

20 February 2020

ASX Limited
ASX Market Announcements Office
Exchange Centre
20 Bridge Street
Sydney NSW 2000

Perpetual Half Year Financial Results

The following announcements to the market are provided:

- Appendix 4D
- 1H20 ASX Announcement
- ✓ **1H20 Results Briefing**
- Half Yearly Report and Accounts
- Operating and Financial Review – 31 December 2019

Yours faithfully,



Chris Green
Company Secretary
(Authorising Officer)

PERPETUAL LIMITED

1H20 RESULTS

6 months to 31 December 2019

Rob Adams

Chief Executive Officer
and Managing Director

Chris Green

Chief Financial Officer

ABN 86 000 431 827

Perpetual 

1H20 RESULTS

ROB ADAMS
CHIEF EXECUTIVE OFFICER
AND MANAGING DIRECTOR



1H20 RESULTS

\$253.5m

Revenue¹

↑ \$1.2m on 1H19

\$173.8m

Expenses¹

↑ 4% on 1H19

\$51.6m

NPAT

↓ 14% on 1H19

\$1.05

Interim DPS

↓ 16% on 1H19

PERPETUAL INVESTMENTS

FUM \$26.3b

Highly regarded investments business adding world-class investment capabilities to drive sustained growth

PERPETUAL PRIVATE

FUA \$15.2b

Clear HNW segmentation strategy and new professional services model, capitalising on industry disruption

PERPETUAL CORPORATE TRUST

FUA \$772.5b

Leader in securitisation and managed fund services, investing in data analytics solutions

1. Revenue is presented net of distributions and expenses of the EMCF structured products. For statutory purposes revenue, distributions and expenses are adjusted to reflect the gross revenue and expenses of these products. A reconciliation is included in Appendix B of the operating and financial review for the 6 months ended 31 December 2019

OUR STRATEGY

OUR PURPOSE
Enduring Prosperity

OUR VISION
Most trusted in Financial Services

OUR VALUES
Excellence, Integrity, Partnership

CLIENTS
Trusted brand and enduring relationships

PEOPLE
Attract, develop and inspire the best people

SHAREHOLDERS
Delivering sustainable quality growth

STRATEGIC IMPERATIVES



CLIENT FIRST

Exceptional products
Outstanding service

- Exceed client needs with products and services
- Improve client connectivity and delivery through innovative digital solutions
- Set industry leading standards in all that we do



FUTURE FIT

Empowering our people to deliver high performance

- Agile, efficient and scalable operating platform to manage growth
- A strong culture where people are positively challenged and empowered within our stated risk appetite
- Contemporary technology platform



NEW HORIZONS

New capabilities
Global footprint

- Buy or build global investment distribution capabilities
- Improve and diversify our growth potential both organically and via an active M&A agenda across our businesses
- Deliver contemporary solutions to our clients

ENABLERS

Brand

Leadership

Innovation

PERPETUAL SOLID PROGRESS IN STRATEGY EXECUTION



CLIENT FIRST

Exceptional products
Outstanding service

- ✓ Capitalising on industry disruption with **16 new advisers**¹, and an active growing pipeline
- ✓ Perpetual Corporate Trust awarded **“Trustee of the Year”**² for the fourth consecutive year and delivered **23%** growth in profit before tax³
- ✓ Perpetual Income Opportunities Fund awarded **Best Multi Strategy Fund** (for the second year running)⁴
- ✓ Diversified Real Return Fund – winner **2019 Multi-Asset Real Return**⁵



FUTURE FIT

Empowering our
people to deliver high
performance

- ✓ Key **senior appointments** completed to support growth agenda
- ✓ **Perpetual Client Solutions** established to support and leverage expertise across the business
- ✓ Process & automation review designed to **unlock further efficiencies** in Client Solutions and across the business
- ✓ Infrastructure transformation program underway to build **contemporary platform positioned for growth** across the business



NEW HORIZONS

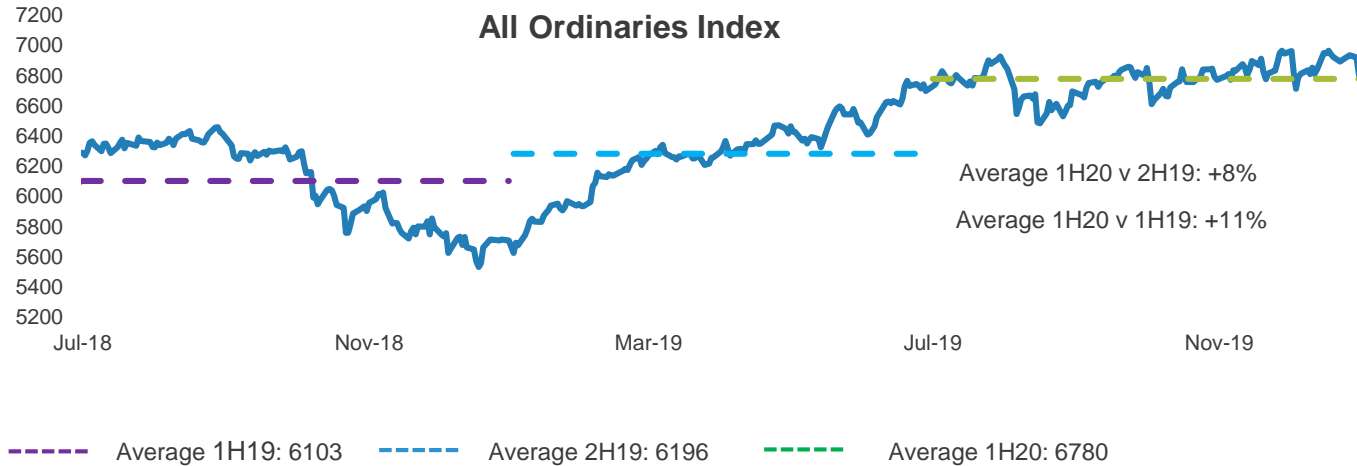
New capabilities
Global footprint

- ✓ **Priority Life acquisition** completed, extending deep client segment expertise
- ✓ Investing in **world-class** investment capabilities with **Trillium Asset Management acquisition** providing exposure to fast growing ESG segment⁶
- ✓ Establishing **US distribution** team to accelerate growth in key markets
- ✓ **Active M&A pipeline** across all three lines of business

