Perpetual

Perpetual WealthFocus Investment Funds Investment Book

Product Disclosure Statement – Part 2
Issue number 6 dated 2 October 2009
Issued by
Perpetual Investment Management Limited
ABN 18 000 866 535
AFSL 234426

Important notes

This Product Disclosure Statement (PDS) is provided in two parts:

Part 1 – Perpetual WealthFocus Investment Funds Features Book (Features Book)

Part 2 – Perpetual WealthFocus Investment Funds Investment Book (Investment Book).

You should read both Part 1 and Part 2 carefully before making a decision to invest. If you haven't received both parts, please contact us (see inside back cover for contact details).

All terms used in this Investment Book have the same meaning as in the Features Book.

The information in this PDS is of a general nature only and does not take into account any investor's particular investment objectives, financial situation or needs. Before you invest, you should read this PDS and assess whether a particular Fund is appropriate for you.

Perpetual

Contents

Asset classes available

The main asset classes in which you can invest via WealthFocus Investment Funds are summarised in the following table.

The main asset classes

Asset class	Risk/potential return[1]	Description of investment
Cash	Low	Cash investments include discount securities (eg bank bills), short-term deposits and money market funds which may invest in fixed income instruments and loans. Cash provides a relatively consistent rate of return in the form of regular interest payments, generally in line with short-term interest rates and is widely considered the lowest investment risk.
Enhanced cash	Low	Enhanced cash investments include cash investments, fixed income instruments, hybrids, loans and other income generating securities. The maturity dates of investments are typically longer than cash and they may have a lower credit rating than those in a money market fund, however, they are usually managed to short interest rate exposures.
Mortgages (including mezzanine mortgages)	Low to moderate	A mortgage investment involves lending money to a borrower to buy property. The borrower must offer adequate collateral to secure the loan. Typically, the borrower will rent out the property to receive rental income to cover the interest payments on the loan, with the interest payments representing the return on the mortgage investment. Mortgage investments can be in first-registered and second-registered (mezzanine) mortgages. Second-registered mortgages are subordinate to first-registered mortgages and have a higher loan-to-value ratio (up to 95 per cent). They're paid only after all amounts owed on a first-registered mortgage have been paid in full.
Fixed income	Low to moderate	Fixed income instruments involve investing in securities issued by an issuer for a pre-determined period. The issuers may include governments, banks, corporations and asset backed trusts. The instruments when issued usually provide a return in the form of defined periodic income payments and the return of principal at maturity. These income payments are either fixed when issued or set periodically against a benchmark.
Property	Moderate to high	A property investment involves buying shares that represent a portion of ownership in a property related company, buying units in an unlisted property trust or buying property directly. Property investments can be in a range of sectors including commercial, industrial, residential and retail. Returns are usually generated from rental income and changes in the value of the underlying properties.
Infrastructure	Moderate to high	Involves investing by purchasing equity or debt securities in large projects that provide facilities and services needed by the community (eg transport, power, roads, telecommunications or water supply), or in other capital intensive assets (eg timberland and regional infrastructure). The return on an infrastructure equity investment generally includes capital growth (or loss) and income. Alternatively, infrastructure debt securities pay regular interest similar to that of other fixed income investments.
Shares	High	Shares represent a portion of ownership in a company. Shareholders can benefit if a company passes on some of its profits to them through dividends and/or from capital growth if the share price rises.

1 For further information on the risks of investing, in particular asset risk, please refer to the Features Book.

Funds offered through WealthFocus Investment Funds

Eligibility to invest in the Funds

The following table identifies which WealthFocus Investment Funds are offered to which investors through this PDS.

Funds	Australian investors	New Zealand investors
Perpetual managed Funds	✓	✓
Externally managed Funds	✓	✗

Summary of Funds

Asset class	Fund	Page
International shares	Aberdeen Actively Hedged International Equities	17
	AXA Global Equity Value	18
	Barclays International Share	18
	BlackRock Global Small Cap	18
	BT International Share	19
	DWS Global Equity Thematic	19
	GMO Global Equity	19
	Intech International Shares Active (Unhedged)	20
	Perpetual International Share	20
	Platinum Asia	20
	Platinum International	21
	Templeton Global Equity	21
	T. Rowe Price Global Equity	21
	Vanguard® International Shares Index (Hedged)	22
Diversified – conservative	Barclays Diversified Stable	22
	Intech Conservative Growth	22
	Perpetual Conservative Growth	23
	UBS Defensive Investment	23
Diversified – balanced	Colonial First State Balanced	23
	Intech Balanced Growth	24
	Perpetual Diversified Growth	24
Diversified – growth	Barclays Diversified Growth	24
	BlackRock Balanced	25
	ING Managed Growth	25
	ING Tax Effective Income	25
	Intech Growth	26
	Perpetual Balanced Growth	26
	Perpetual Split Growth	26
	Schroder Balanced	27

Investment structure

All Funds invest in managed investment schemes (underlying fund) that in turn invest in various asset classes in accordance with the Fund's investment guidelines, except Perpetual Industrial Share Fund which makes investments directly.

Each Fund mirrors the objective and investment approach of its corresponding underlying fund, where applicable (please refer to 'Asset allocations and investment performance' on page 31 for further information).

Funds profiles

The Funds profiles on pages 5-28 provide a summary of the Funds offered within WealthFocus Investment Funds. For more details and any updated information about the Funds, visit our website or contact us.

The following information explains certain terms and concepts detailed in the Funds profiles.

Investment manager

This is the specialist investment manager(s) that manages the underlying fund's assets (see 'Investment managers' on page 29 for further information).

Management fee

The management fee represents all of the management costs (except for any abnormal operating expenses) associated with managing and administering the Fund (see 'Management costs' in the Features Book for details). Management costs may vary in the future.

Suggested length of investment

This a guide only and not a recommendation. The timeframes are provided by each of the relevant investment managers, which is why they may differ between similar Funds managed by different investment managers. You should discuss your investment in the Fund(s) with your financial adviser to ensure that it meets your needs.

Distribution frequency and dates

The distribution frequency is how often the Fund usually makes a distribution. The distribution dates are the effective dates for distributions. The actual payment of distributions occurs after the distribution date (see 'Distributions' in the Features Book for details).

Objective

The objective is a summary of what the Fund aims to achieve.

Investment approach

This is the method or principles that the investment manager uses, either directly or indirectly, to manage the Fund to meet its objectives.

Investment guidelines

This provides an indication of what the Fund will invest in directly or indirectly.

Footnotes

You should refer to page 28 for details of any footnotes.

Additional information

The following additional information, which forms part of the PDS, is available at our website (see 'Incorporation by reference' in the Features Book for details) or can be obtained free of charge by contacting us:

- the commencement date for each Fund (that is, the month and year when the Fund received its first investment)
- the buy/sell spread for each Fund (see the Features Book for further information).

Funds profiles

	CASH	FIXED INCOME	FIXED INCOME
	Perpetual Cash	**BlackRock Monthly Income**	**Credit Suisse Global Income**
Investment manager	Perpetual	BlackRock Investment Management (Australia) Limited	Credit Suisse Asset Management (Australia) Limited
Management fee (pa)	1.05%	1.65%	1.65%
Suggested length of investment	Any period	Three years or longer	Three years or longer
Distribution frequency and dates	Quarterly – 31 March, 30 June, 30 September and 31 December	Monthly – end of each calendar month	Monthly – end of each calendar month
Objective	Aims to provide capital stability and regular income by investing in deposits, money-market and fixed income securities.	Aims to generate monthly income in excess of that available from short-term money market securities and cash rates.	Aims to provide exposure to high yielding investments primarily in the fixed income and hybrid markets, to generate income with some potential for capital growth over the medium-to-long term. The fund aims to outperform its composite benchmark (50% UBSA Composite Bond Index and 50% UBSA Bank Bill Index) over the suggested investment time frame.
Investment approach	Investments are made in deposits, money market and fixed income securities that Perpetual considers to have a low risk of capital loss.	BlackRock aims to achieve its objective primarily through the management of credit exposure using research-based knowledge and fundamental credit analysis to identify securities with superior risk-adjusted return characteristics in both the domestic and international debt markets.	The fund will obtain exposure to both domestic and international hybrid securities, corporate and bank debt and floating rate notes. The portfolio will diversify risk, avoiding company and industry concentration.
Investment guidelines	Cash 100%	Australian and international fixed interest 0-100% Cash 0-100%	Domestic hybrid securities 0-50% Global hybrids (global/ euro convertible bonds) 0-40% Global loans 0-50% Global high yield bonds 0-30% Investment grade credit (includes global corporates) 0-75% Cash[1] 0-30%

You should refer to page 28 for details of footnotes.

