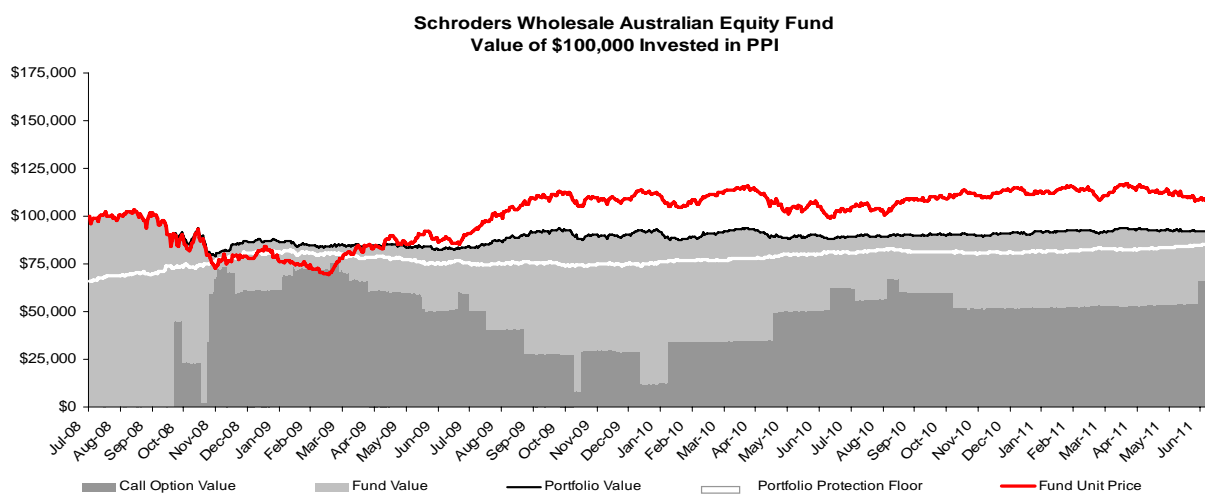


Perpetual Protected Investments – Series 3 Half-yearly performance summary as at 30 June 2011

Schroder Wholesale Australian Equity 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 Schroder Wholesale Australian Equity Fund Source: *Perpetual*

At a Glance

Investment date	25 July 2008	Value as at 30/06/2011 of \$1 invested	\$0.91
Protection end date	31 May 2015	Percentage allocation of Fund units	29.0%
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 Series 3.

Fund Commentary

The S&P / ASX 200 Accumulation Index fell by 4.0%, while the Schroder Wholesale Australian Equity Fund (pre-fee) fell by 2.8%, outperforming by 1.2% for the quarter.

The benchmark fell over the quarter, succumbing to deteriorating sentiment,

with the Fund delivering performance better than the benchmark. Defensive was the term which summed up trends at a sector level with telecoms, utilities and staples leading the way.

Positive

Iluka Resources (+26.2%)

Telecom Corporation of New Zealand (+28.8%)
 Primary Healthcare (+3.9%)

Negative

Alumina (-14.2%)
 Myer (-17.8%)
 James Hardie (-3.9%)

Market Review

Going to the previously raised issue of focusing solely on the CPI, this issue is probably the most significant impacting markets domestically, as the RBA's focus on combating a rising CPI figure is proving a significant headwind for an economy already slowing substantially. Although the RBA has generally done an exemplary job, we do feel there is a risk of undue focus on a CPI number which has the potential to be misleading. Similarly, the propensity for the small segments of the economy currently experiencing buoyant conditions (mainly resources) to cave in to demands from labour and suppliers, giving

away hard won productivity gains and fuelling the CPI, may well involve a heavy price down the track.

Outlook

Despite all this doom and gloom, we will continue to respond rationally to changes in share prices. As prices fall, as they have recently, we will become more optimistic, not less. The price which we pay for the cashflows of a company is likely to remain a very significant determinant of future returns. The lower it is, the happier we are. Additionally, tougher environments, such as that experienced globally in recent years, and beginning to be felt in Australia, are those in which companies address inefficiencies accumulated in good times, and they will always act more quickly than governments. Signs that governments are beginning to grasp the initiative and showing genuine leadership would be cause for greater optimism. We won't hold our breath.

Performance as at 30 June

	3 months (%)	1 year (%)	2 years (%) pa	3 years (%) pa	5 years (%) pa	Inception (%) pa*
Gross	-2.81	15.15	16.50	6.59	5.31	10.79
Net	-3.03	14.08	15.41	5.60	4.33	9.75
Benchmark	-4.02	11.73	12.44	0.32	2.38	8.58

Stock name	%
BHP Billiton Limited	14.8%
National Australia Bank Limited	7.1%
ANZ Banking Group	5.2%
Commonwealth Bank of Australia	5.1%
Woolworths Limited	4.9%
Westpac Banking Corporation	4.9%

Sector weights	%
Energy	5.85
Materials	31.53
Industrials	7.63
Consumer Discretionary	4.38
Consumer Staples	7.80
Health Care	2.29

Telstra Corporation Limited	4.0%
News Corporation	3.1%
Brambles Limited	3.0%
Amcor Limited	2.7%

Information Technology	1.95
Utilities	2.34
Telecommunication Services	5.63
Financials	28.61

Investment Objective

To out perform the S&P/ASX200 Accumulation Index over the medium to long term. The fund offers investors access to a professionally managed portfolio of predominantly Australian securities.

Benchmark

S&P/ASX 200 Accumulation Index

Investment Category

Australian Equities

This publication has been prepared by Perpetual Investment Management Limited (PIML) ABN 18 000 866 535, AFSL No 234426 with the assistance and consent of the relevant fund manager. It is general information only and is not intended to provide you with financial advice and does not take into account your objectives, financial situation or needs. You should consider, with a financial adviser, whether the information is suitable for your circumstances. To the extent permitted by law, no liability is accepted by PIMIL or the relevant fund manager for any loss or damage as a result of any reliance on this information. You should also consider the PDS for the relevant fund. No company in the Perpetual Group (Perpetual Group means Perpetual Limited ABN 86 000 431 827 and its subsidiaries) or the fund manager, guarantees the dynamic management strategy, the performance of any fund or the return of any investor's capital. Total returns shown for the fund(s) have been calculated using exit prices net of all ongoing fees and assuming reinvestment of distributions. No allowance has been made for any entry or exit fees or taxation. Past performance is not indicative of future performance.