Delivering on strategic imperatives across the business

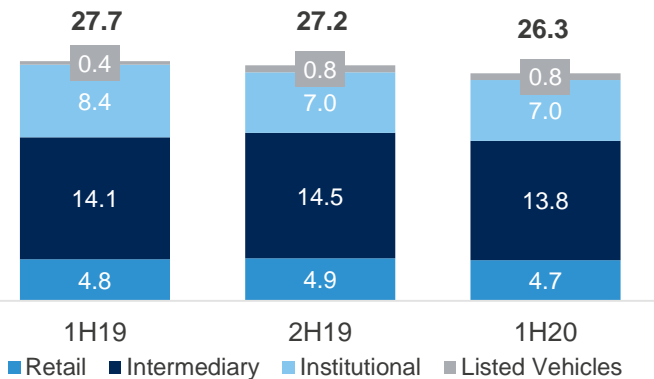
PERPETUAL INVESTMENTS

ELEVATED MARKETS OFFSET BY OUTFLOWS

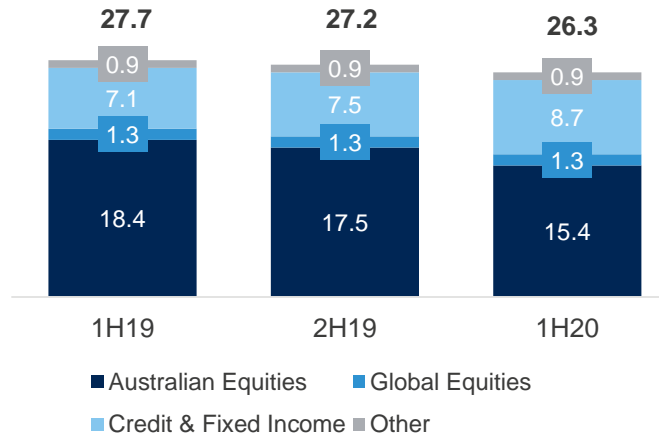


Markets rebounded positively with double digit growth over the 12 months

FUM by channel \$b



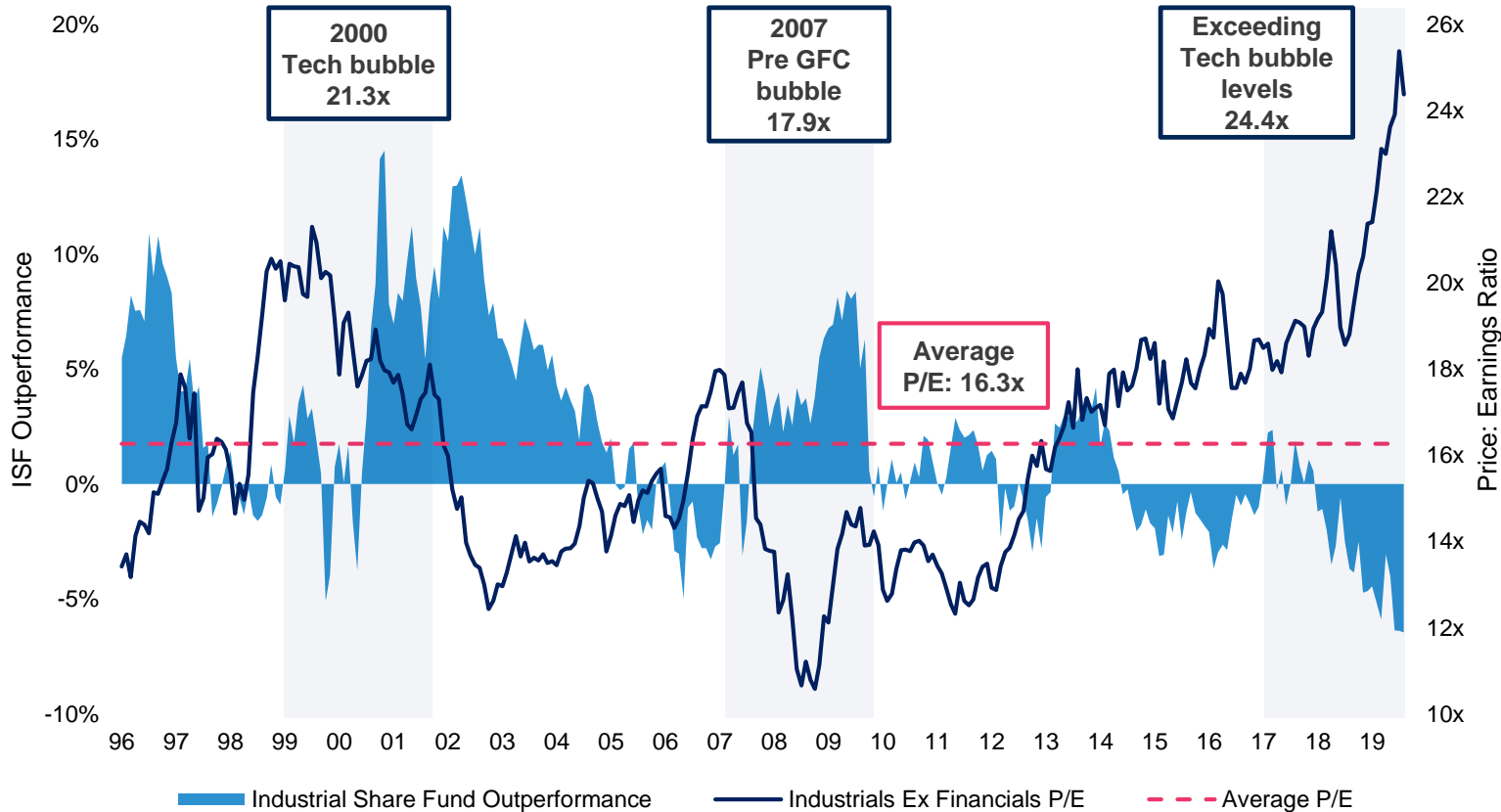
FUM by asset class \$b



\$1.3bn net flows into cash and fixed income in Q2, marking first quarter of positive flows in 10 quarters

PERPETUAL INVESTMENTS

CHALLENGING MARKET CONDITIONS FOR VALUE MANAGERS



Valuations now exceed previous market peaks

Our funds have historically outperformed when valuations normalise

Greatest valuation gap in 100 years

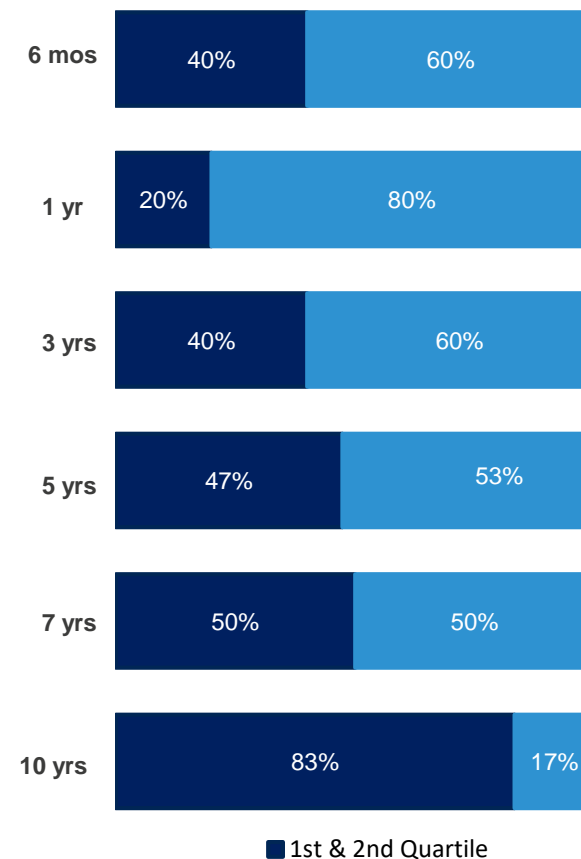
PERPETUAL INVESTMENTS

LONG-TERM PERFORMANCE REMAINS STRONG

Quartile rankings¹
Period ending 31 December 2019

	6 mos	1 yr	3 yrs	5 yrs	7 yrs	10 yrs	
Australian Equities	Perpetual W Australian	3	4	4	4	4	3
	Perpetual W Concentrated Equity	3	4	4	4	4	2
	Perpetual W Ethical SRI	4	4	4	4	3	1
	Perpetual W Geared Australian	1	1	1	2	1	1
	Perpetual W Industrial	4	4	4	4	4	2
	Perpetual W SHARE-PLUS Long-Short ²	2	4	3	4	2	1
	Perpetual W Smaller Companies	3	4	4	3	3	2
	Perpetual Pure Equity Alpha ³	4	4	3	4		
	Perpetual Pure Microcap ⁴	1	1	2	1		
Global Equities	Perpetual Global Share Fund - Class A	4	3	2	2		
	Perpetual Global Share Fund - Hedged	4	3	3			
Multi Asset	Perpetual W Balanced Growth	4	4	4	4	4	3
	Perpetual W Conservative Growth	4	4	3	3	2	2
	Perpetual W Diversified Growth	4	4	4	4	4	2
	Perpetual Diversified Real Return	4	4	2	2	3	
Credit and Fixed Income	Perpetual W Diversified Income ⁵	1	3	3	2	2	2
	Perpetual Active Fixed Interest ⁶	1	1	1	1	1	1
	Perpetual Pure Credit Alpha	1	3	1	1	1	
	Perpetual Wholesale Dynamic Fixed Income ⁵	2	3	2	2	2	
	Perpetual High Grade Treasury - R unit	1	1	1	1	1	

