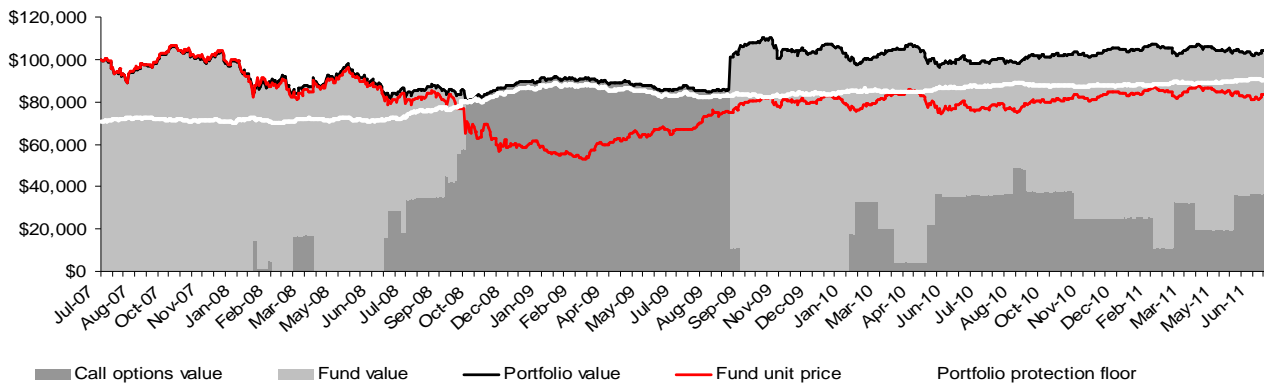


Fund Participation Offer – Series 1 Half-yearly performance summary as at 30 June 2011

Perpetual Wholesale Australian Share Fund

Perp Inv Mg Wsale-Aust
Value of \$100,000 invested in PPI



The above graph represents the changes in the indicative value of your investment from 19 July 2007 to 30 June 2011. Your portfolio value is calculated as the sum of fund units, call options and cash at any given point in time. The graph does not represent a direct investment into the Perpetual Wholesale Australian Share Fund.

Source: Perpetual

At a Glance

Investment date	19 July 2007	Value as at 30/06/2011 of \$1.15 invested	\$1.04
Protection end date	31 May 2014	Percentage allocation of Fund units	65.2%
Maturity date	1 June 2014		

Source: Perpetual

The following information has been provided by the Fund Manager who has given their consent for it to be published. The information below represents a direct investment in the Fund not an investment in Perpetual Protected Investments Fund Participation Offer Series 1.

Fund Commentary

The Fund outperformed its benchmark, the S&P/ASX 300 Accumulation Index over the six months to June 2011. Our overweight position to mineral sands

explorer Iluka Resources contributed to relative performance. During the period the company reported its full year profit of \$36.1 million reflecting higher sales volumes, higher zircon prices and increased contribution from its higher

margin operations. Our overweight position to Coal & Allied Industries detracted from relative performance. The company provided its quarterly production report for March 2011 stating that coal sales were 12% lower than the previous quarter, yet 22% higher than the corresponding period last year. Coal & Allied also extended its contract and relationship with Asciano's Pacific National Coal haulage business.

Market Review

The Australian market, as measured by the S&P/ASX 300 Accumulation Index, fell 1.2% over the six months to June 2011. The first quarter saw early gains as commodity prices increased and macroeconomic data improved, however the market's rise was tempered by scenes of unrest of Middle East and North Africa and the impact of natural disasters in Australia and New Zealand. The tragic Japanese tsunami added to negative sentiment as investors feared disruptions to global supply chains and the impact of radiation from the damaged Fukushima reactors. Markets rallied temporarily, yet before long weaker than anticipated economic data, both domestically and

abroad, saw investors adopt a cautious stance through to the end of the financial year. Falling commodity prices also negatively impacted local stocks.

Outlook

The global economy is continuing to experience several headwinds including concerns of subdued growth in the United States and the ongoing sovereign debt crisis in Europe. Domestically, the strength of the Australian dollar, a cautious consumer and the potential for further increases in interest rates have put pressure on the earnings of many Australian companies. Despite these concerns, value is emerging in the Australian share market and opportunities exist to identify companies with the potential to outperform. In this environment, the market tends to favour quality companies with strong balance sheets that are well placed to withstand any future shocks. We continue to research and invest in such companies with recurring earnings, low debt and sound management which we believe have the potential to add value over the medium to long-term.

Performance as at 30 June 2011

	3 months (%)	1 year (%)	2 years (%) pa	3 years (%) pa	5 years (%) pa	Inception (%) pa
Gross	-3.1	15.0	16.9	4.1	4.8	13.4
Net	-3.3	13.9	15.9	3.1	3.8	11.4
Benchmark	-4.3	11.9	12.5	0.3	2.4	8.7

Stock name	%
BHP Billiton Limited	10.52
Commonwealth Bank of Australia	9.64
Westpac Banking Corporation	8.13
ANZ Banking Group Limited	6.59
Telstra Corporation Limited	5.90
Coal & Allied Industries Limited	4.34
Alumina Limited	3.38
Fletcher Building Limited	3.12
Orica Limited	2.53
Tatts Group Limited	2.43

Sector weights	%
Energy	8.33
Materials	25.03
Industrials	5.09
Consumer Discretionary	11.04
Consumer Staples	4.86
Health Care	2.90
Financials excluding Property Trusts	33.63
Property Trusts	0.00
Information Technology	0.26
Telecommunication Services	5.90

Investment Objective

To provide long term capital growth and income through investment in quality industrial and resource shares.

Benchmark

S&P/ASX 300 Accumulation Index

Investment Category

Australian Shares

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