

Perpetual Wholesale Monthly Income Fund

December 2011

Fund facts

Investment objective: To provide investors with a secure investment and monthly income by investing in quality first registered mortgages and deposits, money market and fixed income securities.

Benchmark: UBS Bank Bill Index

Inception date: July 2000

Size of fund: \$544.3 million as at 30 September 2011

APIR: PER0106AU

Mgmt cost: 0.785% pa

Suggested minimum investment period: One year or longer

Fund benefits

Provides investors with regular monthly income and capital stability through investments in high quality commercial mortgages with conservative loan-to-value ratios (LVR) secured by income producing properties.

Total returns % (after fees) as at 31 December 2011

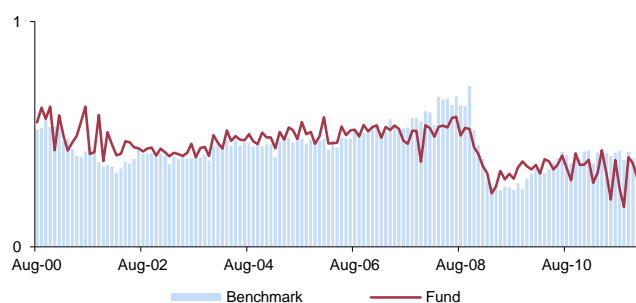
	1 mth	3 mths	6 mths	1 yr	2 yrs pa	3 yrs pa	5 yrs pa	7 yrs pa	Incept pa
Perpetual Wholesale Monthly Income Fund	0.30	1.08	1.92	3.94	4.20	4.12	4.97	5.32	5.50
UBS Bank Bill Index	0.40	1.22	2.47	5.00	4.83	4.38	5.48	5.60	5.47

Please note: Performance for Perpetual's complete list of investment funds is available on www.perpetual.com.au. Past performance is not indicative of future performance.

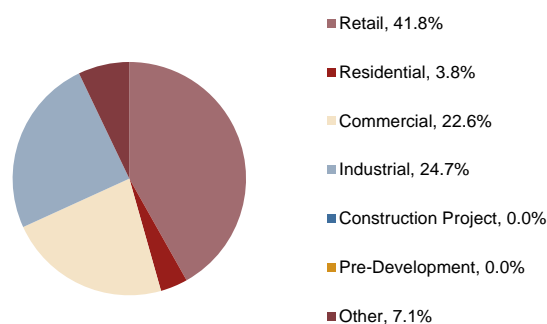
Points of interest

- The RBA cut interest rates by 25 basis points to 4.25%.
- The Fund underperformed its benchmark by 10 bps for the month and has underperformed its benchmark by 106 bps for the year.

Monthly performance since inception



Portfolio sectors



Geographical breakdown

NSW	40.3%
QLD	30.2%
WA	12.8%
VIC	13.5%
SA	1.3%
TAS	1.9%
ACT	0.1%

Maturity breakdown

< 1 year	73.4%
1-2 years	23.0%
2+ years	3.6%

Loans breakdown

	Fixed Rate	Variable Rate
Number of loans	53	119
% to Mortgages Value	24.2%	75.8%
Loans number / Total	30.8%	69.2%

Liquidity breakdown

	Mortgages	Liquidity
WS Monthly Income Fund	53.1%	46.9%

Market commentary

The Reserve Bank of Australia (RBA) lowered the official cash rate by 25 basis points (bps) to 4.5% at its November board meeting. The outcome was expected by 16 of the 26 local economists surveyed, while interbank futures had been assigning an 85% probability of a cut leading up to the decision. The largely anticipated move followed benign underlying inflation figures and continued uncertainty in Europe.

Whilst it is considered that the commercial property market has reached the bottom of the cycle, continuing global economic uncertainty contributed to a degree of caution in the market across the various property sectors.

Portfolio commentary

The Perpetual Wholesale Monthly Income Fund (the Fund) posted a return of 30 bps for the month after fees, underperforming the UBS Bank Bill Index by 10 bps.

The Fund is invested in quality mortgages with attractive loan-to-valuation ratios that are secured by income-producing properties, as well as deposits, money markets and fixed income securities.

Important Changes

We recently wrote to all investors about the important changes we are making to the Perpetual Wholesale Monthly Income Fund so that we can return capital to all investors as soon as possible. The key changes are:

- We closed the Fund on 17 October 2011 so we can commence returning capital to all investors
- We expect to make the first capital repayment in March 2012, amounting to at least 25% of capital, with further capital repayments every six months until all the Fund's mortgage loan assets and other securities mature
- Investments in the Fund or re-investment of distributions are no longer available
- We are no longer offering quarterly withdrawals from the Fund
- Investors will continue to receive monthly income payments.

Please refer to the Frequently Asked Questions on the Perpetual website for further information.

What are...?

A Loan to Value Ratio (LVR) is the percentage of the property value that Perpetual has lent to a borrower, i.e. the value of the mortgage. As at December 2011 the Monthly Income Fund had a weighted average LVR of 56.3%. This means that Perpetual has lent 56.3% of the value of properties in the mortgage pool.

Why 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. Perpetual has been managing mortgage funds since 1966.

Perpetual process

Our investment strategy is to select only high quality investments that represent good value across all asset classes. By staying true to this approach we have navigated through many market cycles. Looking back, this strategy has rewarded our investors despite turbulent market conditions.

Did you know?

Perpetual has been running a mortgage pool since 1966 in which time we have maintained a conservative approach to mortgage lending. Our exposure is to high quality mortgages which are secured against income producing property.

This publication has been prepared by Perpetual Investment Management Limited (PIML) ABN 18 000 866 535, AFSL No 234426. It is general information only and is not intended to provide you with financial advice or 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 for any loss or damage as a result of any reliance on this information. The PDS for the relevant fund, issued by PIML, should be considered before deciding whether to acquire or hold units in that fund. The PDS can be obtained by calling 1800 022 033 or visiting our website www.perpetual.com.au. No company in the Perpetual Group* guarantees the performance of any fund or the return of any investor's capital. Total return shown for the fund(s) have been calculated using exit prices after taking into account all of Perpetual's ongoing fees and assuming reinvestment of distributions. No allowance has been made for entry or exit fees or taxation (except in the case of superannuation funds). Past performance is not indicative of future performance.

* Perpetual Group means Perpetual Limited ABN 86 000 431 827 and its subsidiaries.



Further information

Adviser Services 1800 062 725

Investor Services 1800 022 033

Email investments@perpetual.com.au

www www.perpetual.com.au