

## A SOLUTION TO MEET YOUR INCOME NEEDS

The Perpetual Credit Income Trust (the Trust) is a listed investment trust that provides a simple and transparent way to invest in a diversified portfolio of credit and fixed income assets via the ASX.

Since Perpetual was established in 1886, our goal has been to help investors protect and grow their wealth. In line with this enduring philosophy, we believe today many investors need additional, diversified sources of income. The Trust provides a solution to meet those needs.

The Trust is managed by the Perpetual Credit and Fixed Income team who are highly skilled and experienced in managing credit.

This has been evidenced by the team's proven ability to generate income for investors; a process refined through multiple market cycles.

The Trust is a unique opportunity to invest with one of Australia's leading active credit fund managers, underpinned by its robust, active and risk aware investment approach that focuses on diversification and selecting quality assets.

## WHY CHOOSE THE PERPETUAL CREDIT INCOME TRUST?



### MONTHLY INCOME

The Trust targets a total return of RBA Cash Rate plus 3.25% (net of fees) through the economic cycle<sup>1</sup>. It intends to pay distributions monthly.



### DIVERSIFICATION

Access to a broad range of credit and fixed income assets diversified by country, asset type, credit quality, loan maturity and issuer. Many of these assets are not typically available to individual investors.



### STABILITY

Perpetual Investments' Credit and Fixed Income Team has extensive experience and a consistent track record of performance. The senior portfolio managers have been investing together for over a decade.



### ACCESS TO DEFENSIVE ASSETS

By investing in the Trust, you gain access to credit and fixed income assets – a defensive asset class which typically has a track record of low capital volatility.



### DYNAMIC INVESTMENT STRATEGY

Perpetual Investments' investment process seeks to preserve capital and deliver repeatable returns. Its active investment strategy allows it to position the portfolio to adapt to changing market conditions.



### ASX LISTED FOR LIQUIDITY

The Trust is listed on the ASX which provides investors with liquidity.

## THE INVESTMENT OPPORTUNITY



### SOURCES OF INCOME

Many investors have a need for income but often only utilise a limited number of sources of income to meet that need. Typical traditional sources of income include dividends, rent from investment properties, and interest on cash and term deposits.

Achieving income goals can be challenging as Australia has been in a period of historically low interest rates and low growth, creating uncertainty for investors who rely on these sources of income.



### OPTIMISE THE DEFENSIVE PART OF YOUR PORTFOLIO

An alternative source of income includes credit and fixed income assets such as corporate bonds, floating rate notes, securitised assets and private debt.

We believe credit and fixed income investments should be the bedrock of an investor's defensive portfolio, as they provide a combination of capital preservation, liquidity and consistent income.



### A NEW WAY TO GENERATE INCOME

Our investment style which seeks opportunities within the broadest possible universe provides diversification and at the same time helps manage risk during any point in a market cycle.

Our strategy predominantly focuses on assets issued by Australian issuers in AUD or foreign currencies. However, we retain the flexibility to invest in global credit and fixed income assets diversified by asset type, credit quality, issuers and countries.

## KEY FACTS

<b>Trust Name</b>	Perpetual Credit Income Trust
<b>ASX code</b>	PCI
<b>Investment Manager</b>	Perpetual Investment Management Limited (Perpetual Investments)
<b>Responsible Entity</b>	Perpetual Trust Services Limited
<b>Investment Objective</b>	To provide investors with monthly income by investing in a diversified pool of credit and fixed income assets
<b>Target Return<sup>1</sup></b>	To target a total return of RBA Cash Rate plus 3.25% p.a. (net of fees) through the economic cycle
<b>Investment Strategy</b>	<p>The Trust will hold an actively managed portfolio of typically 50 to 100 credit and fixed income assets diversified by country, asset type, credit quality, loan maturity and issuer.</p> <p>30% - 100% Investment grade assets<sup>2</sup> Maximum issuer limit 15%</p> <p>0% - 70% Unrated or sub-investment grade assets<sup>3</sup> Maximum issuer limit 10%</p> <p>70% - 100% Assets denominated in AUD</p> <p>0% - 30% Assets denominated in foreign currencies<sup>4</sup></p> <p>0% - 70% Perpetual Loan Fund</p>
<b>Portfolio Manager</b>	Michael Korber
<b>Distributions</b>	Aims to provide monthly distributions
<b>Estimated Management Cost</b>	0.88%
<b>Performance Fee</b>	None
<b>Net Tangible Assets (NTA)</b>	The estimated NTA is published daily on ASX and the Trust's website <a href="http://www.perpetualincome.com.au">www.perpetualincome.com.au</a> .

1 This is a target only and may not be achieved.

2 An investment grade asset has a long term rating of BBB/-Baa3 to AAA/Aaa

3 A sub-investment grade asset has a rating below BBB-/Baa3 and includes unrated assets

4 Foreign currencies are typically hedged back to the Australian dollar



## ABOUT PERPETUAL

Perpetual Investments is one of Australia's largest and most experienced investment managers, with an enduring passion for protecting and growing our clients' wealth. We manage money across a range of asset classes, including Australian and global equities, multi-sector strategies as well as credit and fixed income.

