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18 November 2020

The Companies Office
Australian Securities Exchange
20 Bridge St
SYDNEY NSW 2000

Dear Sir / Madam,

**Perpetual Limited (Perpetual)
Completion of Acquisition of Barrow, Hanley, Mewhinney &
Strauss, LLC
(ASX:PPT)**

The following announcement to the market is provided:

Perpetual completes transformational acquisition of 75% interest in US based asset manager, Barrow, Hanley, Mewhinney & Strauss, LLC.

Yours sincerely,

A handwritten signature in blue ink that reads "Sylvie Dimarco".

Sylvie Dimarco
Company Secretary
Authorising Officer



ASX Announcement

SYDNEY: 18 November 2020

Perpetual completes transformational acquisition of 75% interest in US-based asset manager Barrow, Hanley, Mewhinney & Strauss, LLC

- Accelerates Perpetual's global footprint with significant increase in global investment and distribution capabilities.
- Perpetual's total assets under management now exceed A\$87 billion¹.
- On-track for over 20% EPS accretion on an annualised underlying basis².

Perpetual Limited (ASX:PPT) ("Perpetual") today announced it has successfully completed its acquisition of a 75% interest in US-based investment management business, Barrow, Hanley, Mewhinney & Strauss, LLC ("Barrow Hanley") from BrightSphere Investment Group Inc. ("BSIG").

Based in Dallas, USA, with a presence in London³ and Hong Kong, Barrow Hanley has a strong track record of value investing over 40 years. Its team of 100 staff, including 54 investment professionals, manage assets across US equities, global equities, global emerging markets equities and fixed income strategies.

The acquisition of Barrow Hanley brings together two complementary investment brands and is an important step in Perpetual's strategy to build world-class investment capabilities and a global distribution footprint. With a successful and long-term track record, Barrow Hanley provides a platform for Perpetual to expand its global presence.

It builds on Perpetual's successful acquisition of Trillium Asset Management ("Trillium"), an ESG investment specialist, and the build-out of Perpetual's US-based distribution team.

The acquisition of approximately US\$41.0 (A\$58.3⁴) billion in assets under management ("AUM") triples Perpetual's AUM which now exceeds A\$87¹ billion and adds 21 new key strategies across asset classes, strategies and geographies.

Perpetual's AUM is now both globally diversified, with more than 70% of total assets managed offshore, and more diversified by asset sector, comprising 47% US equities (including Trillium's 6%), 28% cash & fixed income, 14% Australian equities, and 11% global equities.

Perpetual has commenced execution of its plan to drive growth in both Trillium's integrated ESG investment strategies and Barrow Hanley's highly regarded US equities, global

¹ Total assets under management (AUM) translated at AUD: USD of 0.70 at 31 October 2020. Net of clients who have terminated or confirmed their intention to terminate.

² EPS accretion is based on UPAT on an annualised basis from the date of completion.

³ Pending transition and UK Financial Conduct Authority approval.

⁴ As at 31 October. Net of clients who have terminated or confirmed their intention to terminate.

equities, global emerging market equities and fixed income strategies, through the acceleration of its investment in distribution in US, European and Asia.

Following the acquisition, Perpetual confirms it is on-track to achieve over 20% underlying EPS accretion on an annualised basis⁵.

Perpetual Chief Executive Officer and Managing Director, Rob Adams said, “This is a transformational deal for Perpetual. We now have a broad range of world-class investment capabilities; we have significantly diversified our AUM by client type, client location and by asset sector; and we now have multiple opportunities to drive strong future growth in AUM, with substantial capacity across those strategies.

“The successful early build-out of our US distribution team is now greatly accelerated, with 31 distribution professionals joining us through the acquisition of Barrow Hanley, which also gives Perpetual a presence in London and Hong Kong for future expansion.

“Like Trillium, the Barrow Hanley investment teams are truly world-class, and we are delighted to partner with them to forge a strong growth path into the future.”

Barrow Hanley Chief Executive Officer, Cory Martin, said, “We are excited to formally commence our new partnership with Perpetual. The response from our clients has been very positive and we look forward to leveraging the combination of our investment expertise and Perpetual’s world-class distribution capability.”

Barrow Hanley will retain its brand and will continue to operate independently with no change to its investment process, key investment professionals or existing management. Key staff members will retain their 25% ownership stake, which creates strong alignment between the Barrow Hanley team and Perpetual.

Key Financial Information

Initial consideration of US\$293 million (A\$403⁶) million paid to BSIG represents 87% of clients having consented to the change in ownership⁷, with a potential additional payment to be made to BSIG to reflect final consents received at the end of the consent period. The total consideration will not exceed US\$319 million (A\$439⁸) million.