Funds profiles

	FIXED INCOME	FIXED INCOME	FIXED INCOME
	ING Diversified Fixed Interest	**Macquarie Income Opportunities**	**Perpetual Diversified Income**
Investment manager	ING Investment Management Limited	Macquarie Investment Management Limited	Perpetual
Management fee (pa)	1.60%	1.40% (plus performance fee[2])	1.65%
Suggested length of investment	Three years or longer	One year or longer	Three years or longer
Distribution frequency and dates	Quarterly – 31 March, 30 June, 30 September and 31 December	Monthly – end of each calendar month	Quarterly – 31 March, 30 June, 30 September and 31 December
Objective	Aims to provide income and provide returns (before fees, charges and taxes) that exceed the UBS Australian Composite Bond Index (all Maturities) over periods of three years or more.	Aims to provide higher income returns than traditional cash investments and has some volatility over short time periods.	Aims to provide regular income and consistent returns above the UBS Bank Bill Index over rolling three-year periods (before fees) by investing in a diverse range of income generating assets.
Investment approach	The fund invests predominantly in a diversified mix of Australian and international defensive assets (see below). The fund is actively managed in accordance with INGIM's investment processes.	The fund invests in an income focussed portfolio, seeking to add value consistently through interest rate and economic cycles, by investing across the full spectrum of domestic and global credit investments. The fund includes a core income portfolio supplemented by opportunistic allocations to high quality international fixed income securities (above a minimum credit rating by a recognised ratings agency), high yield and emerging market debt.	The fund's approach to delivering returns and managing risk is through an active and risk aware investment process which invests in a diversified core portfolio of liquid investment grade credit securities. Perpetual believes these assets provide investors with protection in times of market stress. When the environment is supportive Perpetual seeks to enhance returns by taking more risk whether that be in maturity, credit rating, subordination or gearing. The fund can also invest in alternative income generating securities such as mortgages, infrastructure debt and private debt. This approach to portfolio construction is Perpetual's preferred method to deliver investors the highest possible risk adjusted returns. Derivatives may be used in managing each asset class.[3]
Investment guidelines	Cash and Australian fixed interest 0-90% International fixed interest 0-90% Australian and international high yield debt 0-20%	Residential and commercial mortgage-backed securities, floating rate notes, asset-backed and fixed-rate corporate debt securities 20-100% Hybrid securities 0-50% Global investment-grade debt securities 0-40% Global high-yield securities 0-15% Emerging market debt securities 0-10%	Investment grade securities 0-100% Sub-investment grade and non-rated securities 0-50% – Sub-investment grade rated securities 0-25% – Hybrid securities 0-50% – Mortgages[4] 0-40% – Private debt 0-25%* – Other income generating securities 0-25% *Maximum limit is 50% when the net asset value of the fund is less than $100 million.

You should refer to page 28 for details of footnotes.

Funds profiles

	FIXED INCOME	FIXED INCOME	PROPERTY
	Schroder Fixed Income	**Vanguard® Australian Fixed Interest Index**	**Barclays Property Securities Index**
Investment manager	Schroder Investment Management Australia Limited	Vanguard Investments Australia Ltd	Barclays Global Investors Australia Limited
Management fee (pa)	1.40%	1.30%	1.50%
Suggested length of investment	Three years or longer	Three years or longer	Three to five years or longer
Distribution frequency and dates	Quarterly – 31 March, 30 June, 30 September and 31 December	Quarterly – 31 March, 30 June, 30 September and 31 December	Quarterly – 31 March, 30 June, 30 September and 31 December
Objective	Aims to obtain exposure to a diversified range of domestic and international fixed income securities with the principal aim of outperforming the UBS Composite Bond Index over the medium term.	Seeks to match the return (income and capital appreciation) of the UBS Australian Composite Bond Index before taking into account fund fees and expenses.	Aims to provide investors with the performance of the market, before fees, as measured by the S&P/ASX 300 Property Accumulation Index.
Investment approach	Schroder focuses on the following four key drivers of risk and return to deliver unique investment solutions that will achieve higher absolute returns at lower risk than traditional benchmark indices: – market return – active return (relative to the market) – active return (security selection) – portfolio management/ implementation.	Vanguard employs 'optimisation techniques' to select a representative sample of bonds from the UBS Australian Composite Bond Index with the objective of matching the risk and return characteristics of this Index.	The fund employs a full replication strategy as well as low-risk enhancement techniques in order to replicate more closely the return of the Index.
Investment guidelines	Australian bonds 20-100% Australian hybrids 0-20% International bonds 0-50% Asian bonds (ex Japan) 0-15% Emerging market debt 0-15% Absolute return strategies 0-30% Cash 0-50%	Australian fixed interest 100%	Property securities 0-100% Cash 0-5%

You should refer to page 28 for details of footnotes.

Funds profiles

	PROPERTY	PROPERTY	PROPERTY
	BT Property Securities	**Perpetual Property Income**	**Perpetual Property Securities**
Investment manager	BT Investment Management Limited	Perpetual	Perpetual
Management fee (pa)	1.85%	1.95%[5]	1.80%
Suggested length of investment	Five years or longer	Five years or longer	Five years or longer
Distribution frequency and dates	Quarterly – 31 March, 30 June, 30 September and 31 December	Quarterly – 31 March, 30 June, 30 September and 31 December	Quarterly – 31 March, 30 June, 30 September and 31 December
Objective	Aims to provide a return (before fees, costs and taxes) that exceeds the S&P/ASX 300 Property Accumulation Index over the medium-to-long term.	Aims to provide stable income and long-term capital growth by investing in both listed property related securities and unlisted property funds.	Aims to provide long-term capital growth and income by investing in listed property related securities.
Investment approach	The fund is actively managed and primarily invests in listed property-related investments including listed property trusts, developers and infrastructure investments, both directly and indirectly. The fund invests primarily in Australia but at times it may have some overseas exposure. Up to 15% of the fund can be invested in international listed property-related investments. Up to 5% of the fund will generally also be invested in unlisted property investments.	Perpetual focuses on selecting property investments that represent the best quality and value relative to other property investments in the market. Perpetual will seek to identify investments that demonstrate: – sound management – recurring earnings and distribution growth – quality portfolios – sound capital management. The fund may invest in listed property trusts, listed real estate management and development companies, unlisted direct property funds or other property related vehicles. The fund invests primarily in Australia but may have up to 20% exposure to Asian listed property related investments. Derivatives may be used in managing the fund.[6]	Perpetual focuses on selecting listed property related securities that represent the best investment quality and value relative to other property securities in the market. Perpetual will seek to identify property securities that demonstrate: – sound management – recurring earnings and distribution growth – quality portfolios – sound capital management. The fund may invest in listed property trusts and listed real estate management and development companies. The fund invests primarily in Australia but may have up to 20% exposure to Asian listed property related investments. Derivatives may be used in managing the fund.[6]
Investment guidelines	Property investments 80-100% Cash 0-20%	Unlisted property 20-80% Listed property 20-80% Other property 0-5% Cash 0-20% The fund's asset profile may vary outside the above ranges if the fund size is $50 million or less.	Listed property 90-100% Cash 0-10%

You should refer to page 28 for details of footnotes.

Funds profiles

	PROPERTY	PROPERTY	INFRASTRUCTURE
	RREEF Global Property Securities	**Vanguard® Australian Property Securities Index**	**Goldman Sachs JBWere Australian Infrastructure**
Investment manager	Deutsche Asset Management (Australia) Limited	Vanguard Investments Australia Ltd	Goldman Sachs JBWere Managed Funds Limited
Management fee (pa)	2.10%	1.50%	2.05%
Suggested length of investment	Five years or longer	Five years or longer	Five years or longer
Distribution frequency and dates	Quarterly – 31 March, 30 June, 30 September and 31 December	Quarterly – 31 March, 30 June, 30 September and 31 December	Half-yearly – 30 June and 31 December
Objective	Aims to outperform the benchmark, the UBS Global Real Estate Investors Index (hedged to A$), after fees, over rolling three-year periods.	Seeks to match the return (income and capital appreciation) of the S&P/ASX A-REIT Index before taking into account fund fees and expenses.	Aims to achieve a balance of income and medium-to-long term capital growth by investing primarily in Australian listed infrastructure and utilities securities.
Investment approach	The fund invests in property securities listed on recognised stock exchanges around the world (including Australia). The fund may also invest in Initial Public Offering securities, provided these securities are expected to be listed within three months.	Vanguard employs 'optimised replication techniques' to select securities. That is, holding all securities in the Index (at most times) but allowing individual security weightings to vary marginally from the index from time to time – to form the fund's portfolio.	The fund invests in infrastructure and utilities securities, the majority of which are listed on the Australian Securities Exchange. A minimum of 80% is invested in Australian listed infrastructure and utilities securities at all times with a strong focus on companies with regulated assets or long-term contracts/concessions.
Investment guidelines	Global property securities (including property trusts and property related companies) 90-100% Cash 0-10%	Australian property securities 100%	Infrastructure securities[7] 80-100% Cash 0-20%

You should refer to page 28 for details of footnotes.