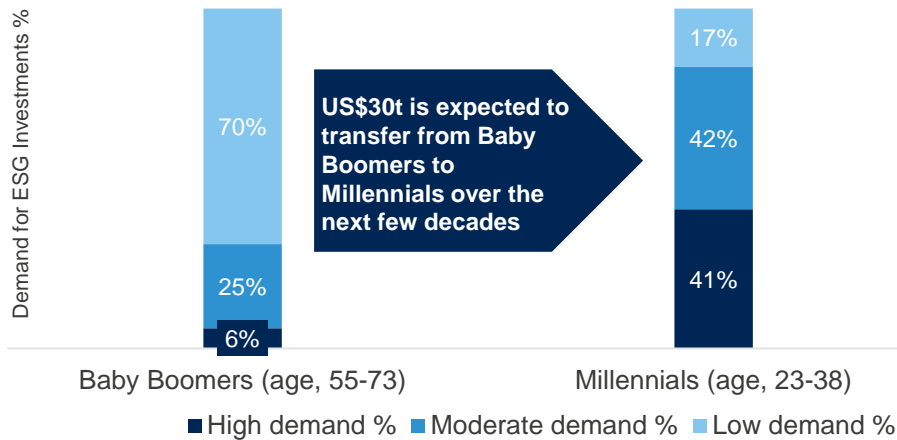
% of funds quartile ranking



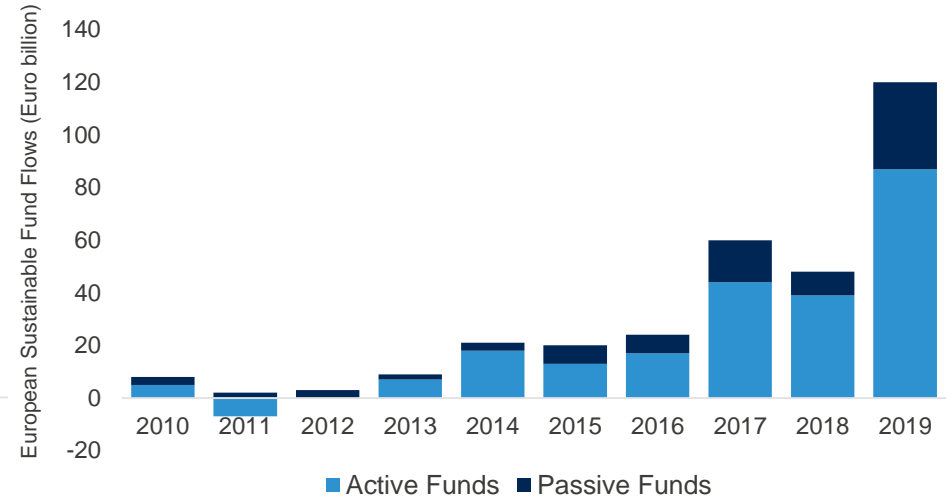
1. Perpetual funds included in the Mercer wholesale survey (Sub universe, post fee) quartile ranking
2. From March 2018 the Share Plus Fund is no longer included in Mercer survey. Quartiles have been estimated against the Wholesale – Equity - Australia All Cap Universe
3. Mercer institutional survey – Australian Shares Absolute Return (net) universe which is not an official Mercer Universe
4. From September 2019 Pure Microcap is no longer included in Mercer survey. Quartiles have been estimated based on net returns for the Wholesale – Equity – Australian Small Caps Universe
5. Diversified Income and Dynamic Fixed Income quartiles are estimated based on returns against the Wholesale Fixed Income – Global – Income Universe
6. Mercer institutional survey - Australia Fixed Income (before fees) is not an official Mercer Universe

TRILLIUM STANDS TO BENEFIT FROM TWO MEGATRENDS: INTERGENERATIONAL WEALTH TRANSFER AND INCREASING ESG INVESTMENT DEMAND

Millennials have a higher propensity to invest in ESG strategies than Baby Boomers¹



2019 saw a significant increase in European Sustainable fund flows³



ESG investment generates superior financial performance²

An analysis which aggregated results of over 2,200 studies into the impact of ESG on financial performance concluded that:

- in 63% of cases positive correlation was proven
- in only 8% of cases negative correlation was proven
- the remaining 29% were not statistically significant

“US ESG-focused product assets grew 75% from 2013 to 2Q 2019” Cerulli Associates¹

“ESG and ethical FUM is the fastest growing Australian asset sector” Rainmaker Sept 2019⁴

“ESG integration is one of the fastest growing ESG segment and globally added \$7t of AUM between 2016 and 2018” Global Sustainable Investment Alliance

1. Cerulli Associates US ESG investing 2019 and Accenture The 'Greater' Wealth transfer
 2. Journal of Sustainable Finance and Investment. ESG and Financial Performance. Aggregate evidence from more than 2000 empirical studies
 3. Morningstar, Morgan Stanley Research
 4. Rainmaker roundup Vol 23. September 2019

ACQUISITION OF TRILLIUM ASSET MANAGEMENT INTEGRATED ESG INVESTING SINCE 1982



Mission

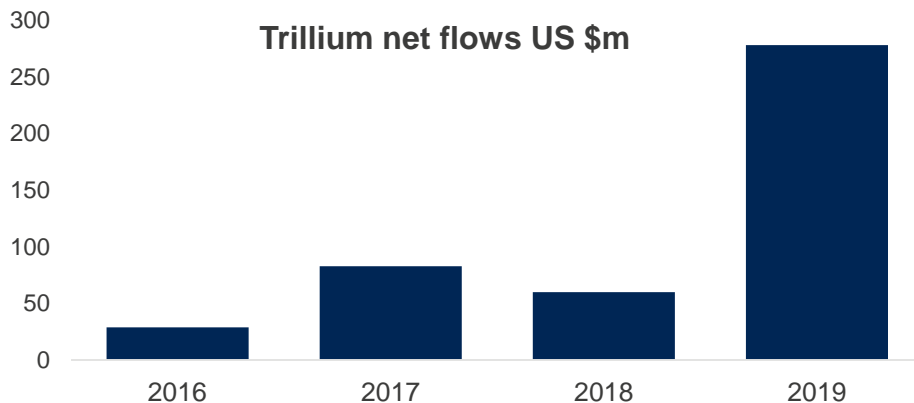
“We will provide for the financial needs of our clients whilst leveraging their capital for positive social and environmental impact”

*Joan Bavaria
Founder of Trillium
1982*

Reputation

- ✓ Trillium recognised as **“2019 B Corporation¹ best for the world overall honouree”**
- ✓ **20 years** of fossil fuel free investing
- ✓ Trillium’s all cap core strategy **honoured as 2019 impact SMA of the year** (Investment Advisor Magazine)²
- ✓ Trillium helped **found leading bodies**:
 - USSIF (US Sustainable Investment Forum)
 - Open MIC (Open Media and Information Companies initiative)
- ✓ Trillium also founded **Ceres in 1989** – having incubated the environmental organisation in their offices for its first 4 years

Positive Net Flows



Growth Opportunities

- ✓ **Commenced buildout of US distribution capability with the hiring of Chuck Thompson³ as head of distribution and corporate strategy – Americas**
- ✓ **EU sustainable action plan looks to reorient capital flows towards sustainable investment further supporting ESG in Europe**
- ✓ **Leverage Perpetual’s brand and Australian distribution capabilities**

1. B Corporation certification is a private certification issued to for-profit companies by B Lab. Certified B Corporations are businesses that meet the highest standards of verified social and environmental performance, public transparency, and legal accountability to balance profit and purpose
2. Investnet PMC and *Investment Advisor Magazine* Top Asset Managers of 2019
3. Start date not before 2 March 2020

ACQUISITION OF TRILLIUM ASSET MANAGEMENT

KEY TRANSACTION FEATURES

- Perpetual is acquiring 100% of Trillium's equity
- Completion is expected on or around 30 June 2020
- Upfront consideration of US\$36m to be paid on completion from existing cash resources
- Deferred consideration structured as an earn-out:
 - Majority of potential payments linked to revenue growth over 4 years; and
 - Maximum potential earn-out of US\$20m requires revenues to more than double by 30 June 2024
- Key investment professionals and business managers retained with long term incentives
- Incremental EBITDA generated from growth of Trillium is expected to fund the buildout of the US distribution team

PERPETUAL DISTRIBUTION

INVESTING IN AND BUILDING A WORLD CLASS DISTRIBUTION MODEL



Adam Quaife, General Manager - Global Head of Distribution

- 22 years industry experience in asset management distribution
- Last 18 years at Franklin Templeton Investments in senior distribution roles, including:
 - Head of Institutional Sales, Australia
 - Head of Central & Eastern Europe and the Middle East
 - Co-CEO & Regional Head of South East Asia Franklin Templeton Investments (Singapore)



Chuck Thompson, Head of Distribution & Corporate Strategy – Americas¹

- 26 years of industry experience in asset management distribution
- 15 years at Henderson as Head of North America
 - Built Henderson's business from inception to US \$20 billion
 - Managed a team of 50 across all distribution and marketing functions
 - Significant M&A experience in asset management

Core US team expected to be in place by end of FY20
Initial focus on Australia, US and Europe

