

ASX Announcement

Perpetual Limited: funds under management 4Q FY2013 Update

26 July 2013

Perpetual Limited (Perpetual) today announced that its funds under management (FUM) as at 30 June 2013 were \$25.3 billion¹, a decrease of 2.7% since 31 March 2013. FUM as at 31 March 2013 were \$26.0 billion. On a year-on-year basis, FUM increased by 11.9% or \$2.7 billion from \$22.6 billion as at 30 June 2012.

For the three months ended 30 June 2013, the S&P/ASX 300 Accumulation Index declined by 2.8%.

Total average FUM for the three months to 30 June 2013 were \$26.4 billion.

FUM and flows by channel and asset class for the three months to 30 June 2013 were as follows:

Channel	31 Mar 13 \$b	Net Flows \$b	Other \$b ⁽¹⁾	30 Jun 13 \$b	
Retail	5.3	(0.1)	-	5.2	
Intermediary	12.5	-	(0.2)	12.3	
Institutional	8.2	(0.4)	-	7.8	
All Channels	26.0	(0.5)	(0.2)	25.3	

Asset Class	31 Mar 13 \$b	Net Flows \$b	Other \$b ⁽¹⁾	30 Jun 13 \$b
Australian Equities	19.3	(0.2)	(0.4)	18.7
Global Equities	0.9		0.2	1.1
Equities	20.2	(0.2)	(0.2)	19.8
Cash & Fixed Income	4.6	(0.2)	(0.2)	4.2
Other	1.2	(0.1)	0.2	1.3
All Asset Classes	26.0	(0.5)	(0.2)	25.3

⁽¹⁾ Includes changes in asset value, income, reinvestments, distributions, and asset class rebalancing within the Group's diversified funds

The change in FUM over the three months was mainly attributable to:

- a decrease of \$0.2 billion as a result of a lower domestic equity market, which was partially offset by the excess returns delivered by the majority of the Group's Australian Equity funds, and
- \$0.5 billion of net fund outflows (compared to \$0.3 billion of net fund outflows for the same period last year), including:
 - \$0.2 billion in net outflows from the Equities asset class, predominantly from the Industrial Shares strategy;
 - \$0.2 billion in net outflows from the Cash & Fixed Income asset class. This included:
 - Intermediary inflows of around \$0.1 billion, primarily into the Credit Income and Diversified Income strategies. This was offset by
 - net outflows of \$0.3 billion by Institutional clients from the Enhanced Cash strategy and the Exact Market Cash Fund (EMCF) product, and
 - o \$0.1 billion of net outflows from the Other asset class.

¹ All Figures in Update are rounded

Appointments and mandates

The increased focus on Strategic Accounts and Research House partners, combined with a more targeted Adviser Distribution sales model, has again expanded the distribution of the Group's funds through the following appointments during the period:

- New model portfolios were released to the NAB/MLC group of licensees effective July and Perpetual's SHARE-PLUS Long-Short Fund² and Australian Share Fund³ have been added to the Premium Model Portfolio and Core + Satellite model respectively, and
- Perpetual's SHARE-PLUS Long-Short Fund was added to the Bridges model portfolio (effective May).

During the quarter, the Group's Diversified Income Fund, which aims to provide regular income and consistency of return by investing in a diversified range of income generating assets, passed the \$0.5 billion FUM mark, compared to \$0.4 billion as at 30 June 2012.

Overall, the refocused distribution approach has started to have a positive impact on the Intermediary channel, which has shown an increase in gross inflows for the third consecutive quarter.

Ratings

Fund ratings outcomes during the quarter were strong, with Perpetual's Diversified Funds and the Pure Equity Alpha Fund receiving upgrades and all other in-house managed funds maintaining their ratings. In addition, a number of investment strategies received either initial or upgraded ratings from asset consultants whose clientele are predominantly institutional investors.

Perpetual Investments' funds continue to be rated highly in terms of investment performance, with most of the funds in the first or second quartile of performance rankings over the last five years. This strong investment performance helped offset the impact on FUM of the lower domestic equity market during the quarter.

Australian Equities

The four largest Australian equities strategies as at 30 June 2013 based on FUM were:

Strategy as at 30 June 13	Intermediary & Retail \$b	Institutional \$b	FUM \$b	
Industrials	6.6		6.6	
Ordinaries	2.4	3.9	6.3	
Concentrated	1.2	1.1	2.3	
Smaller Companies	0.6	0.2	0.8	
Other	1.9	0.8	2.7	
Total Australian Equities	12.7	6.0	18.7	

The next update is expected to be for the three month period ending 30 September 2013.