Funds profiles

	AUSTRALIAN SHARES	AUSTRALIAN SHARES	AUSTRALIAN SHARES
	Advance Imputation	**AMP Capital Sustainable Share**	**Ausbil Australian Active Equity**
Investment manager	Advance Asset Management Limited	AMP Capital Investors Limited (AMP Capital)	Ausbil Dexia Limited
Management fee (pa)	1.95%	1.95%	1.95%
Suggested length of investment	Five years or longer	Five to seven years or longer	Five years or longer
Distribution frequency and dates	Quarterly – 31 March, 30 June, 30 September and 31 December	Half-yearly – 30 June and 31 December	Half-yearly – 30 June and 31 December
Objective	Aims to provide a tax-effective income stream and long-term capital growth from a wide range of shares listed, or expected to be listed, on the Australian Securities Exchange. The fund aims to provide investors with a total investment return (before fees and taxes) that outperforms the S&P/ASX 200 Accumulation Index over periods of five years or longer.	Aims to achieve a total return (capital growth and income), after costs and before tax, above the fund's performance benchmark (S&P/ASX 200 Accumulation Index) on a rolling three-year basis.	Aims to outperform the S&P/ASX 300 Accumulation Index over the medium-to-long term with moderate tax-effective income by investing in a portfolio of listed Australian equities that are generally chosen from the S&P/ASX 300 Index.
Investment approach	Individual companies are analysed (including prospective earnings, cash flow, gross dividend yield) to identify stocks that offer relatively good long-term value as measured by a number of financial indicators. Holdings may be reduced or sold once perceived to be over-valued on these criteria.	AMP Capital's Sustainable Alpha investment process is an active, bottom up approach that systematically integrates environmental, social and governance factors with financial measures to gain deeper insights into a company's growth and risk elements (see 'Environmental, social and ethical factors and labour standards – AMP Capital Sustainable Share Fund' on page 29). Derivatives may be used in the fund to reduce risk, or to gain exposure to physical investments where this is consistent with the fund's objectives.	Ausbil employs a four-stage process to provide the framework for portfolio construction consistent with its active management investment philosophy, as follows: – macro analysis – sectoral analysis – stock selection – portfolio construction.
Investment guidelines	Australian shares 85-95% Cash 5-15%	Shares listed on the Australian Securities Exchange[8] 90-100% Cash and fixed interest securities[8] 0-10%	Australian shares 90-100% Cash 0-10%

You should refer to page 28 for details of footnotes.

Funds profiles

	AUSTRALIAN SHARES	AUSTRALIAN SHARES	AUSTRALIAN SHARES
	Ausbil Australian Emerging Leaders	**Barclays Australian Share**	**BT Australian Share**
Investment manager	Ausbil Dexia Limited	Barclays Global Investors Australia Limited	BT Investment Management Limited
Management fee (pa)	2.10% (plus performance fee[9])	1.95%	1.95%
Suggested length of investment	Five years or longer	Three to five years or longer	Five years or longer
Distribution frequency and dates	Half-yearly – 30 June and 31 December	Quarterly – 31 March, 30 June, 30 September and 31 December	Quarterly – 31 March, 30 June, 30 September and 31 December
Objective	Aims to outperform the benchmark (70% S&P/ASX Mid-cap 50 Accumulation Index and 30% S&P/ASX Small Ordinaries Accumulation Index) over the medium-to-long term. The fund invests in a portfolio of listed Australian equities that are primarily chosen from the S&P/ASX 300 Index, but generally exclude securities from the S&P/ASX 50 Leaders Index. The fund invests in both small and medium sized stocks which possess potential for superior growth.	Aims to achieve a return above the S&P/ASX 300 Accumulation Index over rolling three-year periods.	Aims to provide a return (before fees, costs and taxes) that exceeds the S&P/ASX 300 Accumulation Index over the medium-to-long term.
Investment approach	Ausbil employs a four-stage process to provide the framework for portfolio construction consistent with its active management investment philosophy, as follows: – macro analysis – sectoral analysis – stock selection – portfolio construction.	Barclays applies an active Australian equity strategy that is designed to be highly diversified, providing broad exposure to the Australian share market.	The fund is actively managed and invests primarily in Australian shares that the investment manager believes are trading at a significant discount to their assessed value.
Investment guidelines	Australian small-to mid-cap company shares 90-100% Cash 0-10%	Australian shares 0-100% Cash 0-5%	Australian shares 80-100% Cash 0-20%

You should refer to page 28 for details of footnotes.

Funds profiles

	AUSTRALIAN SHARES	AUSTRALIAN SHARES	AUSTRALIAN SHARES
	Challenger Australian Share	**Fidelity Australian Equities**	**Fortis Investments Australian Equity**
Investment manager	Challenger Managed Investments Limited	FIL Limited	Fortis Investment Management Australia Limited
Management fee (pa)	1.95%	1.95%	1.95%
Suggested length of investment	Five years or longer	Five years or longer	Five years or longer
Distribution frequency and dates	Quarterly – 31 March, 30 June, 30 September and 31 December	Quarterly – 31 March, 30 June, 30 September and 31 December	Yearly – 30 June
Objective	Aims to outperform its benchmark, the S&P/ASX 300 Accumulation Index, over rolling three-year periods.	Aims to achieve returns in excess of the S&P/ASX 200 Accumulation Index over five years.	Aims to provide investors with capital growth over the medium term (five years) through investments in shares listed on the Australian Securities Exchange.
Investment approach	Challenger employs an active 'style-neutral' approach, using fundamental research to identify companies that it believes have been mispriced or overlooked by the market. As a 'style neutral' manager, Challenger invests in companies that exhibit both value and growth characteristics. This approach moderates the cyclical swings from growth and value investing and aims to outperform over the full business cycle.	The fund invests in the securities of companies listed in Australia and may also invest in companies located elsewhere that derive a significant proportion of their earnings from Australia ('Australian securities').	The Fortis Investments approach to investing is based on the understanding that long-term equity outperformance is driven by above average sustainable earnings growth. The Fortis Investments strategy revolves around identifying companies that have strong or leading positions in structurally attractive, growing industries. Once Fortis Investments has undertaken this assessment, valuations are examined to ensure that however attractive a particular investment may appear, the risk of overpaying is minimised.
Investment guidelines	Securities 80-100% Cash 0-20%	Australian securities 90-100% Cash 0-10%	Australian shares 95-100% Cash 0-5%

You should refer to page 28 for details of footnotes.

Funds profiles

	AUSTRALIAN SHARES	AUSTRALIAN SHARES	AUSTRALIAN SHARES
	Intech Australian Shares Active	**Investors Mutual Australian Share**	**Investors Mutual Future Leaders**
Investment manager	Intech Fiduciaries Limited	Investors Mutual Limited	Investors Mutual Limited
Management fee (pa)	1.95%	2.15%	2.15% (plus performance fee[11])
Suggested length of investment	Five years or longer	Five years or longer	Five years or longer
Distribution frequency and dates	Quarterly – 31 March, 30 June, 30 September and 31 December	Half-yearly – 30 June and 31 December	Half-yearly – 30 June and 31 December
Objective	Aims to out-perform relative to the benchmark, the S&P/ASX 300 Accumulation Index, over rolling five-year periods.[10]	Aims to provide capital growth and some income by investing in quality Australian industrial and resource shares identified by Investors Mutual as being undervalued.	Aims to provide capital growth and some income by investing in quality Australian small to medium sized company securities identified by the Investors Mutual process as being undervalued.
Investment approach	Intech selects specialist and complementary active managers with varying investment styles that are expected to deliver investment returns in excess of their performance benchmarks.	Investors Mutual uses an active bottom-up approach (that is, where research focuses on the returns for individual companies) to identifying and valuing quality companies.	Investors Mutual uses an active bottom-up approach (that is, where research focuses on the returns for individual companies) to identifying and valuing quality companies.
Investment guidelines	Australian shares 100%	Australian shares 90-100% Enhanced cash 0-10%	Australian mid and smaller company shares 80-100% Enhanced cash 0-20%

You should refer to page 28 for details of footnotes.