PERPETUAL PRIVATE SUCCESS IN CLIENT SEGMENTATION AT CORE OF CONTINUED GROWTH



13 consecutive halves of positive FUA flows

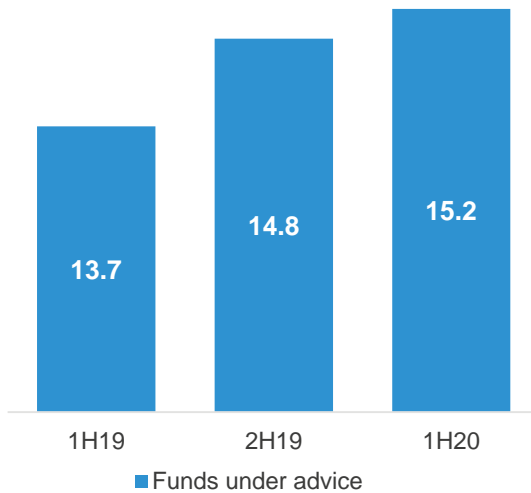


Continued growth in Select & implemented funds

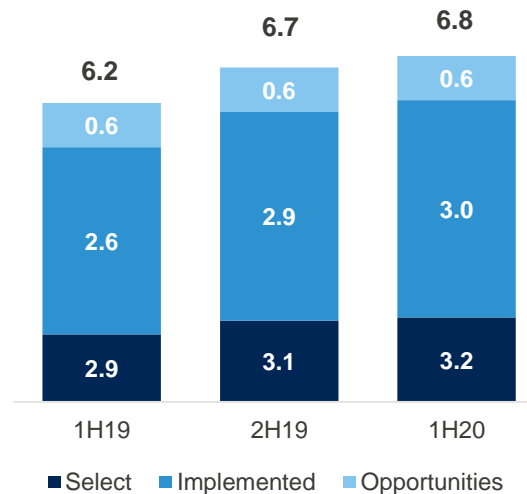


Steady market related margins

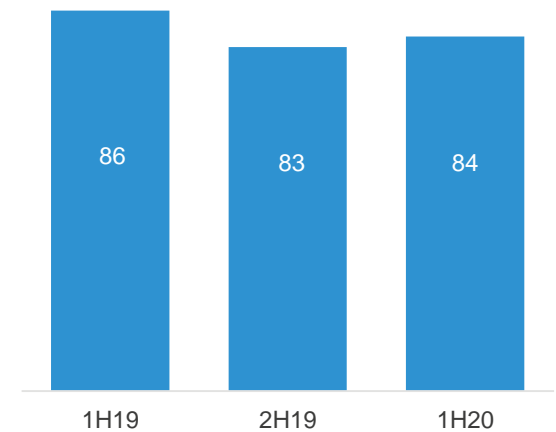
Funds under advice \$b



Funds under management \$b



Market related revenue margin bps



PERPETUAL PRIVATE REFERRAL CHANNELS CONTINUE TO DELIVER NEW CLIENTS



New client growth across HNW and medical continues

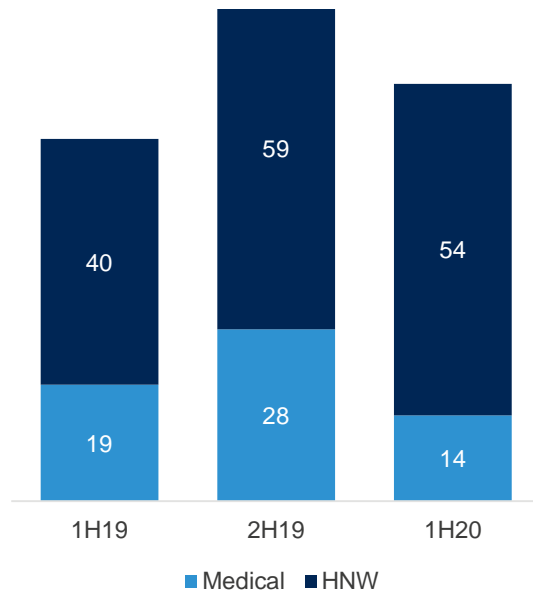


Continued growth in Fordham

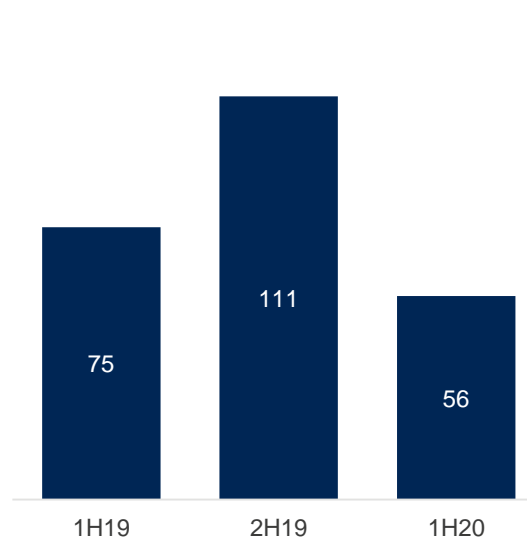


Client segmentation strategy proven by high client balances

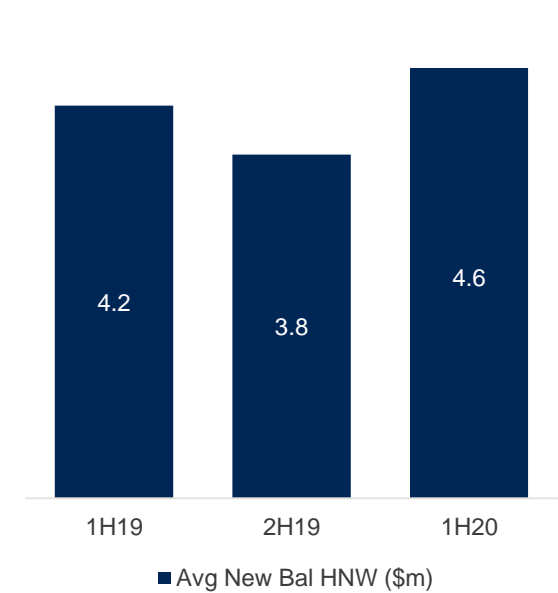
Net new clients – HNW ex Fordham¹



New clients – Fordham



Average FUA per new HNW client \$m



1. Net new clients excludes clients acquired as part of Priority Life, which represent a new referral channel for Perpetual Private's service offering

PERPETUAL PRIVATE CAPITALISING ON INDUSTRY DISLOCATION BY ATTRACTING CULTURALLY ALIGNED HIGH QUALITY TALENT



Industry context

30% of the advice industry either switched licensees or left entirely during 2019¹

Lowest number of advisers since December 2015

Largest decline seen in the **institutionally owned segment**, with **9.4%¹** decrease in the number of advisers servicing this segment

16 new advisers joining Perpetual³

Pipeline of **additional advisers** continues to grow

Servicing true HNW segment average FUA per client of **\$2m+** and managing average client books of **\$80 million**

Growth in FUA and market revenue expected to **accelerate from FY21**

Continued growth in adviser numbers despite industry contraction

1. Advisor Musical Chairs Report for Q4 2019
2. As reported on the Australian Securities and Investment Commissions AFSL register for the quarter ended 30 September 2019. Institutionally owned segment and aligned licensees (Major banks, AMP, IOOF)
3. Eight of the 16 advisers have joined since 1H19, with the remaining eight to commence in 2H20



Business overview

Priority Life is one of Australia's leading risk advisory firms, with a particular strength in servicing medical professionals Australia-wide since 1992



Provides expert advice on Life and Disability insurance

Services over 2,500 clients including 700 high net worth, and 60% in the medical segment



Consideration paid via cash and share issuance with deferred earn-out over 5 years



Accelerate growth through referrals

Cross referrals have commenced:

- Wealth advisory into Priority Life clients; and
- Risk services to existing Perpetual Private clients

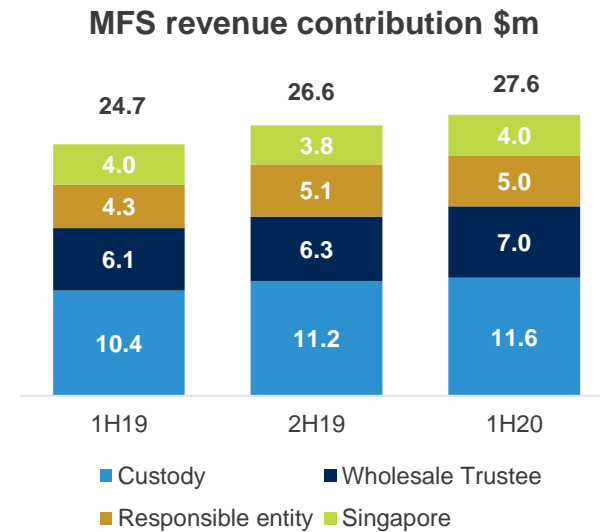
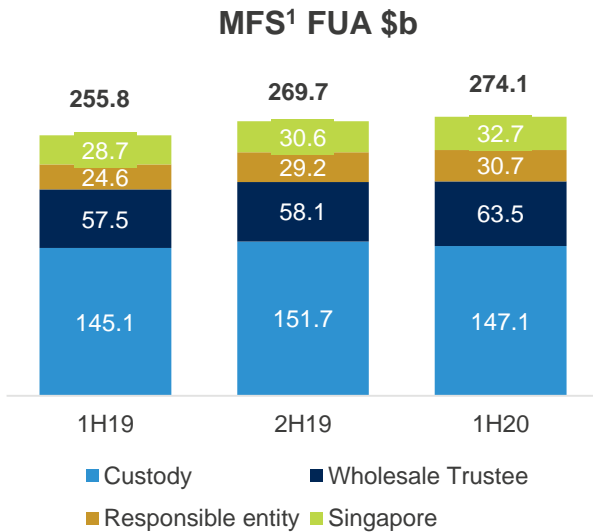


