technology as well as stock selection in Materials and Consumer Discretionary.

Over the December quarter, the Fund's outperformance for the quarter can be attributed to its overweight equity exposure and stock selection in Brazil and Hong Kong, coupled with an overweight equity exposure in Russia, and its underweight equity exposure to Italy, France, Greece and Spain. Detracting moderately from the Fund's performance was its underweight equity exposure and stock selection in the U.S. and the U.K., in addition to its overweight equity exposure in Japan and India.

### Market Review

The policy actions of governments across the world helped revive the global economy in 2009 and engineered a rally across a number of asset classes. Although economic growth has turned positive in various regions, the divergence between the developed and the developing markets remains pronounced.

### Performance as at 31 December 2009

	3 months (%)	1 year (%)	2 years (%) pa	3 years (%) pa	5 years (%) pa	Inception (%) pa
Gross	4.88	23.41	-1.30	4.01	n/a	8.63
Net	4.85	23.44	-1.33	3.34	n/a	7.34
Benchmark	3.65	18.91	-2.40	1.30	n/a	5.33

We think this will continue in 2010 as consumers in the developed markets struggle with high levels of household debt while the high relative savings rates in many parts of the developing world allow consumer spending to remain robust. In addition, although monetary policy is likely to remain accommodative in the U.S., Europe, and Japan, the developing nations (Asia in particular) could see tighter monetary policy as authorities attempt to control strong economic growth, rising wages, and signs of consumer price inflation.

### Outlook

Geographically, we favour developing economies with current account surpluses, sizeable foreign exchange reserves, and high savings rates. From a sector perspective, we favour Energy and Materials given the upward move in commodities that is likely to accompany strong growth in the developing world. We also favour Healthcare and Telecom Services in the developed markets where valuations are compelling and dividend yields are ~200-300 bps in excess of government bond yields. In fixed income, the convertible and corporate bond arenas provide the ability to participate in further market upside should investor risk appetite remain healthy while also helping to limit our downside (relative to the broader equity markets) in the event of a market setback.

Stock name	%	Sector weight	%
SPDR Gold Trust	1.58	International Equity	57.14
Petrobras Sa-Adr	1.00	International Fixed Income	28.71
Microsoft Corp.	0.93	Liquidity	13.35
Bristol Myers Squibb	0.82	Australian Equity	0.63
At & T Inc	0.73	Australian Fixed Income	0.17
Exxon Mobil Corp	0.71	<b>Total</b>	<b>100</b>
Johnson & Johnson	0.66		
JP Morgan Chase & Co	0.63		
Intl Business Machine	0.60		
Verizon Comms Inc	0.59		
<b>Total</b>	<b>8.25</b>		

### Investment Objective

The Global Allocation Team believes that competitive returns with low to moderate levels of risk can be achieved through a flexible, research intensive, value-oriented approach that seeks the best investment opportunities worldwide, broadly diversified across asset classes, countries and securities.

### Benchmark

As the Fund is a diversified fund, there is no one relevant index to provide a benchmark, so the benchmark consists of a weighted average for the Australian dollar hedged returns provided by market indices for relevant asset classes. The indices used are the S&P 500 Composite; Financial Times/S&P Actuaries World Index ex-US; Merrill Lynch Government Index; Citigroup Non-USD World Government Debt Index.

### Investment Category

The types of securities and markets the Fund invests in will vary in response to changing market conditions and economic trends. For example, the Fund may be substantially invested in US shares when they appear undervalued relative to other world share markets, while greater emphasis may be placed on fixed income securities when the risk of owning shares appears above average. This approach strives to achieve attractive total returns, while spreading the risks associated with investing in only one asset class or market.

In selecting equity investments, the Fund mainly seeks to invest in securities which are believed to be undervalued. The Fund may buy fixed income securities of varying maturities.

---

This publication has been prepared by Perpetual Investment Management Limited (PIML) ABN 18 000 866 535, AFSL No 234426 with the assistance and consent of the relevant fund manager. It is general information only and is not intended to provide you with financial advice and does not take into account your objectives, financial situation or needs. You should consider, with a financial adviser, whether the information is suitable for your circumstances. To the extent permitted by law, no liability is accepted by PIML or the relevant fund manager for any loss or damage as a result of any reliance on this information. You should also consider the PDS for the relevant fund. No company in the Perpetual Group (Perpetual Group means Perpetual Limited ABN 86 000 431 827 and its subsidiaries) or the fund manager, guarantees the dynamic management strategy, the performance of any fund or the return of any investor's capital. Total returns shown for the fund(s) have been calculated using exit prices net of all ongoing fees and assuming reinvestment of distributions. No allowance has been made for any entry or exit fees or taxation. Past performance is not indicative of future performance.

---