Funds profiles

	AUSTRALIAN SHARES	AUSTRALIAN SHARES	AUSTRALIAN SHARES
	Perennial Value Shares	**Perpetual Australian Share**	**Perpetual Concentrated Equity**
Investment manager	Perennial Value Management Limited	Perpetual	Perpetual
Management fee (pa)	1.95%	1.95%	1.95%
Suggested length of investment	Five years or longer	Five years or longer	Five years or longer
Distribution frequency and dates	Half-yearly – 30 June and 31 December	Half-yearly – 30 June and 31 December	Half-yearly – 30 June and 31 December
Objective	Aims to invest in a diversified portfolio of Australian shares, to provide a return (after fees) that outperforms the S&P/ASX 300 Accumulation Index, measured on a rolling three-year basis.	Aims to provide long-term capital growth and income through investment in quality industrial and resource shares and other securities.	Aims to provide long-term capital growth and income through investment in quality industrial and resource shares and other securities.
Investment approach	Perennial Value seeks to invest in companies that have sustainable operations and a share price that represents good value.	Perpetual researches companies of all sizes using consistent share selection criteria. Perpetual's priority is to select companies that represent the best investment quality and are appropriately priced. In determining investment quality, investments are carefully selected on the basis of four key investment criteria: – conservative debt levels – sound management – quality business and – in the case of industrial shares, recurring earnings. Derivatives may be used in managing the fund.[6]	Perpetual researches companies of all sizes using consistent share selection criteria. Perpetual's priority is to select companies that represent the best investment quality and are appropriately priced. In determining investment quality, investments are carefully selected on the basis of four key investment criteria: – conservative debt levels – sound management – quality business and – in the case of industrial shares, recurring earnings. The fund's investment portfolio will typically consist of between 20 and 45 stocks. Derivatives may be used in managing the fund.[6]
Investment guidelines	Australian shares 90-100% Cash 0-10%	Australian shares[12] 90-100% Cash 0-10%	Australian shares[12] 90-100% Cash 0-10%

You should refer to page 28 for details of footnotes.

Funds profiles

	AUSTRALIAN SHARES	AUSTRALIAN SHARES	AUSTRALIAN SHARES
	Perpetual Ethical SRI	**Perpetual Geared Australian**	**Perpetual Industrial Share**
Investment manager	Perpetual	Perpetual	Perpetual
Management fee (pa)	2.25%	1.95% (g) / 3.12% (n)[13]	1.95% for Class A units[15]
Suggested length of investment	Five years or longer	Seven years or longer	Five years or longer
Distribution frequency and dates	Half-yearly – 30 June and 31 December	Half-yearly – 30 June and 31 December	Quarterly – 31 March, 30 June, 30 September and 31 December
Objective	Aims to provide long-term capital growth and income through investment in quality shares and other securities of socially responsible companies.	Aims to enhance long-term capital growth through borrowing (gearing) to invest in quality industrial and resource shares and other securities.	Aims to provide long-term capital growth and income through investment in quality Australian industrial shares and other securities.
Investment approach	Perpetual researches companies of all sizes using consistent share selection criteria. Perpetual's priority is to select companies that represent the best investment quality and are appropriately priced. In determining investment quality, investments are carefully selected on the basis of four key investment criteria: – conservative debt levels – sound management – quality business and – in the case of industrial shares, recurring earnings. In addition to the above investment approach, Perpetual utilises a strategy for screening ethical and socially responsible investments (see 'Environmental, social and ethical factors and labour standards – Perpetual Ethical SRI Fund' on page 30). Derivatives may be used in managing the fund.[6]	Perpetual researches companies of all sizes using consistent share selection criteria. Perpetual's priority is to select companies that represent the best investment quality and are appropriately priced. In determining investment quality, investments are carefully selected on the basis of four key investment criteria: – conservative debt levels – sound management – quality business and – in the case of industrial shares, recurring earnings. Perpetual aims to ensure that the gearing level is maximised, subject to the cost of borrowing being adequately covered by net income. In addition, the gearing level must be kept within strict pre-determined limits. Derivatives may be used in managing the fund, including for gearing purposes.[6]	Perpetual researches companies of all sizes using consistent share selection criteria. Perpetual's priority is to select those companies that represent the best investment quality and are appropriately priced. In determining investment quality, investments are carefully selected on the basis of four key investment criteria: – conservative debt levels – sound management – quality business and – recurring earnings. Derivatives may be used in managing the fund.[6]
Investment guidelines	Australian shares[12] 90-100% Cash 0-10%	Australian shares[12] 90-100% Cash 0-10% Gearing level[14] 0-60%	Australian shares 90-100% Cash 0-10%

You should refer to page 28 for details of footnotes.

Funds profiles

	AUSTRALIAN SHARES	AUSTRALIAN SHARES	AUSTRALIAN SHARES
	Perpetual SHARE-PLUS Long-Short	**Perpetual Smaller Companies**	**Quantitative Investments Alpha Core**
Investment manager	Perpetual	Perpetual	Perpetual (Quantitative Investments)
Management fee (pa)	1.95% (plus performance fee[16])	1.95%	1.75%
Suggested length of investment	Five years or longer	Five years or longer	Five years or longer
Distribution frequency and dates	Half-yearly – 30 June and 31 December	Half-yearly – 30 June and 31 December	Half-yearly – 30 June and 31 December
Objective	Aims to provide long-term capital growth and income through investment in quality industrial and resource shares and taking short positions in selected Australian shares.	Aims to provide long-term capital growth and income through investment in quality Australian industrial and resource shares and other securities which, when first acquired, do not rank in the S&P/ASX 50 Index.	Aims to provide long-term capital growth with controlled risk through exposure to Australian industrial and resource shares.
Investment approach	Perpetual invests in a portfolio of companies using the same approach as Perpetual Australian Share Fund. In addition, Perpetual aims to take short positions in Australian shares that it believes will fall in value. The process for determining short positions involves evaluating the stocks in which Perpetual Australian Share Fund is not currently invested. Derivatives may be used in managing the fund, including to create a short position to a stock.[6]	Perpetual researches companies of all sizes using consistent share selection criteria. Perpetual's priority is to select those companies that represent the best investment quality and are appropriately priced. In determining investment quality, investments are carefully selected on the basis of four key investment criteria: – conservative debt levels – sound management – quality business and – in the case of industrial shares, recurring earnings. Derivatives may be used in managing the fund.[6]	Quantitative Investments employs a systematic and disciplined investment framework for investing in listed Australian equities. A quantitative model is utilised to identify securities that are undervalued and exhibit improving market sentiment and earnings outlook. Strict risk controls are utilised to ensure that potential returns are commensurate with the risk taken. Discipline is employed to remove the emotional aspects of investing and trading in order to deliver better risk-controlled returns. Derivatives may be used in managing the fund.[6]
Investment guidelines	Australian shares[12] 90-125% Short positions in Australian shares[17] 0-25% Australian shares (net)[18] 65-100% Cash 0-35%	Australian smaller company shares 80-100% Cash 0-20%	Australian shares 90-100% Cash 0-10%

You should refer to page 28 for details of footnotes.

Funds profiles

	AUSTRALIAN SHARES Schroder Australian Equity	AUSTRALIAN SHARES Solaris Core Australian Equity	INTERNATIONAL SHARES Aberdeen Actively Hedged International Equities
Investment manager	Schroder Investment Management Australia Limited	Solaris Investment Management Limited	Aberdeen Investment Management Australia Limited
Management fee (pa)	1.95%	1.95%	2.15%
Suggested length of investment	Three to five years or longer	Five years or longer	Five years or longer
Distribution frequency and dates	Half-yearly – 30 June and 31 December	Half-yearly – 30 June and 31 December	Yearly – 30 June
Objective	Aims to outperform the S&P/ASX 200 Accumulation Index over the medium-to-long term.	Aims to outperform the benchmark S&P/ASX200 Accumulation Index by 3.0% pa over rolling three-year periods.	Aims to provide investors with high capital growth over the medium to long term by seeking exposure to companies listed on securities exchanges around the world.
Investment approach	Schroders is an active manager of Australian equities that seeks to invest primarily in growth stocks. Schroders define growth companies as those that grow or are likely to grow shareholder value in the longer term.	The fund will hold between 40 and 70 securities with a tracking error (a measure of how a portfolio's returns deviate from the index's returns) target of 2.0-4.0% pa. The fund can invest in listed Australian securities, as well as in securities expected to be listed on an Australian exchange.	The fund invests primarily in a concentrated portfolio of global listed securities that have the potential for capital growth and increased earning potential. Currency hedging of the fund's assets may vary between 0-50%.
Investment guidelines	Australian and New Zealand equities 95-100% Cash 0-5%	Australian shares 95-100% Cash 0-5%	International shares 90-100% Cash 0-10%

You should refer to page 28 for details of footnotes.