Expected to be EPS accretive in FY21

Acquisition aligned to strategy to build capability and referral channels for targeted segments

PCT – MANAGED FUND SERVICES

DEMAND FROM DOMESTIC & GLOBAL INVESTORS SUPPORTING GROWTH



SIGNIFICANT TRANSACTIONS 1H20



Responsible Entity Services
Australian Equities Strategy



\$2.72b FUM

Wholesale Trustee Custodian
Purpose built student accommodation



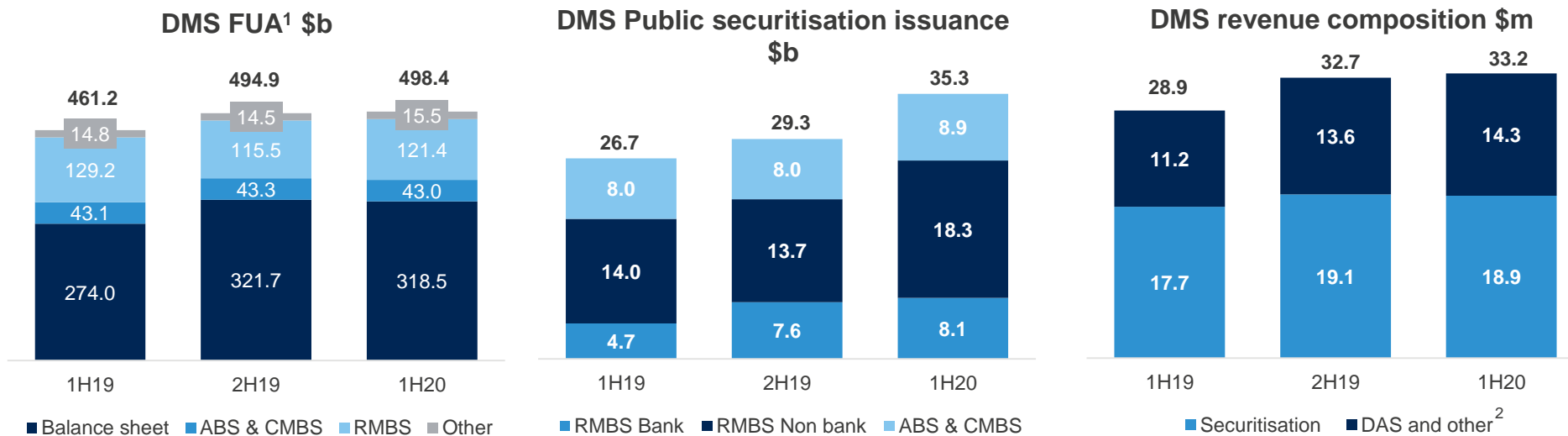
\$925m FUM

Responsible Entity Services
Listed Global Credit Strategy

1. Managed Fund Services (MFS)

PCT – DEBT MARKET SERVICES

GROWTH IN NON BANK LENDING AND DATA & ANALYTICS SOLUTIONS



SIGNIFICANT TRANSACTIONS 1H20



\$1.25b

Residential Mortgages

DMS - Trustee, Security Trustee, Custodian
 DAS - Investor Reporting
 MFS - Custody



Digital Consumer Neo Bank

New Mandate



CommonwealthBank
 Medallion Trust Series 2019-1
 \$1.5b

Residential Mortgages

DMS - Trustee, Security Trustee
 DAS - Regulator and Investor Reporting

1. Debt Market Services (DMS)

2. Data & Analytics Solutions (DAS) and other services includes RBA, Investor and Intermediary reporting, Document Custody, Standby Servicing, Trust Management, Accounting and Agency

PCT – DATA AND ANALYTICS SOLUTIONS

BUILDING MOMENTUM WITH NEW CLIENTS AND PRODUCT EXPANSION

DATA AND ANALYTICS SOLUTIONS (DAS)



Australian (Securitisation) Data Warehouse



Perpetual Roundtables



Perpetual Business Intelligence

Regulatory and investor reporting

- \$330bn of loan level mortgage data collected over 20 years
- Facilitating investor reporting, intermediary reporting and global regulatory reporting for domestic and global banking and financial services institutions

Benchmarking and insights

- Delivering benchmarking and insights to Roundtables participants on over \$2.4 trillion of balance sheet data
- Extending our client reach with attendees representing all major banks and non-bank financial institutions in Australia and New Zealand

Data analytics digital platform

- Extending the plug-and-play data management and advanced analytics platform with the launch of the Securitisation and Treasury modules
- Developed to support clients' digital transformation strategies to automate and digitise legacy technology systems and processes

SIGNIFICANT TRANSACTIONS 1H20



RBA Regulatory and Investor Reporting
+
Perpetual Roundtables

ADW - Global investor reporting and supporting regulatory reporting data standards



European regulatory reporting and Investor Reporting
+
Perpetual Roundtables

ADW - European investor reporting and supporting regulatory reporting for credit cards to support ESMA¹ data standards



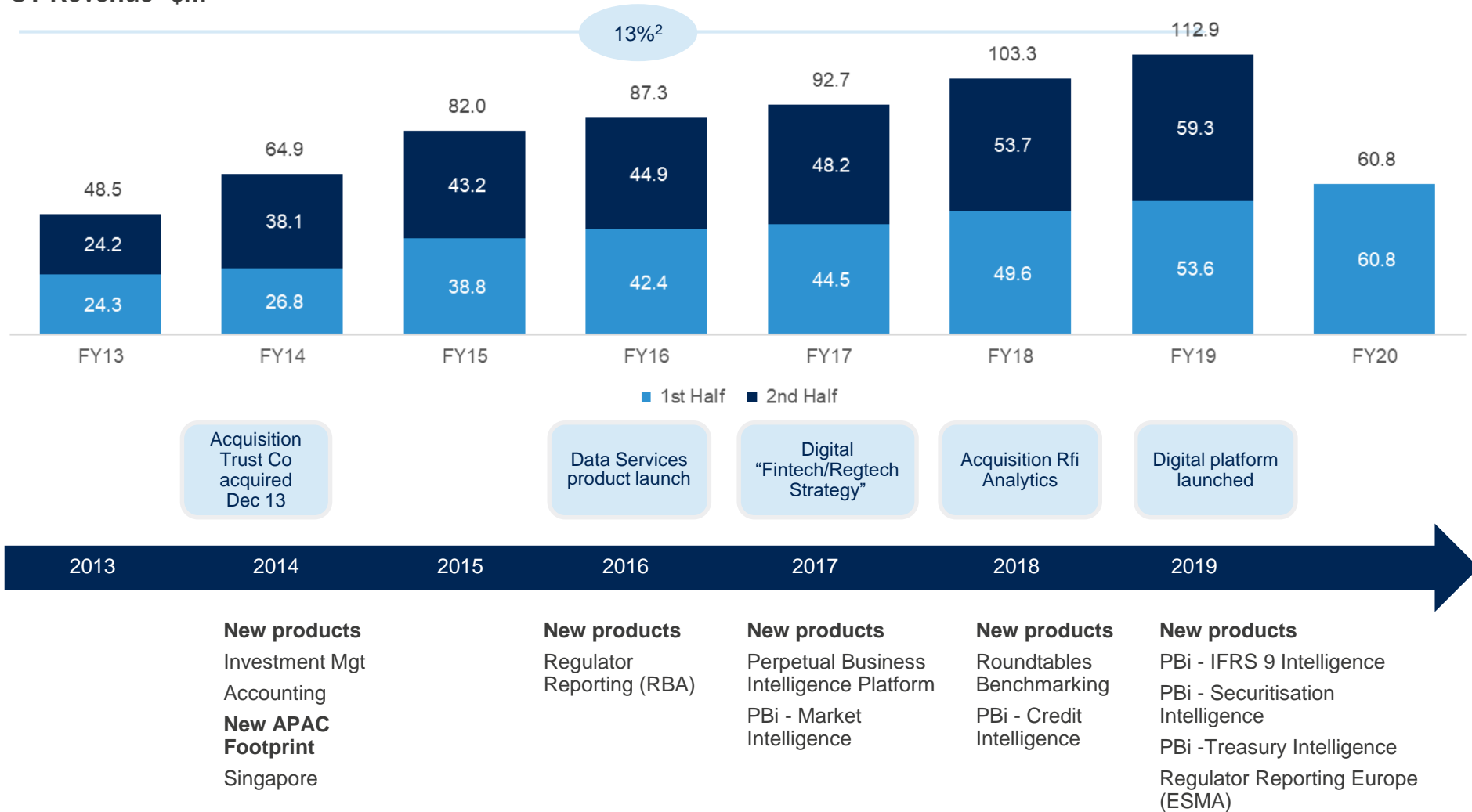
Perpetual Business Intelligence "PBI" digital platform