Initial consideration was funded via a combination of proceeds from the recent capital raise, a new US\$195 million debt facility and available cash.

Under the Group’s new underlying profit definition, transaction, integration costs and amortisation of acquired intangibles will be treated as significant items. These significant items are expected to be within a range of A\$60-66 million (post tax).

Changes to the Perpetual Executive Committee

In recognition of its presence outside of Australia and as announced to the market in the first quarter market update, commencing in 1H21, Perpetual will introduce a new business division, “Perpetual Asset Management, International” which will include the operations of

⁵ Transaction EPS accretion is based on UPAT on an annualised basis from the date of completion.

⁶ Translated at AUD: USD 0.73 on 16 November 2020.

⁷ As foreshadowed in the Investor Presentation ‘Equity Raising: Acquisition of Barrow, Hanley, Mewhinney & Strauss LLC’ lodged with the ASX on 27 July 2020, the anticipated consideration payment of US\$319 million has been adjusted to reflect the level of Barrow Hanley client consents received.

⁸ Under the equity purchase agreement, the client consent period concludes 150 days after the date of closing.

Trillium and Barrow Hanley and any future international asset management functions. This division will be led by David Lane, Group Executive Perpetual Asset Management, International.

David Lane will continue to report to Perpetual CEO and Managing Director, Rob Adams. The new division is expected to represent 29% of the Group's operating revenue⁹ and an increase of 27-29% of the Group's cost base in FY21.

Perpetual Investments will now be known as "Perpetual Asset Management, Australia" and effective 18 November 2020, will be led by Amanda Gillespie who has been appointed to the position of Group Executive, Perpetual Asset Management, Australia, reporting to Rob Adams.

Amanda joined Perpetual as General Manager, Client Solutions and Strategy in 2018 before becoming General Manager, Perpetual Investments supporting Rob Adams who assumed the role as the Group Executive of the division in August 2019.

Amanda has more than 20 years of investment experience and prior to joining Perpetual was Chief Executive Officer at Lonsec, where she played a key role in building out Lonsec's research and consulting capabilities.

Mr Adams said, "Amanda's demonstrated leadership strength, strong internal relationships and deep knowledge in investments will be a great asset to Perpetual. This is a key appointment to the Perpetual Executive Committee, which is fully focused on successfully executing our growth strategy across both our domestic and international businesses.

"This final appointment completes the Perpetual Executive Committee, a team that has significant expertise across all relevant sectors, strong diversity of thought, and complementary skillsets to successfully deliver and position Perpetual for future growth both in Australia and globally."

For the latest Barrow Hanley fund performance, visit <https://www.barrowhanley.com>

Investor and Analyst Briefing

Perpetual is hosting a conference call with investors and analysts to discuss the acquisition on Wednesday 18 November at 10.30am (AEDT). Participants can register for the call by navigating to: <https://s1.c-conf.com/diamondpass/10011045-wl4asw.html>

Please note that registered participants will receive the dial in number upon registration.

Perpetual Investor Day

Perpetual will hold a virtual investor day on 9 December 2020 providing an opportunity to meet the Trillium and Barrow Hanley investment teams and hear more about our global distribution strategy. Registration details to follow shortly.

-Ends-

⁹ On a pro-forma basis for the 12 months ended 30 June 2020. For further information on the basis of preparation of the Pro-forma numbers refer to the Investor Presentation 'Equity Raising; Acquisition of Barrow Hanley, Mewhinny & Strauss LLC' lodged with the ASX on 27 July 2020.

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About Perpetual

Perpetual is a financial services group operating in funds management, financial advisory and trustee services. Our origin as a trustee company, coupled with our strong track record of investment performance, has created our reputation as one of the strongest brands in financial services in Australia. For further information, go to www.perpetual.com.au

About Barrow Hanley

Founded in 1979, Barrow Hanley is a diversified investment management firm offering value-focused investment strategies spanning global equities and fixed income. Recognized as one of the few remaining firms dedicated exclusively to value investing, Barrow Hanley enjoys a boutique culture with a singular focus to assist clients in meeting their investment objectives. Today, Barrow Hanley has approximately 100 employees (54 investment professionals) and manages US\$41.0 (A\$58.3) in assets for a variety of clients. Barrow Hanley stewards the capital of corporate, public, multi-employer pension plans, mutual funds, endowments and foundations, and sovereign wealth funds across North America, Europe, Asia, Australia and Africa. For further information, please visit www.barrowhanley.com