Funds profiles

	INTERNATIONAL SHARES	INTERNATIONAL SHARES	INTERNATIONAL SHARES
	AXA Global Equity Value	**Barclays International Share**	**BlackRock Global Small Cap**
Investment manager	AXA Australia Investment Management Limited	Barclays Global Investors Australia Limited	BlackRock Investment Management (Australia) Limited
Management fee (pa)	2.15%	2.15%	2.20%
Suggested length of investment	Five years or longer	Three to five years or longer	Five years or longer
Distribution frequency and dates	Yearly – 30 June	Half-yearly – 30 June and 31 December	Half-yearly – 30 June and 31 December
Objective	Aims to provide investors with long-term capital growth and to outperform the MSCI World Index (net Dividends Reinvested) in A$, after costs and over rolling five-year periods.	Aims to achieve a return above the MSCI World ex-Australia Index (unhedged in A$ with net Dividends Reinvested) (the 'Index') over rolling three-year periods.	The primary aim of the fund is to maximise capital growth through exposure to a globally diversified portfolio of shares of quality small and mid capitalisation companies listed on international stock exchanges.
Investment approach	AXA Australia utilises Bernstein Value Equities (Bernstein), a unit of AllianceBernstein Australia Limited, as the manager of the underlying fund. Bernstein is responsible for market research, stock selection and the buying and selling of the fund's investments.	Barclays uses a combination of stock selection, country and currency allocation strategies.	The fund's investment universe is all emerging stocks that fall within the market capitalisation range of the benchmark S&P Citigroup EMI Global Index. The average market capitalisation of the portfolio is typically between US$300 million to US$10 billion. While investment is generally in the bottom 20% of market by capitalisation, there is flexibility in the investment approach to invest in small and mid size companies.
Investment guidelines	International shares 95-100% Cash 0-5%	International shares 0-100% Cash 0-5%	Listed international shares 85-100% Cash and liquid assets 0-15%

You should refer to page 28 for details of footnotes.

Funds profiles

	INTERNATIONAL SHARES	INTERNATIONAL SHARES	INTERNATIONAL SHARES
	BT International Share	**DWS Global Equity Thematic**	**GMO Global Equity**
Investment manager	BT Investment Management Limited	Deutsche Asset Management (Australia) Limited	GMO Australia Limited
Management fee (pa)	2.15%	2.15%	2.15%
Suggested length of investment	Five years or longer	Five years or longer	Five years or longer
Distribution frequency and dates	Quarterly – 31 March, 30 June, 30 September and 31 December	Half-yearly – 30 June and 31 December	Quarterly – 31 March, 30 June, 30 September and 31 December
Objective	Aims to provide a return (before fees, costs and taxes) that exceeds the MSCI World ex Australia (Standard) Index (Net Dividends) in AUD over the medium-to-long term.	Aims to outperform the MSCI World ex-Australia Index ($A), after fees, over rolling three-year periods by investing in securities listed on a range of sharemarkets.	Aims to outperform the MSCI World Index (ex-Australia) with net dividends reinvested by 2.5-3% pa over a full market cycle, before fees and expenses.
Investment approach	The fund is actively managed and seeks what the investment manager perceives to be the best investment opportunities within a broad portfolio of international investments. Whilst the fund can invest in any international sharemarket that offers attractive opportunities, most investments will be located in the United States, Europe and Japan.	The fund invests in around 90 to 130 global listed securities, with some exposure to cash investments. Investment in emerging markets is allowed but will generally not exceed 30% of the fund.	Quantitative investment techniques are used to identify attractive stocks on the basis that they are 'good value' (value models) and stocks that are favoured by the market (momentum models).
Investment guidelines	International shares 80-100% Cash 0-20%	Global listed securities 95-100% Cash 0-5%	International shares 95-100% Cash 0-5%

You should refer to page 28 for details of footnotes.

Funds profiles

	INTERNATIONAL SHARES	INTERNATIONAL SHARES	INTERNATIONAL SHARES
	Intech International Shares Active (Unhedged)	**Perpetual International Share**	**Platinum Asia**
Investment manager	Intech Fiduciaries Limited	Perpetual	Platinum Investment Management Limited
Management fee (pa)	2.15%	2.15%[19]	2.75%
Suggested length of investment	Five years or longer	Five years or longer	Five years or longer
Distribution frequency and dates	Quarterly – 31 March, 30 June, 30 September and 31 December	Yearly – 30 June	Yearly – 30 June
Objective	Aims to outperform relative to the benchmark, the MSCI World ex-Australia Index Unhedged (net Dividends Reinvested), over rolling five-year periods.[10]	Aims to provide long-term capital growth through investment in international shares and other securities.	Aims to provide capital growth over the long term through searching out undervalued listed (and unlisted) investments in the Asian region.
Investment approach	Intech selects specialist and complementary active managers with varying investment styles that are expected to deliver investment returns in excess of their performance benchmarks.	Perpetual adopts a fundamental, bottom-up approach to stock selection focusing on quality companies (strong balance sheets, earnings visibility and competitive position) with attractive valuations within a global framework. Currency exposure may be hedged (using derivatives) up to 30% of the value of the fund. Derivatives may be used in managing the fund.[6]	The fund primarily invests in Asian companies' listed securities. The portfolio will ideally consist of 50 to 100 securities that Platinum believes to be undervalued by the market. Cash may be held when undervalued securities cannot be found. Platinum may short sell securities that it considers overvalued. The fund's portfolio will typically have 50% or more net equity exposure. Currency exposures are actively managed.
Investment guidelines	International shares 100%	International shares 90-100% Cash 0-10%	International shares[20] 0-100% Cash 0-100%

You should refer to page 28 for details of footnotes.

Funds profiles

	INTERNATIONAL SHARES	INTERNATIONAL SHARES	INTERNATIONAL SHARES
	Platinum International	**Templeton Global Equity**	**T. Rowe Price Global Equity**
Investment manager	Platinum Investment Management Limited	Franklin Templeton Investments Australia Limited	T. Rowe Price Global Investment Services Limited
Management fee (pa)	2.75%	2.15%	2.15%
Suggested length of investment	Five years or longer	Five years or longer	Five to seven years or longer
Distribution frequency and dates	Yearly – 30 June	Quarterly – 31 March, 30 June, 30 September and 31 December	Yearly – 30 June
Objective	Aims to provide capital growth over the long term through searching out undervalued listed (and unlisted) investments around the world.	Aims to outperform the MSCI All Country World Free (ex-Australia) Index, in Australian dollar terms, over the medium-to-long term after fees and taxes.	Aims to provide long-term capital appreciation by investing primarily in a portfolio of securities of companies which are listed, or due to be listed, on recognised exchanges and/or markets throughout the world. The portfolio may include investments in the securities of companies traded, listed or due to be listed, on recognised exchanges and/or markets, of developing countries.
Investment approach	The fund will ideally consist of 100 to 200 securities that Platinum believes to be undervalued by the market. Cash may be held when undervalued securities cannot be found. Platinum may short sell securities that it considers overvalued. The portfolio will typically have 50% or more net equity exposure. Currency exposures are actively managed.	The fund invests in equity securities that are considered undervalued by the investment manager based on fundamental company analysis using a global industry focus and a long-term investment horizon.	The fund aims to invest in a portfolio of approximately 50-120 securities and may invest in securities listed on the stock markets of countries which the investment manager considers to be developing countries. The fund's foreign currency exposure is currently unhedged.
Investment guidelines	International shares[21] 0-100% Cash 0-100%	International securities 90-100% Cash 0-10%	International securities 90-100% Cash 0-10%

You should refer to page 28 for details of footnotes.

Funds profiles

	INTERNATIONAL SHARES	DIVERSIFIED – CONSERVATIVE	DIVERSIFIED – CONSERVATIVE
	Vanguard® International Shares Index (Hedged)	**Barclays Diversified Stable**	**Intech Conservative Growth**
Investment manager	Vanguard Investments Australia Ltd	Barclays Global Investors Australia Limited	Intech Fiduciaries Limited
Management fee (pa)	1.70%	1.75%	1.75%[23]
Suggested length of investment	Five years or longer	Three years or longer	Three years or longer
Distribution frequency and dates	Quarterly – 31 March, 30 June, 30 September and 31 December	Quarterly – 31 March, 30 June, 30 September and 31 December	Quarterly – 31 March, 30 June, 30 September and 31 December
Objective	Aims to match the return (income and capital appreciation) of the MSCI World ex Australia Index (with net Dividends Reinvested), hedged to A$ before taking into account fund fees and expenses.	Aims to achieve superior investment performance through providing returns that exceed those of the neutral portfolio benchmark over rolling three-year periods.	Aims to earn a rate of return that exceeds CPI increases by at least 1% pa over rolling three-year periods.[10]
Investment approach	The fund gains its exposure to shares in the index by investing in the Vanguard® International Shares Index Fund. The fund uses forward foreign exchange contracts to hedge its international currency exposures. The Vanguard® International Shares Index Fund will hold most of the shares in the index allowing for individual share weightings to vary marginally from the index from time to time. The Vanguard® International Shares Index Fund may invest in securities that have been or are expected to be included in the index.	Barclays invests in various asset classes primarily via actively managed sector funds. Each sector fund utilises a disciplined active approach to investment management that aims to add value while controlling active risk.	Intech selects specialist and complementary investment managers that are capable of generating portfolio returns in excess of their performance benchmarks.
Investment guidelines	International shares 100%	Australian shares 10-20% International shares 5-15% Listed property 0-10% Australian fixed interest 25-40% International fixed interest 2-15% Global listed infrastructure (unhedged) 0-3% Global listed infrastructure (hedged) 0-10% Commodities 0-5% Global inflation-linked bonds[22] 0-10% Cash 20-30%	Australian shares 0-27% International shares (unhedged) 0-20% International shares (hedged) 0-15% Australian property securities 0-14% International property securities 0-14% Australian bonds 0-27% International bonds (hedged) 0-32% Global inflation-linked securities 0-16% Alternative investment strategies 0-25% Cash 12-38%

You should refer to page 28 for details of footnotes.

