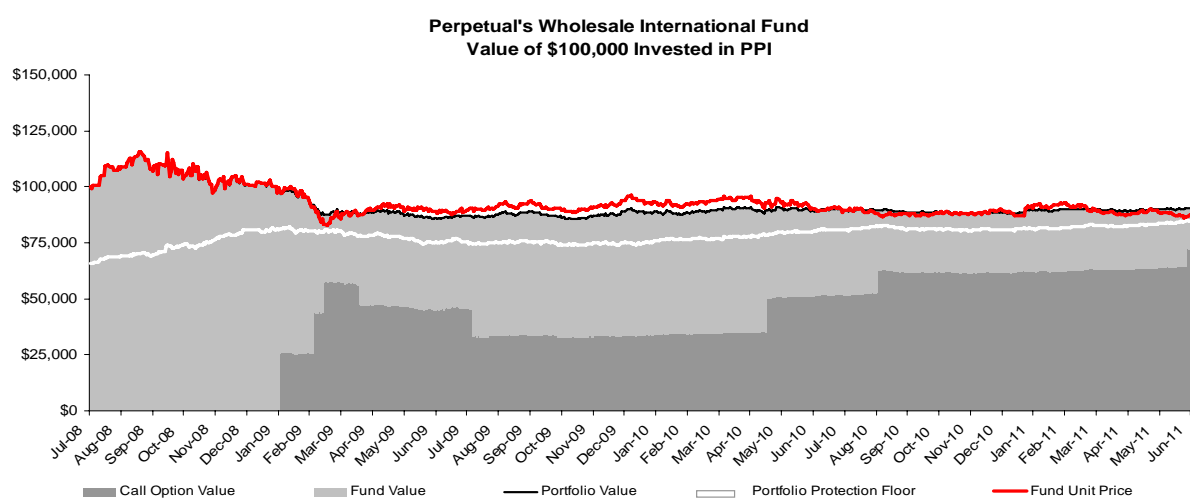


Perpetual Protected Investments – Series 3 Half-yearly performance summary as at 30 June 2011

Perpetual Wholesale International Share Fund



The above graph represents the changes in the indicative value of your investment from 25 July 2008 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 international Share Fund Source: Perpetual

At a Glance

Investment date	25 July 2008	Value as at 30/6/2011 of \$1 invested	\$0.89
Protection end date	31 May 2015	Percentage allocation of Fund units	20.4%
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 Series 3.

Fund Commentary

The Fund marginally underperformed its benchmark for the six months ended 30 June 2011. Our position to Philip Morris International contributed to relative performance after the company delivered solid fourth quarter results and offered a confident 2011 outlook for double-digit

EPS growth and sector-leading cash returns to shareholders. Its overall market share continues to grow in both developed and emerging markets with Marlboro's market share benefitting from brand and packaging innovations. Our position to Target detracted from relative performance, as same store sales data

disappointed the market. The company has announced plans to expand in to Canada via the acquisition of 220 stores from Zellers, which it will look to convert from 2013. In addition it will open 100 – 150 new stores, helping to add a further leg to Target’s longer term growth plans.

Market Review

Global equities, as measured by the MSCI World ex Australia Accumulation Index, rose 0.9% in Australian dollar terms for the six months to 30 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. Sovereign debt concerns surrounding peripheral European countries rose to the fore, as Greece was forced to undertake additional austerity measures in order to secure its latest tranche of funding from international lenders and avert a debt default. The

country is still likely to require a second bailout from the IMF but French proposals on burden sharing with private investors have bought them some breathing space.

Outlook

In the context of more moderate economic growth, we feel that investors should own companies that are positioned to grow earnings as well as maintain both healthy balance sheets and margins. Because we believe that high quality companies can be in any industry or country, we do not screen by sectors or geography. Instead we focus on the construction of a diversified portfolio offers a combination of stocks which we believe have good long-term total return prospects together with limited downside risk. Recent falls in equities and a rally in bonds has seen the dividend yield for many high quality companies go above sovereign bond yields. Nine of the stocks we hold offer dividend yields in excess of 5%, supported in each case by strong cash flows. This demonstrates the capital preservation characteristics of the portfolio alongside the upside potential from continued re-rating of high quality stocks.

Performance as at 30 June 2011

	3 months (%)	1 year (%)	2 years (%) pa	3 years (%) pa	5 years (%) pa	Inception (%) pa*
Gross	-0.3	-1.1	1.8	-2.2	-4.6	-1.1
Net	-0.5	-2.1	0.7	-3.2	-5.7	-2.1
Benchmark	-2.9	2.7	3.9	-3.3	-5.1	-1.0

Stock name	%
Johnson and Johnson	3.67
Novartis	3.60
Walgreen Company	3.40

Sector weights	%
Energy	4.6
Materials	0.9
Industrials	11.3



Total SA	2.93
Philip Morris International Inc	2.81
Nestle SA	2.78
Automatic Data Processing Inc	2.41
Emerson Electric Co	2.32
Wal Mart Stores Inc	2.08
Microsoft Corporation	2.08

Consumer Discretionary	13.2
Consumer Staples	22.1
Health Care	16.1
Financials	12.8
Information Technology	15.8
Telecommunication Services	2.2
Utilities	0.0

Investment Objective

To provide long term capital growth through investment in international shares and other securities.

Benchmark

MSCI World Ex Australia Accumulation Index

Investment Category

International Shares

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