PBi - Portfolio Intelligence supporting in-depth customer due diligence & market intelligence

1. ESMA - European Securities and Markets Authority

PERPETUAL CORPORATE TRUST PRODUCT INNOVATION AND M&A DRIVING GROWTH

PCT Revenue¹ \$m



1. Revenue excludes discontinued operations. The Business sold the Loan Servicing Business in 2013, and RSE (formerly part of The Trust Company (Superannuation) Limited) in 2014
 2. Compound annual growth rate from FY13 – FY19

FINANCIALS

CHRIS GREEN
CHIEF FINANCIAL OFFICER

FINANCIAL PERFORMANCE GROUP

For the period	1H20 \$m	2H19 \$m	1H19 \$m	1H20 v 2H19	1H20 v 1H19
Operating revenue ¹	253.5	261.8	252.3	(3%)	-
Total expenses ¹	(173.8)	(184.9)	(167.0)	6%	(4%)
Underlying profit after tax (UPAT)	56.2	55.7	60.2	1%	(7%)
Significant items ²	(4.6)	-	-	NM	NM
Net profit after tax (NPAT)³	51.6	55.7	60.2	(7%)	(14%)
Diluted EPS on UPAT (cps)	119.0	118.1	128.2	1%	(7%)
Diluted EPS on NPAT (cps)	109.2	118.1	128.2	(8%)	(15%)
Dividends (cps)	105	125	125	(16%)	(16%)
Return on equity on NPAT (%)	15.6%	16.8%	18.2%	(120bps)	(260bps)

Key themes

- Revenue impacted by PI net outflows and lower performance fees; partially offset by double digit growth in PCT
- Expense growth within guidance, inclusive of investments in inorganic and organic initiatives
- Operating Model implementation costs reported as a significant item
- Effective tax rate of 29.4% consistent with 1H19

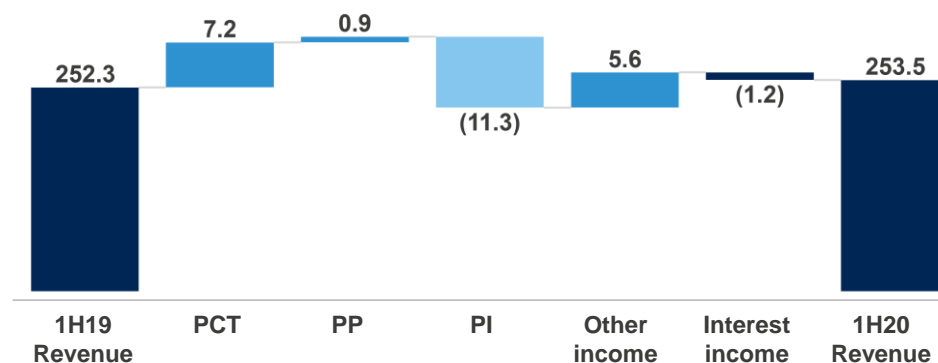
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2. Significant items includes the operating model implementation costs and are shown net of tax

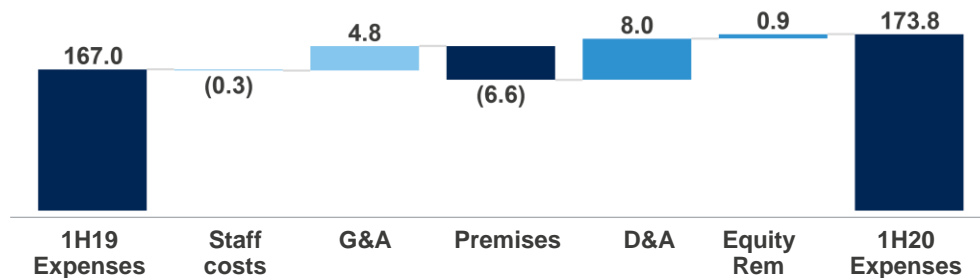
3. Attributable to equity holders of Perpetual Limited

REVENUE AND EXPENSE ANALYSIS

Movement in Revenue¹ (\$m)



Movement in Expenses (\$m)



1. Revenue includes net income from structured products
2. The movement in G&A expenses includes financing costs

Key revenue movements

- Higher PCT revenue reflecting growth in both MFS and DMS, as well as growth in data services revenue and full year Roundtables revenue
- Higher PP revenues due to higher market related revenue partially offset by lower non-market revenues
- Lower PI revenue impacted by PI net flows and lower performance fees
- Higher other income due to lower unrealised loss on assets at FVTPL compared to 1H19, partially offset by lower distributions this half
- Lower interest income received from unit trust investments and bank deposits

Key expense movements

- Lower staff costs due to lower FTE and lower variable remuneration across the group
- G&A includes inorganic and organic cost growth initiatives, as well as adviser growth strategy, higher interest, partially offset by lower listed strategy costs this half
- Lower occupancy costs offset by depreciation and amortisation (D&A) uplift due to new leasing standard and full year of Roundtables acquisition late in 1H19
- Equity remuneration higher in 1H20 due to reversals from forfeited options reported in 1H19

OPERATING MODEL REVIEW UPDATE

REPOSITIONING THE BUSINESS AND INVESTING IN GROWTH



- Expected to deliver \$18-\$23m in annualised pre-tax cost savings from FY21¹
- \$4.6m² reported as significant item (post-tax)
- Phase 1 of operating model review and reshaping the workforce design largely completed
- Adviser growth strategy and Priority Life acquisition costs included with 4% cost growth this half

- Phase 2 of the operating model review underway looking at process automation across Perpetual Client Solutions (PCS) and the business
- 2H20 implementation spend expected between \$5m-\$8m (post-tax)
- Savings generated to be reinvested in new roles to support growth initiatives
- Full benefits expected to be realised from FY21

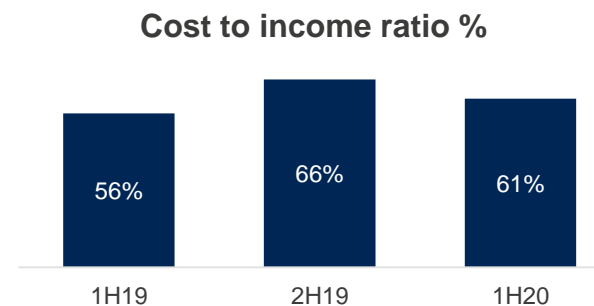
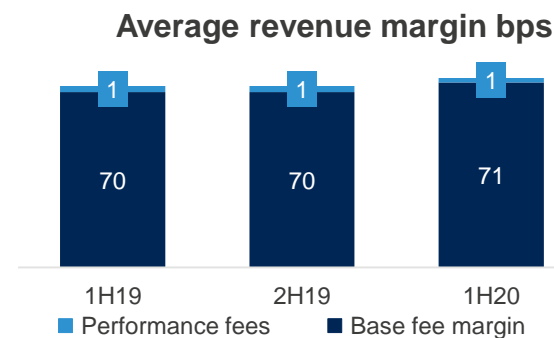
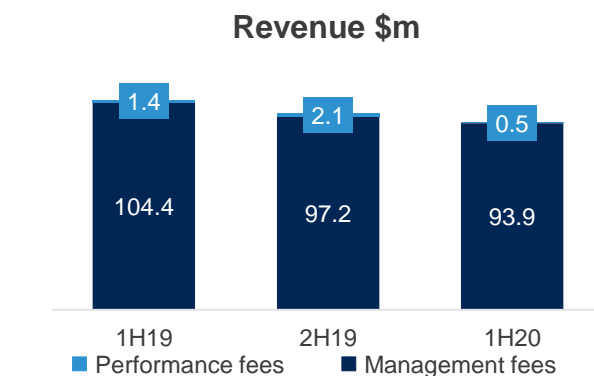
1. Excludes implementation spend and investment in strategic initiatives on a pre-tax basis, which equates to \$13-\$16m in annualised costs savings on a post-tax basis.