Funds profiles

	DIVERSIFIED – CONSERVATIVE	DIVERSIFIED – CONSERVATIVE	DIVERSIFIED – BALANCED
	Perpetual Conservative Growth	**UBS Defensive Investment**	**Colonial First State Balanced**
Investment manager	Perpetual	UBS Global Asset Management (Australia) Ltd	Colonial First State Investments Limited
Management fee (pa)	1.75%	1.75%	1.95%
Suggested length of investment	Three years or longer	Three years or longer	Four years or longer
Distribution frequency and dates	Quarterly – 31 March, 30 June, 30 September and 31 December	Quarterly – 31 March, 30 June, 30 September and 31 December	Quarterly – 31 March, 30 June, 30 September and 31 December
Objective	Aims to provide moderate growth over the medium term and income through investment in a diversified portfolio with an emphasis on cash and fixed income securities.	The fund is managed against a long-term performance objective of delivering CPI plus 4.5-6.5% pa on average over a full investment cycle of 3-5 years.	Aims to provide a balance of income and capital growth from investments in cash, fixed interest, property and shares over the medium term.
Investment approach	Perpetual invests in a diverse mix of assets (such as Australian shares, international shares, fixed income, property, enhanced cash and other investments)[24]. Tactical asset allocation strategies (using derivatives) may be applied to shares, fixed income and cash (the fund may adjust its exposure to these asset classes on a regular basis). Perpetual may outsource the investment management of one or more asset classes in whole or in part to external managers. Currency hedges may be used from time to time. Derivatives may be used in managing each asset class.[3, 6]	UBS normally gains its asset sector exposure by investing in other relevant UBS managed funds. The fund may also invest directly.[3] The long-term average (or neutral) exposure to traditional growth and income assets is expected to be 30% and 60% respectively of the total portfolio. The remaining 10% is expected to be allocated to various multi-manager alternative asset strategies which are likely to be a combination of both income and growth.	The broad asset allocation is to be 50% invested in growth assets (shares and property) and 50% in defensive assets (fixed interest and cash). Allocations are reviewed regularly although changes are infrequent, and a reallocation would only be considered in response to a fundamental change in long-term expectations or market demand. Colonial First State seeks to add value through a disciplined approach to the selection of shares and the other assets held by the fund. For risk management purposes the fund may hedge some of its currency exposure.
Investment guidelines	Australian shares[25] 0-25% International shares[26] 0-20% Property 0-10% Fixed income 25-55% Enhanced cash[27] 15-45% Other investments[24] 0-30%	Australian shares 0-40% International shares 0-40% Property securities/real estate investment trusts 0-20% Bonds 0-80% Alternative strategies 0-40%* Foreign currency exposure 0-65% Cash 0-50% *May exceed the upper limit of this range for extended periods due to market movements or significant cash flows.	Australian fixed interest and cash 42-58% Australian shares 22-28% International shares 17-23% Property securities 3-7%

You should refer to page 28 for details of footnotes.

Funds profiles

	DIVERSIFIED – BALANCED	DIVERSIFIED – BALANCED	DIVERSIFIED – GROWTH
	Intech Balanced Growth	**Perpetual Diversified Growth**	**Barclays Diversified Growth**
Investment manager	Intech Fiduciaries Limited	Perpetual	Barclays Global Investors Australia Limited
Management fee (pa)	1.85%[23]	1.85%	1.95%
Suggested length of investment	Five years or longer	Three years or longer	Three to five years or longer
Distribution frequency and dates	Quarterly – 31 March, 30 June, 30 September and 31 December	Quarterly – 31 March, 30 June, 30 September and 31 December	Quarterly – 31 March, 30 June, 30 September and 31 December
Objective	Aims to earn a rate of return that exceeds CPI increases by at least 2.5% pa over rolling five-year periods.[10]	Aims to provide long-term capital growth and regular income through investment in a diversified portfolio of growth and income assets.	Aims to achieve superior investment performance through providing returns that exceed those of the neutral portfolio benchmark over rolling three-year periods.
Investment approach	Intech selects specialist and complementary investment managers that are capable of generating portfolio returns in excess of their performance benchmarks. The portfolio is invested across shares, property securities, fixed interest securities and alternative strategies.	Perpetual invests in a diverse mix of assets (such as Australian shares, international shares, fixed income, property, enhanced cash and other investments)[24]. Tactical asset allocation strategies (using derivatives) may be applied to shares, fixed income and cash (the fund may adjust its exposure to these asset classes on a regular basis). Perpetual may outsource the investment management of one or more asset classes in whole or in part to external managers. Currency hedges may be used from time to time. Derivatives may be used in managing each asset class.[3, 6]	Barclays invests in various asset classes primarily via actively managed sector funds. Each sector fund utilises a disciplined active approach to investment management that aims to add value while controlling active risk.
Investment guidelines	Australian shares 10-36% International shares (unhedged) 0-22% International shares (hedged) 0-17% Australian property securities 0-15% International property securities 0-14% Australian bonds 0-25% International bonds (hedged) 0-28% Global inflation-linked securities 0-16% Alternative investment strategies 0-25% Cash 0-23%	Australian shares[25] 10-35% International shares[26] 10-30% Property 0-15% Fixed income 15-45% Enhanced cash[27] 0-30% Other investments[24] 0-30%	Australian shares 25-45% International shares 20-40% Listed property 0-15% Australian fixed interest 10-30% International fixed interest 0-10% Global listed infrastructure 0-10% Commodities 0-5% Global inflation-linked bonds[22] 0-5% Cash 0-15%

You should refer to page 28 for details of footnotes.

Funds profiles

	DIVERSIFIED – GROWTH	DIVERSIFIED – GROWTH	DIVERSIFIED – GROWTH
	BlackRock Balanced	**ING Managed Growth**	**ING Tax Effective Income**
Investment manager	BlackRock Investment Management (Australia) Limited	ING Investment Management Limited	ING Investment Management Limited
Management fee (pa)	1.85%	1.95%	2.00%
Suggested length of investment	Five years or longer	Five years or longer	Five years or longer
Distribution frequency and dates	Half-yearly – 30 June and 31 December	Quarterly – 31 March, 30 June, 30 September and 31 December	Quarterly – 31 March, 30 June, 30 September and 31 December
Objective	Aims to provide investors with the highest possible returns consistent with a 'balanced' investment strategy.	Aims to achieve returns (before fees, charges and taxes) that on average exceed inflation by at least 5% pa, over periods of five years or more.	Aims to provide income and achieve returns (before fees, charges and taxes) that on average exceed inflation by at least 5% pa over periods of five years or more.
Investment approach	The fund currently invests in the BlackRock Wholesale Balanced Fund, which invests in: – physical instruments – derivatives and – structured instruments.	The fund invests in a diversified mix of Australian and international assets with a bias towards growth assets. The fund is actively managed in accordance with INGIM's investment process.	The fund invests in a diversified mix of Australian assets with a bias towards income producing growth assets. The fund is actively managed in accordance with INGIM's investment process.
Investment guidelines	Australian shares 38% International shares 26% Property 6% Australian fixed income 15% International fixed income 10% Cash 5% (Foreign currency 20%)	Australian shares 20-50% International shares 10-40% Property securities 2-18% Global property securities 0-10% Alternative assets (growth) 0-5% Alternative assets (defensive) 0-10% Diversified fixed interest 0-30% International fixed interest 0-20% Cash 0-30%	Australian shares 30-50% Property securities 20-40% Australian fixed interest 0-40% Cash 0-25%

You should refer to page 28 for details of footnotes.