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About Perpetual

Perpetual is an independent 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

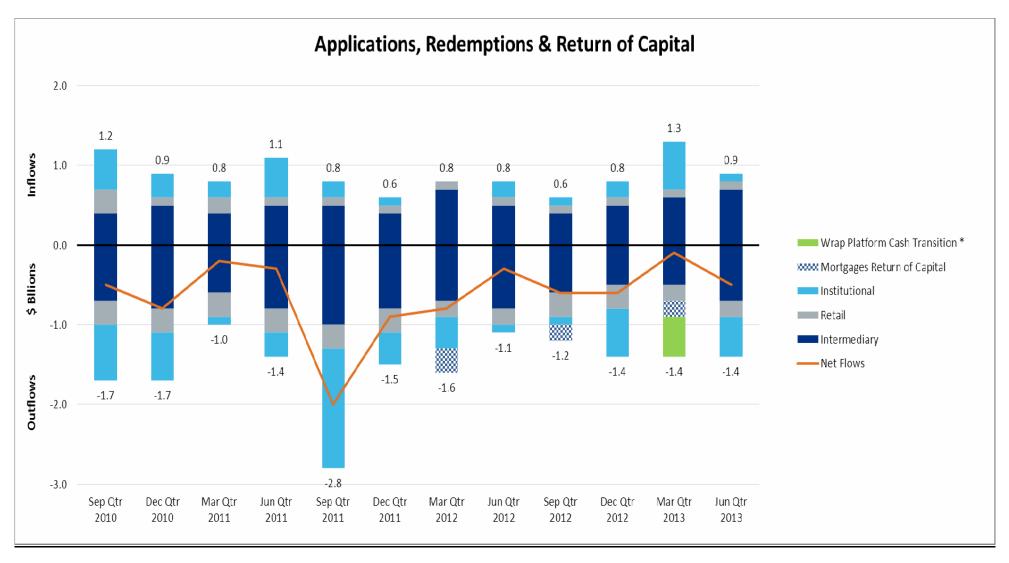
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² Perpetual's SHARE-PLUS Long-Short Fund aims to provide long-term capital growth and income through investment in quality shares and taking short positions in selected Australian Shares.

³ Perpetual's Australian Share Fund aims to provide long-term capital growth and income through investment in quality shares. Angel Place, Level 12, 123 Pitt Street Perpetual Limited Tel +612 9229 9000

FACTSHEET - CHART - Applications, Redemptions & Return of Capital for the past three years



^{*} Perpetual Private portfolio wrap service transition

Note: All figures in the above table are rounded. Institutional inflows and outflows into Cash, Enhanced Cash and Exact Market Cash Funds have been netted out during the quarter so that only a net increase or decrease is included.

FACTSHEET - TABLE - Applications, Redemptions & Return of Capital for the past three years

Institutional		Intermediary		Retail		Closed Mortgage Funds	Wrap Platform	Total			
3 Months Ending	Applications \$b	Redemptions	Applications \$b	Redemptions	Applications	Redemptions	Return of Capital \$b	Cash Transition \$b	Inflows \$b	Outflows \$b	Net Flows
30 Sep 2010	0.5	(0.7)	0.4	(0.7)	0.3	(0.3)	-	-	1.2	(1.7)	(0.5)
31 Dec 2010	0.3	(0.6)	0.5	(0.8)	0.1	(0.3)	-	_	0.9	(1.7)	(0.8)
31 Mar 2011	0.2	(0.1)	0.4	(0.6)	0.2	(0.3)	-	_	0.8	(1.0)	(0.2)
30 Jun 2011	0.5	(0.3)	0.5	(0.8)	0.1	(0.3)	-		1.1	(1.4)	(0.3)
30 Sep 2011	0.2	(1.5)	0.5	(1.0)	0.1	(0.3)	-	-	0.8	(2.8)	(2.0)
31 Dec 2011	0.1	(0.4)	0.4	(0.8)	0.1	(0.3)	-	-	0.6	(1.5)	(0.9)
31 Mar 2012	-	(0.4)	0.7	(0.7)	0.1	(0.2)	(0.3)		0.8	(1.6)	(0.8)
30 Jun 2012	0.2	(0.1)	0.5	(0.8)	0.1	(0.2)	-	-	0.8	(1.1)	(0.3)
30 Sep 2012	0.1	(0.1)	0.4	(0.6)	0.1	(0.3)	(0.2)		0.6	(1.2)	(0.6)
31 Dec 2012	0.2	(0.6)	0.5	(0.5)	0.1	(0.3)	-	-	0.8	(1.4)	(0.6)
31 Mar 2013	0.6	-	0.6	(0.5)	0.1	(0.2)	(0.2)	(0.5)	1.3	(1.4)	(0.1)
30 Jun 2013	0.1	(0.5)	0.7	(0.7)	0.1	(0.2)	_	_	0.9	(1.4)	(0.5)

Note: All figures in the above table are rounded. Institutional inflows and outflows into Cash, Enhanced Cash and Exact Market Cash Funds have been netted out during the quarter so that only a net increase or decrease is included.