2. Significant items includes the operating model implementation costs and are shown net of tax

PERPETUAL INVESTMENTS

LOWER REVENUE DUE TO NET OUTFLOWS AND PERFORMANCE FEES

For the period	1H20 \$m	2H19 \$m	1H19 \$m	1H20 v 2H19	1H20 v 1H19
Revenue	94.5	99.2	105.8	(5%)	(11%)
Operating expenses ¹	(52.2)	(60.8)	(54.3)	14%	4%
EBITDA ²	42.3	38.4	51.5	10%	(18%)
Depreciation & amortisation ¹	(1.4)	(1.2)	(1.4)	(12%)	-
Equity remuneration	(3.6)	(3.7)	(3.6)	3%	-
Interest expense ¹	(0.1)	-	-	NM	NM
Profit before tax	37.2	33.5	46.5	11%	(20%)
PBT Margin on revenue (%)	39	34	44	5 pts	(5 pts)
Closing FUM (\$b)	26.3	27.2	27.7	(3%)	(5%)
Average FUM (\$b)	26.3	27.9	29.7	(5%)	(11%)
Net flows (\$b)	(1.5)	(3.0)	(1.3)	50%	(15%)
Average FUM revenue margin (bps)	72	71	71	1bp	1bp



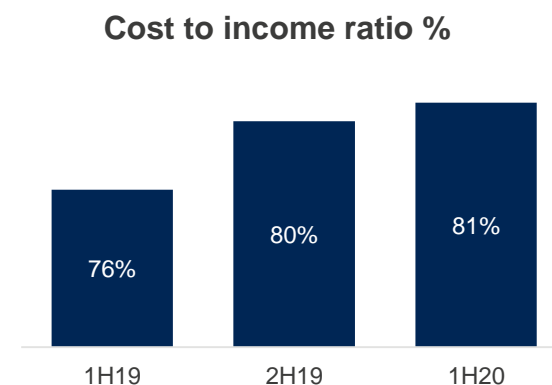
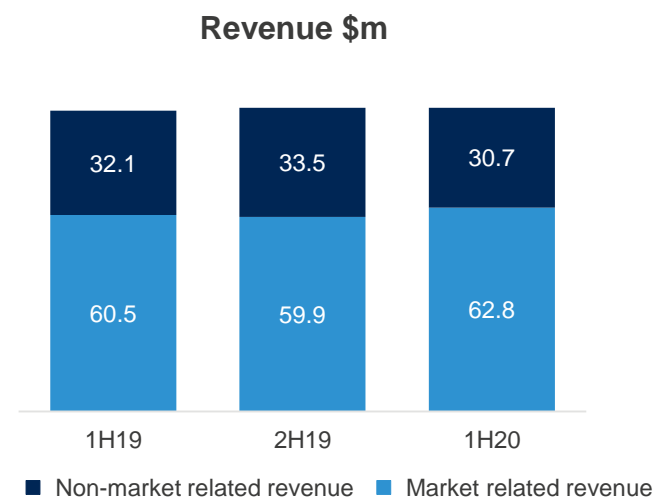
1. Effective 1 July 2019, the Group adopted AASB 16, *Leases*. On adoption, the Group elected the modified retrospective approach, with the effect of the initial application recognised in retained earnings at 1 July 2019. Comparatives have not been restated

2. EBITDA represents earnings before interest, taxation, depreciation, amortisation of intangible assets, equity remuneration expense, and significant items

PERPETUAL PRIVATE

INVESTING IN FUTURE GROWTH

For the period	1H20 \$m	2H19 \$m	1H19 \$m	1H20 v 2H19	1H20 v 1H19
Market related revenue	62.8	59.9	60.5	5%	4%
Non-market related revenue	30.7	33.5	32.1	(8%)	(4%)
Total revenues	93.5	93.4	92.6	-	1%
Operating expenses ¹	(67.1)	(68.3)	(63.6)	2%	(5%)
EBITDA ²	26.4	25.1	29.0	5%	(9%)
Depreciation & amortisation ¹	(7.1)	(4.9)	(4.8)	(45%)	(48%)
Equity remuneration	(1.4)	(1.7)	(1.5)	15%	7%
Interest expense ¹	(0.5)	-	-	NM	NM
Profit before tax	17.4	18.5	22.6	(6%)	(23%)
PBT Margin on revenue (%)	20%	20%	24%	-	(4 pts)
Closing FUA (\$b)	15.2	14.8	13.7	3%	11%
Average FUA (\$b)	14.9	14.4	14.1	4%	6%
Net flows (\$b)	0.1	0.1	0.1	-	-
Market related revenue margin (bps)	84	83	86	1bp	(2 bps)



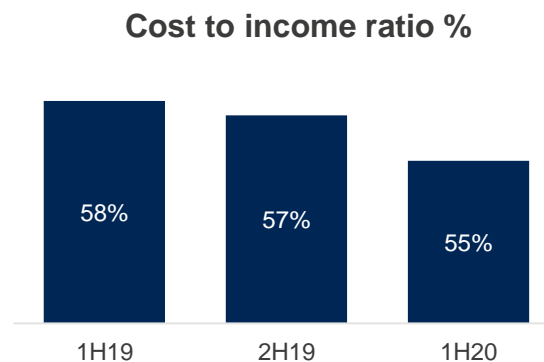
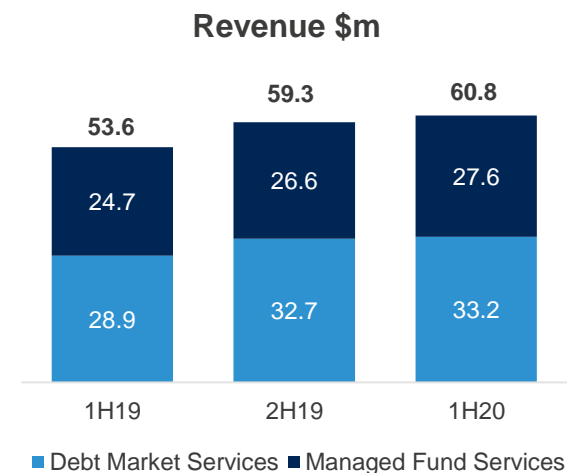
1. Effective 1 July 2019, the Group adopted AASB 16, *Leases*. On adoption, the Group elected the modified retrospective approach, with the effect of the initial application recognised in retained earnings at 1 July 2019. Comparatives have not been restated

2. EBITDA represents earnings before interest, taxation, depreciation, amortisation of intangible assets, equity remuneration expense, and significant items

PERPETUAL CORPORATE TRUST

DELIVERED 23% RECORD GROWTH IN PROFIT BEFORE TAX

For the period	1H20 \$m	2H19 \$m	1H19 \$m	1H20 v 2H19	1H20 v 1H19
Debt Market Services revenue	33.2	32.7	28.9	2%	15%
Managed Fund Services revenue	27.6	26.6	24.7	4%	12%
Total revenues	60.8	59.3	53.6	3%	13%
Operating expenses ¹	(27.1)	(29.6)	(27.0)	8%	-
EBITDA ²	33.7	29.7	26.6	14%	27%
Depreciation & amortisation ¹	(5.5)	(3.9)	(3.6)	(42%)	(55%)
Equity remuneration	(0.4)	(0.5)	(0.6)	8%	23%
Interest expense ¹	(0.3)	(0.1)	(0.1)	NM	NM
Profit before tax	27.5	25.2	22.4	9%	23%
PBT Margin on revenue (%)	45	43	42	2pts	3pts
Closing FUA (\$b) – Debt Market Services	498.4	494.9	461.2	1%	8%
Closing FUA (\$b) – Managed Funds Services	274.1	269.7	255.8	2%	7%