Funds profiles

	DIVERSIFIED – GROWTH	DIVERSIFIED – GROWTH	DIVERSIFIED – GROWTH
	Intech Growth	**Perpetual Balanced Growth**	**Perpetual Split Growth**
Investment manager	Intech Fiduciaries Limited	Perpetual	Perpetual
Management fee (pa)	1.95%[23]	1.95%	2.10%
Suggested length of investment	Seven years or longer	Five years or longer	Five years or longer
Distribution frequency and dates	Quarterly – 31 March, 30 June, 30 September and 31 December	Quarterly – 31 March, 30 June, 30 September and 31 December	Yearly – 30 June
Objective	Aims to earn a rate of return that exceeds CPI increases by at least 3.5% pa over rolling seven-year periods.[10]	Aims to provide long-term capital growth and income through investment in a diversified portfolio with an emphasis on Australian and international share investments.	Aims to provide long-term capital growth through investment in a mix of international shares and in quality Australian industrial shares and other securities with lower risk than 100% exposure to either asset class.
Investment approach	Intech selects specialist and complementary investment managers that are capable of generating portfolio returns in excess of their performance benchmarks. The portfolio is invested across shares, property securities, fixed interest securities and alternative strategies.	Perpetual invests in a diverse mix of assets (such as Australian shares, international shares, fixed income, property, enhanced cash and other investments)[24]. Tactical asset allocation strategies (using derivatives) may be applied to shares, fixed income and cash (the fund may adjust its exposure to these asset classes on a regular basis). Perpetual may outsource the investment management of one or more asset classes in whole or in part to external managers. Currency hedges may be used from time to time. Derivatives may be used in managing each asset class.[3, 6]	Perpetual invests in a mix of Australian and international shares. Perpetual adopts a fundamental, bottom-up approach to stock selection focusing on quality companies (strong balance sheets, earnings visibility and competitive position) with attractive valuations within a global framework. Currency hedges may be used from time to time. Perpetual's priority is to select companies that it determines represent the best investment quality and are appropriately priced. In determining investment quality, investments are carefully selected on the basis of four key investment criteria: – conservative debt levels – sound management – quality business and – in the case of industrial shares, recurring earnings.
Investment guidelines	Australian shares 21-46% International shares (unhedged) 0-26% International shares (hedged) 0-20% Australian property securities 0-17% International property securities 0-14% Australian bonds 0-18% International bonds (hedged) 0-19% Global inflation-linked securities 0-13% Alternative investment strategies 0-25% Cash 0-15%	Australian shares[25] 10-50% International shares[26] 10-50% Property 0-15% Fixed income 5-35% Enhanced cash[27] 0-30% Other investments[24] 0-30%	International shares and Australian industrial shares 90-100% Cash 0-10%

You should refer to page 28 for details of footnotes.

Funds profiles

	DIVERSIFIED – GROWTH	
	Schroder Balanced	
Investment manager	Schroder Investment Management Australia Limited	
Management fee (pa)	1.95%	
Suggested length of investment	Three to five years or longer	
Distribution frequency and dates	Half-yearly – 30 June and 31 December	
Objective	Aims to deliver returns after fees and expenses of 5% pa above inflation (as measured by headline CPI) over the medium-to-long term.	
Investment approach	The fund is a multi-asset portfolio investing in a selection of growth, defensive and balanced assets comprising Australian and international equities, property trusts, high yielding credit, fixed interest and cash. The composition of assets is balanced so that the overall portfolio can perform well across diverse economic and market conditions and not just rising markets.	
Investment guidelines	Australian and New Zealand equities	28-45%
	International equities	10-30%
	Property trusts	0-15%
	Fixed income	10-35%
	Higher yielding credit	0-15%
	Alternatives	0-15%
	Inflation Indexed bonds	0-10%
	Cash	0-20%

You should refer to page 28 for details of footnotes.

Footnotes to Funds profiles

1 Includes the market value of foreign exchange and interest rate hedging positions.

2 A performance fee may be payable if the underlying fund has exposure (maximum 10%) to the emerging markets debt sector. A performance fee of 20% (pre-GST) of the return above the JP Morgan Emerging Market Bond Index Global Diversified denominated in USD is payable to the manager of the externally managed emerging markets fund. If it arises, the performance fee is payable in arrears after the end of each 12-month calculation period, and is subject to a high watermark which is reset every 12 months in June.

3 Derivatives may be used to manage actual and anticipated interest rate and credit risk, currency and credit exposure. They may also be used for hedging, arbitrage, as a replacement for trading a physical security and for managing the duration of the fund.

4 Mortgages may include up to 25% in mezzanine mortgages.

5 Perpetual Property Income Fund's underlying fund may also invest in unlisted property funds which charge a performance-based fee. If these performance fees occur, they will be an additional cost to you.

6 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
- create a short exposure to a stock for underlying funds authorised to take net negative positions.

7 Up to 10% may be invested in non-listed infrastructure and utilities assets and global listed infrastructure and utilities securities.

8 Where it is consistent with the Fund's objective, the underlying fund may also have a small exposure to unlisted companies that AMP Capital believes are likely to be listed. The underlying fund may also invest up to 3% in international shares. The assessment of environmental, social and governance standards does not apply to cash and fixed interest securities.

9 Ausbil Dexia Limited charges a performance fee of 15% (exclusive of GST) of any return of the underlying fund greater than the return of the underlying fund's benchmark. The benchmark is 70% S&P/ASX Mid-cap 50 Accumulation Index and 30% S&P/ASX Small Ordinaries Accumulation Index. As the return is based on the return of an index it can be a positive or negative return. The performance fee will apply to any benchmark out-performance and will be paid monthly.

10 Investment objective is expressed before the management fee, expense recoveries and taxation (that is, performance is measured relative to the benchmark before fees and costs and taxes are deducted).

11 A performance fee of 15% of any return of the underlying fund greater than the return of the underlying fund's benchmark is charged by Investors Mutual Limited to the underlying fund if its return exceeds its benchmark, the S&P/ASX 300 Accumulation Index (excluding S&P/ASX 50 and excluding Property Trusts). As the return is based on the return of an index, it can be a positive or negative return. The performance fee is payable only if the underlying fund's one year return is positive and any prior underperformance has been recouped.

12 The Fund's investment universe allows it to invest, directly or indirectly, in stocks listed or to be listed on sharemarket exchanges outside Australia. Exposure to stocks listed outside Australia is limited to 20% and is generally hedged to the Australian dollar to the extent reasonably practicable.

13 If the average gearing level is 50%, the ongoing fee will be 3.12% of net asset value. If the average gearing level over the year is higher than 50%, the ongoing fee will be higher than 3.12%.

14 The gearing level is the Fund's borrowings divided by the total gross value of assets. It will depend on the present levels and future expectation of the underlying fund's net income (income after fees and expenses and excluding franking credits) and the cost on borrowings.

15 See 'Perpetual Industrial Share Fund – multiple unit classes' on page 31 for details.

16 Perpetual charges the underlying fund a performance fee if its return exceeds a hurdle return. The performance fee is equal to 13.98% of the difference between the underlying fund's return and the hurdle return. The hurdle return is the return on the S&P/ASX 300 Accumulation Index plus 2% pa. As the hurdle return is based on the return of an index it can be a positive or negative return. The performance fee is payable only if the performance fee is a positive amount and the underlying fund's six month return is positive.

17 The underlying fund will pay the securities lender a management cost on borrowed stocks. The management cost varies on a stock by stock basis but is usually within the range of 0.50% pa to 3.00% pa of the market value of the stock.

18 The net market exposure is the value of Australian shares, adjusted for the value of short positions in Australian shares.

19 The management fee for this Fund does not include expense recoveries – see Features Book for details.

20 Derivatives may be used to increase the effective exposure of the Fund to 150% of the Fund's net asset value.

21 May invest in Australian shares. Derivatives may be used to increase the effective exposure of the Fund to 150% of the Fund's net asset value.

22 The funds will gain exposure to the BGI Global Inflation-Linked Bond Fund, which gains exposure to inflation-linked bonds and tracks the Barclays Capital World Government Inflation-Linked Bond Index, hedged to AUD. The index is designed to include only those markets in which a global government linker fund is likely to invest. The countries that the funds gain exposure to include the USA, UK, France, Italy, Japan, Canada, Sweden, Germany, Greece and Australia.

23 This fund currently has exposure to underlying managers (including Intech) which charge performance fees. These managers typically charge between 10% and 30% pa of performance in excess of the relevant benchmark index although they can be higher. For the funds operated by Intech which charge a performance based fee, the performance fee is currently 10.25% pa of performance in excess of the relevant benchmark. Performance based management fees are an additional cost to you and impact the returns you may receive.

24 Perpetual may allocate up to 30% of the portfolio to other investments, which may include infrastructure, mortgages (including mezzanine mortgages) and alternative investments such as private equity, opportunistic property, hedge funds, specialist credit, commodities and diversified beta funds. The additional exposure to other investments enhances the Fund's diversification and may help reduce volatility.

25 The Fund gains its exposure to Australian shares by investing in an underlying Australian share fund which has an investment universe that allows it to invest in stocks listed or to be listed on sharemarket exchanges outside Australia. Exposure to stocks listed outside of Australia is limited to 20% and is generally hedged to the Australian dollar to the extent reasonably practicable. The investment guidelines showing the Fund's maximum investment in international shares do not include this potential additional exposure.

26 International shares may also include emerging market shares.

27 This Fund may invest in enhanced cash funds that allow gearing.

Additional investment information

Investment managers

The investment manager in the Funds profiles on pages 5-27 is the investment manager of the underlying fund as at the issue date of this Investment Book. We review the investment managers regularly and may replace them at any time. We will advise you in writing if this affects you.

