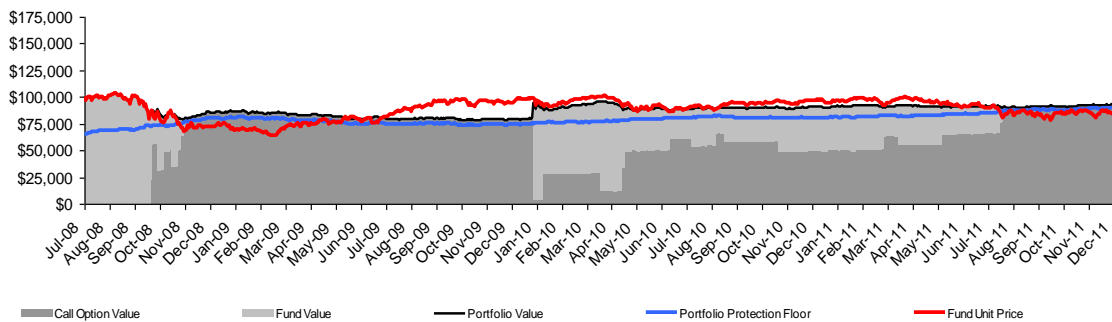


### Fund Participation Offer – Series 3 Half-yearly performance summary as at 31 December 2011

#### Vanguard® Australian Share Index Fund

Vanguard Australian Share Index Fund  
Value of \$100,000 Invested in PPI



The above graph represents the changes in the indicative value of your investment from 25 July 2008 to 31 December 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 Vanguard Australian Share Fund Index

Source: Perpetual

#### At a Glance

Investment date	25 July 2008	Value as at 31/12/2011 of \$1.15 invested	\$0.91
Protection end date	31 May 2015	Percentage allocation of Fund units	0.0%
Maturity date	31 May 2015		

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 3.

## Fund Commentary

The Fund had a month end value of \$5,351.4 million and all held 292 securities in the Index.

The Fund's gross return for the second half of 2011 was -9.79%, 0.04% above the index return of -9.83%. Over the last twelve months, the Fund's gross return was -10.87%, 0.11% above the index return of -10.98%.

For the three years ended December 2011 the average gross return of the Fund was 7.73% p.a., 0.06% pa above the index return of 7.67% p.a. Over the five year period to December 2011 the Fund's gross return was -2.24% p.a., 0.15% p.a. above the Index return of -2.39% p.a.

## Market Review

The Australian market ended up 2.1% for the last quarter of 2011, although was down 11.0% for 2011. The best performing sectors for the quarter were telecommunications and utilities; the worst performing were consumer staples and materials.

## Outlook

The fund will continue to operate to capture the return of the index before fees and expenses.

## Performance as at 31 December 2011

	3 months (%)	1 year (%)	2 years (%) pa	3 years (%) pa	5 years (%) pa	Inception (%) pa
Gross	2.05	-10.87	-4.67	7.73	-2.24	7.16
Net	1.96	-11.17	-5.00	7.36	-2.57	6.80
Benchmark	2.05	-10.98	-4.75	7.67	-2.39	6.99

Stock name	%
BHP Limited	11.23
CBA	7.90
Westpac	6.20
ANZ	5.56
NAB	5.30
Telstra	4.19
Wesfarmers	3.21
Woolworths	3.11
Rio Tinto	2.67
Newcrest Mining	2.29

Sector weights	%
Energy	7.2
Materials	25.0
Industrials	7.2
Consumer Discretionary	3.9
Consumer Staples	8.0
Healthcare	3.6
Financials ex-Property	32.1
Property Trusts	6.2
Information Technology	0.7
Telecommunication Services	4.5
Utilities	1.6

**Investment Objective**

The Fund seeks to track the return (income and capital appreciation) of the S&P/ASX 300 Index before taking into account Fund fees and expenses.

**Benchmark**

S&P/ASX 300 Index

**Investment Category**

Australian Shares

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