Our disciplined investment process has been tested and proven for more than 50 years. We actively manage investments based on fundamental research and analysis of quality, value and risk. Our aim is to choose the best quality investments at prices that represent good value, based on their potential risk and return.

To further strengthen our investment process, we constantly invest in the quality and depth of our investment team. Today we have one of the most experienced and highly regarded investment teams in Australia.



## PERPETUAL'S EXPERIENCED INVESTMENT PROFESSIONALS

The Trust will be managed by one of Australia's largest and most experienced investment managers, Perpetual Investments (the Manager). Michael Korber, Managing Director of Credit & Fixed Income manages the portfolio with the support of Anne Moal, Head of Corporate High Yield and a specialist team who have been investing together at Perpetual for over a decade.

The Manager believes the key to investing in credit and fixed income assets is constructing, and actively managing, a well-diversified portfolio of quality assets. This is based on investing across the whole credit universe to select the most attractive credit opportunities at any point in time, undertaking in-depth credit research to identify quality, investing with high conviction, identifying the best relative value opportunities, being risk aware not risk averse and actively managing across asset types, sectors, ratings, maturities, markets, issuers and the capital structure.

## KEY PERSONNEL



### MICHAEL KORBER

Managing Director,  
Credit & Fixed Income

Portfolio Manager:  
Perpetual Credit Income Trust  
Perpetual Pure Credit Alpha Fund

Michael has over 38 years' experience, having been involved in credit markets since their development in Australia during the 1990's.

Unlike many other fixed income portfolio managers in this market, Michael has a background in lending and banking, understanding credit risk in a fundamental way.

Prior to this he was a Divisional Director, working seven years in Corporate Banking and four years as deputy to the Head of Macquarie Bank Credit and earlier, he had spent four years as a Credit Analyst with Westpac Banking Corporation.

### ANNE MOAL

Head of Corporate High Yield

Portfolio Manager:  
Perpetual Loan Fund

Anne is an experienced credit markets specialist, having worked for 23 years in credit and fixed income markets in research, origination and trading roles. Anne is the portfolio manager of the Perpetual Loan Fund with a focus on higher yielding income opportunities. Before joining Perpetual in 2014, Anne worked for 10 years at Deutsche Bank, Global Markets division in Sydney where she held various roles, including origination and underwriting of sub-investment grade debt, Head of the Distressed Product Group, Australia and Head of Credit Research. She has also held roles with major institutions in London, including Deutsche Bank, Bankers Trust International, Banque Nationale De Paris and Credit Lyonnais.

# PERPETUAL CREDIT INCOME TRUST

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## HAVE YOU CONSIDERED LITS?

Listed investment trusts (LITs) are designed for investors who:

- Use managed accounts
- Have an SMSF
- Seek an actively managed, diversified portfolio
- Want transparency and simplicity; or
- Look for administrative efficiency of their investment portfolio.



## BENEFITS OF LITS

- Access to an actively managed diversified portfolio of assets managed by a professional team
- Ability to pay regular income
- Buy and sell units in LITs on the ASX through your stockbroker
- Intraday pricing, liquidity on-market and T+2 settlement with all your ASX investments held on your CHESS HIN
- Potential to buy at a discount to net tangible assets (NTA) of the underlying assets
- Transparency – LITs must comply with ASX listing and reporting requirements.



## HOW TO INVEST

Before deciding to invest in the Trust, investors should read the Product Disclosure Statement (PDS) in its entirety. It contains detailed information about the Trust and risks associated with this investment. If you have any questions, you should seek professional advice to determine if this investment is appropriate for you.

- ▶ Ask your stockbroker, financial adviser, accountant or other professional adviser
- ▶ Download a copy of the Product Disclosure Statement at [www.perpetualincome.com.au](http://www.perpetualincome.com.au)
- ▶ Buy units in PCI via your ASX stockbroker (full service or online). Your new units will be issued and transferred to your CHESS holding.

## WHAT ARE THE RISKS?

All investments carry risk and different strategies may carry different levels of risk. The relevant offer document (Product Disclosure Statement or Prospectus) should be considered before deciding whether to invest. Your financial adviser or stockbroker can assist you in determining whether an investment is suited to your financial needs.

## FIND OUT MORE

**Financial advisers:** contact 1800 062 725 or email [investments@perpetual.com.au](mailto:investments@perpetual.com.au)

**Investors:** contact 1800 022 033 or email [investments@perpetual.com.au](mailto:investments@perpetual.com.au)

This information has been prepared and issued by Perpetual Investment Management Limited ABN 18 000 866 535, AFSL 234426 (PIML), as the investment manager for Perpetual Credit Income Trust (Trust). Perpetual Trust Services Limited ABN 48 000 142 049 AFSL 236648 (PTSL) is the responsible entity and issuer of Trust. It is general information only and is not intended to provide you with financial advice or 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 for any loss or damage as a result of any reliance on this information. Past performance is not indicative of future performance. Perpetual Trust Services Limited has issued a Product Disclosure Statement (PDS) for the Trust, which should be considered before deciding whether to acquire or hold units in the Trust. The PDS is available and can be obtained by calling 1300 778 468 (within Australia) or +61(2) 9299 9621 (from overseas) or visiting [www.perpetualincome.com.au](http://www.perpetualincome.com.au). PLO1550\_1020