As a result, the investment managers may vary during the life of this Investment Book. Details about the current investment managers at any time are available at our website or can be obtained free of charge by phoning us.

Environmental, social and ethical factors and labour standards

AMP Capital Sustainable Share Fund

AMP Capital systematically addresses labour standards, together with environmental, social and governance standards, when deciding whether to buy, hold or sell shares on behalf of the underlying fund.

AMP Capital rates companies on a matrix which considers:

- industries by sustainability and
- a company's environmental, social and governance (ESG) performance with each factor weighted according to AMP Capital's assessment of the importance of these factors to each industry.

In selecting companies, AMP Capital requires higher ESG performance for companies that have lower levels of sustainability.

Characteristics of AMP Capital's sustainability approach

- **Seeking out 'industry of the future' companies** within sectors with the most socially and environmentally sustainable performance outcomes. These sectors include education and training, health care, renewable energy, waste management and mass transport.
- **Exclusion of industries judged to be least sustainable** on their social and environmental performance outcomes. This results in exclusions of companies with material exposure to the production or manufacture of alcohol, armaments, gambling, nuclear power (including uranium), pornography and tobacco. 'Material exposure' is considered to be where a company has an exposure of more than 10 per cent based on financial criteria such as revenue.
- **Identify leaders in traditional sectors** who take a leading and pro-active approach to community, workplace, governance, environmental and business ethics issues.
- **Higher hurdles for less sustainable industries**. In less sustainable industries such as oil and mining, AMP Capital expects companies to take a proactive and leading approach to corporate social responsibility.
- **Active financial analysis** is used with the aim of identifying those stocks, from the approved 'universe' of stocks, which are expected to outperform.

In addition, AMP Capital engages constructively with companies to manage social and environmental challenges.

Standards for assessment

When considering companies in which to invest, the fund draws on a range of general and industry specific standards including:

- **labour standards** including occupational health and safety (OH&S) and employment laws, international labour standards (eg International Labour Organisation Core Standards, UN Declaration of Human Rights), the level of development of OH&S and employment management systems and OH&S and employment performance outcomes
- **environmental standards** including domestic and international environmental law, a company's level of development of environmental management systems (eg the ISO 14001 environmental management standard), and environmental performance outcomes
- **social standards** including consultation and involvement with the local and broader community, and the level and quality of sustainability reporting to shareholders
- **ethical standards** including corporate governance practices and specific industry and company law, and best practice regarding relationships with suppliers, customers and competitors.

Retention and realisation policies

If a company falls below AMP Capital's sustainability standards, under normal circumstances it is sold within six months. A company may also be sold at any time for financial reasons.

Application of ESG standards

The assessment of environmental, social and governance (ESG) standards only applies to the underlying fund's equity component, which makes up at least 90 per cent of the fund's assets, and not to the cash and fixed interest securities component.

Perpetual Ethical SRI Fund

Perpetual evaluates companies that meet the investment approach, set out in the Funds profiles on page 15 of this Investment Book, on a range of social and ethical issues to determine their suitability for inclusion in this Fund's portfolio. We seek to invest in quality companies that have satisfied our range of ethical and socially responsible investment criteria.

We take into account environmental, social and ethical considerations for the purpose of selecting, retaining or realising the investments in the portfolio. There are two main steps to the process, namely ethical exclusions and socially responsible investments (SRI) screening, utilising research from external specialists.

Ethical exclusions

We don't invest in companies that (in our opinion) derive a material proportion of their revenue from the manufacture or sale of alcohol or tobacco, the operation of gaming facilities or the manufacture of gambling equipment, uranium extraction or the manufacture of weapons or armaments.

SRI screening

Companies that pass the ethical assessment are then subject to SRI screening that involves three steps:

1. Companies are generally excluded from the investment universe if they do not meet required standards on human rights, the environment, animal rights and genetically modified organisms.
2. Companies are included in the investment universe if they meet one of a range of criteria showing they have above average standards or are committed to improving their business practices or reducing the detrimental impact of their practices. These socially responsible criteria cover the following areas: environment, human rights, industrial relations, corporate governance, corporate ethics, animal rights, regulatory compliance and community awareness.
3. Companies that are not automatically included under step 2 are assessed in more detail to make sure there are no areas of concern that make the company unsuitable from a socially responsible perspective. If no areas of concern are identified, the company is also included in the investment universe.

The Fund's investments are reviewed to determine whether they continue to pass the ethical SRI screening process when updated information is received. If we become aware that the Fund is invested in a company that no longer passes the ethical SRI screening process, the investment will be sold as soon as practical, in an orderly, price-sensitive manner.

In certain circumstances the Fund may hold an investment which has not yet passed the ethical SRI screening process. If the investment fails the ethical SRI screening process, it will be sold as soon as practical in an orderly, price-sensitive way.

Although general labour standards are taken into account for the purpose of selecting, retaining or realising the investments in the portfolio, there are no specific standards for company inclusion. We can modify the screening process for Perpetual Ethical SRI Fund at any time without notifying you.

Other Funds

Increasingly underlying investment managers for the Funds (including Perpetual) are developing their own policies regarding their method for considering environmental, social (including labour standards) and governance (ESG) factors which may influence the purchase, sale or retention of an individual investment.

As the responsible entity of the Funds, we consider these policies when choosing investment managers only to the extent that they may have an effect on an investment manager's style and investment performance. We don't consider these factors by attempting to apply ethical standards, but rather we look to ensure that managers maintain an investment framework that will take all relevant factors into account when assessing the current and potential future value of individual investments. We will neither choose nor exclude a manager solely on their ESG policies/practices but it will contribute to our overall assessment of a manager's style and capability.

Where Perpetual is the investment manager (except for Perpetual Ethical SRI Fund) we will only take ESG factors into account to the extent that we believe they may impact the current and potential future quality or value of an individual investment (either positively or negatively).

Additional information about Perpetual Property Income Fund

You can obtain information about the investment management policies and details of the underlying portfolio of Perpetual Property Income Fund, which has significant exposure to unlisted property. This additional information, which forms part of this PDS, is available at our website (see 'Incorporation by reference' in the Features Book for details) or you can obtain a copy free of charge by contacting us.

Changes to the Funds

Features of the Funds (including investment manager, investment approach, strategy and guidelines for the underlying funds) can change.

We can also open, close or terminate Funds.

Asset allocations and investment performance

An investment in an externally managed Fund is not a direct investment in the underlying fund operated by the external investment manager. Consequently, the following may differ from that of the underlying fund:

- asset allocations – the cash holding in a Fund may be greater than that of the corresponding underlying fund as we may retain cash to ensure more timely processing of withdrawals
- investment performance – due to factors such as valuation timing differences, differences in fees and charges, retention of distributions (for liquidity purposes) and higher cash holdings, the performance of a Fund may not track that of the corresponding underlying fund.

Registered managed investment schemes

Each WealthFocus Investment Fund is a managed investment scheme that is registered with the Australian Securities and Investments Commission (ASIC). In some cases, a Fund's registered name (as stated in its constitution) differs from the marketing name used in this Investment Book. The following details for each WealthFocus Investment Fund, which form part of this PDS, are publicly available at our website (see 'Incorporation by reference' in the Features Book for details) or can be obtained free of charge by contacting us:

- marketing name
- registered name
- Australian Registered Scheme Number (ARSN).

Perpetual Industrial Share Fund – multiple unit classes

The constitution for Perpetual Industrial Share Fund allows for multiple unit classes. This PDS offers investment in the 'Class A' units for this Fund.

This page left blank intentionally.

Contact details

For further information, or a copy of any of our product disclosure statements, please contact Perpetual.

Website

www.perpetual.com.au

Email

investments@perpetual.com.au

Phone

During business hours (Sydney time)

Within Australia:

Investor service

1800 022 033

Adviser service

1800 062 725

From New Zealand:

Investor service

0800 442 261

Adviser service

0800 441 656

Fax

Within Australia:

02 8256 1427

From New Zealand:

0800 441 096

Postal address

No stamp required if posted in Australia

Reply Paid 4171
Perpetual WealthFocus Investment Funds
GPO Box 4171
Sydney NSW 2001

26295_EAWIFB2_1009

Australian Capital Territory
Level 4
10 Rudd Street
Canberra ACT 2601

New South Wales
Angel Place
Level 12
123 Pitt Street
Sydney NSW 2000

Queensland
Level 6
260 Queen Street
Brisbane QLD 4000

South Australia
Level 11
101 Grenfell Street
Adelaide SA 5000

Victoria
Level 28
360 Collins Street
Melbourne VIC 3000

Western Australia
Exchange Plaza
Level 29
2 The Esplanade
Perth WA 6000

www.perpetual.com.au

Perpetual