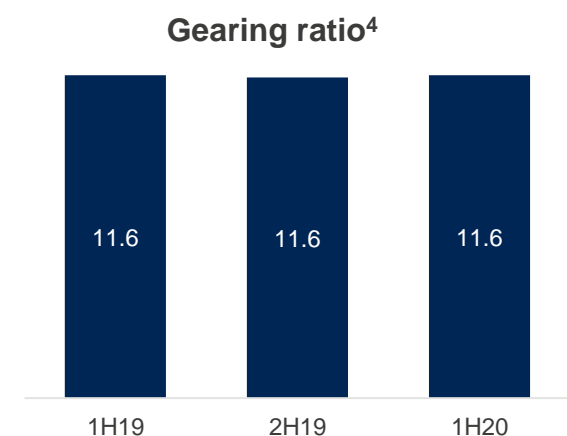
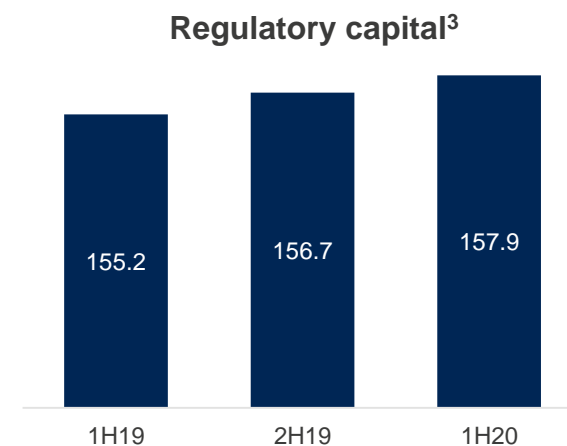
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2. EBITDA represents earnings before interest, taxation, depreciation, amortisation of intangible assets, equity remuneration expense, and significant items

BALANCE SHEET

STRONG FOUNDATIONS FOR FUTURE GROWTH

For the period ended	1H20 \$m	2H19 \$m	1H19 \$m	1H20 v 2H19	1H20 v 1H19
Cash	261.7	299.6	279.8	(13%)	(6%)
Liquid investments (FVTPL)	79.1	69.7	63.4	6%	16%
Goodwill & other intangibles	373.4	345.8	346.9	8%	8%
Other ¹	251.4	185.1	237.7	36%	6%
Total assets²	965.6	900.1	927.8	7%	4%
Corporate debt	87.0	87.0	87.0	-	-
Other liabilities	214.7	150.9	180.1	42%	19%
Total liabilities²	301.7	237.9	267.1	27%	13%
Net assets	663.9	662.2	660.7	-	-
Net Tangible Assets (NTA) per share ¹	\$5.97	\$6.47	\$6.43	(16%)	(18%)

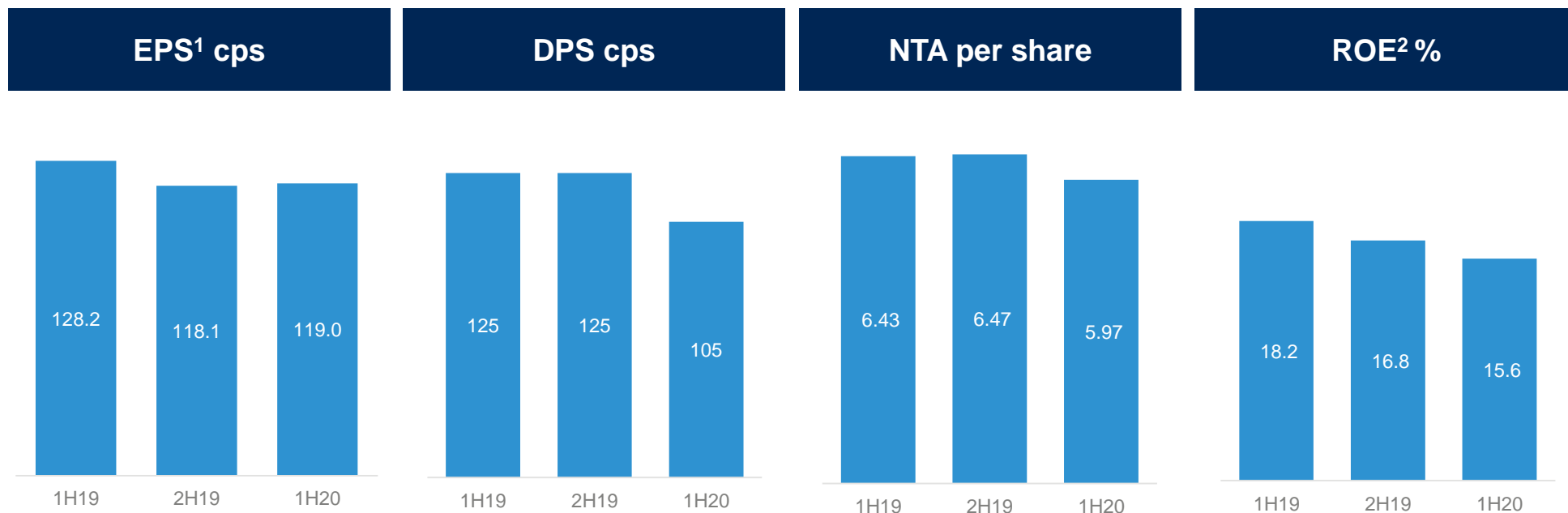


1. Effective 1 July 2019, the Group adopted AASB 16, Leases. As a result, the Group as a lessee, has recognised a right of use assets representing its right to use the underlying assets and lease liabilities representing its obligations to make lease payments. On adoption, the Group elected the modified retrospective approach, with the effect of the initial application recognised in retained earnings at 1 July 2019. Comparatives have not been restated

2. Excludes the assets and liabilities for the Perpetual Exact Market Cash Fund (EMCF) structured products

3. Operational risk including regulatory capital requirements. 4. Corporate debt / (Corporate debt + Equity)

FINANCIAL INDICATORS



\$1.05

FULLY FRANKED INTERIM DIVIDEND

95%

PAYOUT RATIO³

27 March 2020

DIVIDEND PAYABLE

1. Fully diluted on an underlying basis.

2. ROE is calculated using NPAT attributable to equity holders of Perpetual Limited for the period divided by average equity attributable to equity holders of Perpetual Limited

3. Dividends paid/payable as a proportion of annual NPAT on ordinary fully paid shares at the end of the reporting period

Clients first

Exceptional products. Outstanding service

Future fit

Empowering our people to deliver high performance

New horizons

New capabilities. Global footprint

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About Perpetual

Perpetual is an ASX-listed, diversified financial services company which has been serving Australians since 1886. Across our three businesses: Perpetual Investments, Perpetual Private and Perpetual Corporate Trust, we protect and grow our clients' wealth, knowing that by doing so we can make a difference in their lives.

We have been earning the trust of our clients for more than 130 years and pride ourselves on our long-standing client relationships – **Trust is earned, every day.** For further information, go to www.perpetual.com.au

Perpetual 

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Underlying profit after tax (UPAT) attributable to equity holders of Perpetual Limited reflects an assessment of the result for the ongoing business of the Group as determined by the Board and management. UPAT has been calculated with regard to ASIC's Regulatory Guide 230 - Disclosing non-IFRS financial information. UPAT attributable to equity holders of Perpetual Limited has not been reviewed or audited by the Group's external auditors, however the adjustments to NPAT attributable to equity holders of Perpetual Limited have been extracted from the books and records that have been audited.

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All references to dollars, cents or \$ in this presentation are to Australian currency, unless otherwise stated. All references to NPAT, UPAT etc. are in relation to Perpetual Limited ordinary shareholders. Certain figures may be subject to rounding differences. 1H20 refers to the financial reporting period for the six months ended 31 December 2019. 2H19 refers to the financial reporting period for the six months ended 30 June 2019 with similar abbreviations for previous and subsequent periods. 1H19 refers to the financial reporting period for the six months ended 31 December 2018 with similar abbreviations for previous and subsequent periods.

The Zenith Fund Awards were issued 11 October 2019 by Zenith Investment Partners (ABN 27 130 132 672, AFSL 226872) and are determined using proprietary methodologies. The Fund Awards are solely statements of opinion and do not represent recommendations to purchase, hold or sell any securities or make any other investment decisions. To the extent that the Fund Awards constitutes advice, it is General Advice for Wholesale clients only without taking into consideration the objectives, financial situation or needs of any specific person. Investors should seek their own independent financial advice before making any investment decision and should consider the appropriateness of any advice. Investors should obtain a copy of and consider any relevant PDS or offer document before making any investment decisions. Past performance is not an indication of future performance. Fund Awards are current for 12 months from the date awarded and are subject to change at any time. Fund Awards for previous years are referenced for historical purposes only.