

ASX Announcement

First Quarter 2015 funds under management update

Strong net inflows in the first quarter of 2015

20 October 2014

Perpetual Limited (Perpetual) today announced its funds under management (FUM) as at 30 September 2014 were \$30.7 billion¹, with net inflows of \$1.1 billion for the quarter. Total average FUM for the three months to 30 September 2014 were \$31.2 billion.

"This is the fifth consecutive quarter of net inflows and a solid start to 2015 in terms of net inflows for Perpetual," said Perpetual's CEO and Managing Director Geoff Lloyd. "Our distribution strategy is leveraging the strength and performance of our asset management team effectively."

Change in FUM

The change in Perpetual's FUM of \$0.9 billion over the three months to 30 September 2014 was mainly attributable to:

- \$1.1 billion of net inflows, compared to \$0.2 billion of net inflows in the same period last year. Net inflows during the quarter included:
 - \$0.3 billion into Australian Equities with some of this inflow being the reinvestment of distributions from the previous quarter; and
 - \$0.8 billion into Cash and Fixed Income strategies which included net inflows from the institutional channel of \$0.7 billion into enhanced cash and net inflows from the intermediary channel of \$0.1 billion into credit fund strategies.
- a decrease of approximately \$0.2 billion which was due to \$0.3 billion of The Trust Company (Trust Co) Cash Fund no longer being included in FUM as well as an increase of \$0.1 billion from funds outperforming their benchmarks.

Perpetual's FUM as at 30 June 2014 included \$1.0 billion from Trust Co, which was acquired in December 2013. As at 30 September 2014, approximately \$650 million of this FUM was managed by Perpetual Investments. The remaining FUM, primarily cash investments, will be managed and recorded in Perpetual Private and is therefore excluded from FUM (as indicated above and in the FY14 results update on 28 August 2014) and shown in 'Other' column in the table on FUM and flows in the Appendix.

Appointments and mandates

A strategic focus on sales and distribution remains and during the period, the following appointments were made:

- Perpetual's Share-Plus Long-Short Fund was added to the approved product list of two large wealth management groups;
- Perpetual's Global Share Fund was also approved for use by a large wealth management group;
- Perpetual's Pure Microcap Fund and Pure Equity Alpha Fund were added to key industry platforms;
- Three Perpetual funds were added to the Employer Super Investment Menu of a large wealth management group.

¹ All figures in this update are in Australian dollars and are rounded.

Ratings and awards

Over the quarter, the Perpetual Pure Equity Alpha Fund was a finalist for the 'best emerging fund' at the 2014 Australian Hedge Fund Awards.

The Perpetual Direct Equity Alpha Fund was nominated for the 'SMA Portfolio Award' as part of the Lonsec Awards 2014.

Changes since June 2012	As at 30 Sep 2014
Additions to:	
Discretionary platforms	19
Financial adviser APLs	17
Model Portfolios	17
Fund ratings:	
Fund rating upgrades	17
New fund ratings of investment grade (or its equivalent) or above	13

Appendix

- FUM and flows data by channel, asset class and strategy.

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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

Appendix

FUM and flows by channel

Channel (A\$ billion)	30 Jun 2014	Net Flows	Other ²	30 Sep 2014
Retail	5.5	(0.1)	-	5.4
Intermediary	14.0	0.5	-	14.5
Institutional	10.0	0.7	0.1	10.8
Total excl Trust Co Cash Fund	29.5	1.1	0.1	30.7
Trust Co Cash Fund	0.3	-	(0.3)	-
Total	29.8	1.1	(0.2)	30.7

FUM and flows by asset class

Asset Class (A\$ billion)	30 Jun 2014	Net Flows	Other ²	30 Sep 2014
Australian Equities	22.1	0.3	(0.2)	22.2
Global Equities	1.2	-	0.1	1.3
Total equities	23.3	0.3	(0.1)	23.5
Cash & Fixed Income	5.5	0.8	(0.1)	6.2
Other	1.0	-	-	1.0
Total: all asset classes	29.8	1.1	(0.2)	30.7

² 'Other' includes changes in asset value, income, reinvestments, distributions, and asset class rebalancing within the Group's diversified funds.

Note: Trust Co FUM excluding the Cash Fund has been reassigned to intermediary channel including restating 30 June 2014 numbers. Trust Co Cash Fund is no longer included in 30 September 2014 numbers.

Channel definitions: Retail includes FUM from advisers and individual clients who invest with Perpetual directly; Intermediary includes FUM from financial advisers who invest with Perpetual via external platform providers; Institutional includes industry superannuation funds and clients who invest large sums.

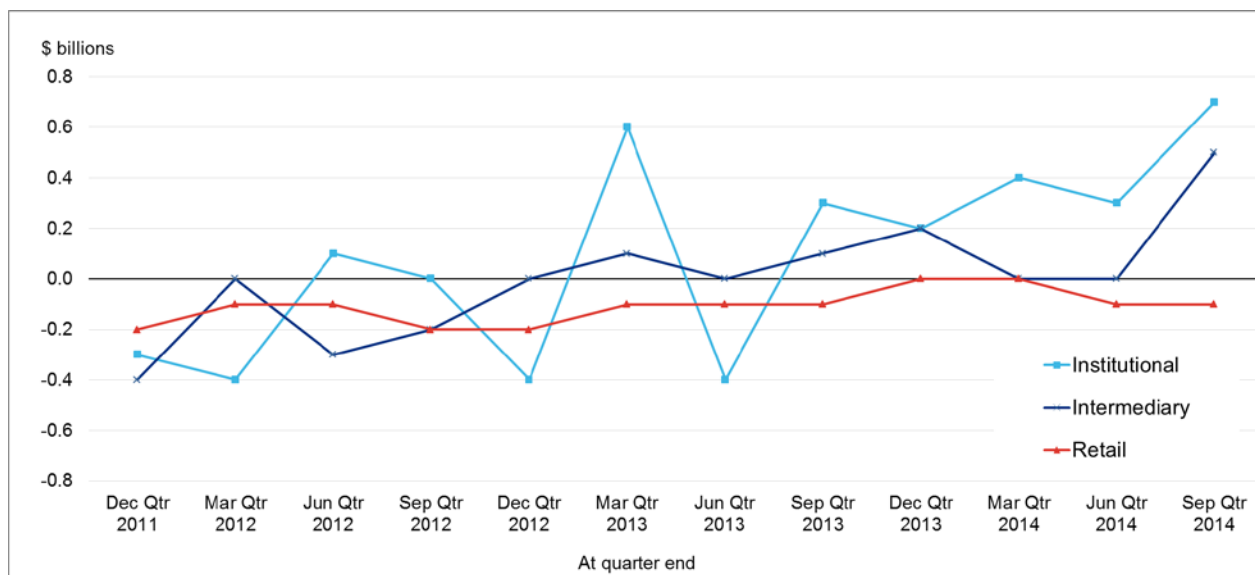
Australian Equities

FUM by strategy 30 September 2014 (A\$ billion)	Intermediary & Retail	Institutional	Total FUM
Ordinaries (Aust Share Fund)	2.9	4.7	7.6
Industrials	6.4	-	6.4
Concentrated	1.2	1.8	3.0
Smaller Companies	0.7	0.4	1.1
Other	3.0	1.1	4.1
Total Australian Equities	14.2	8.0	22.2

Cash and Fixed Income

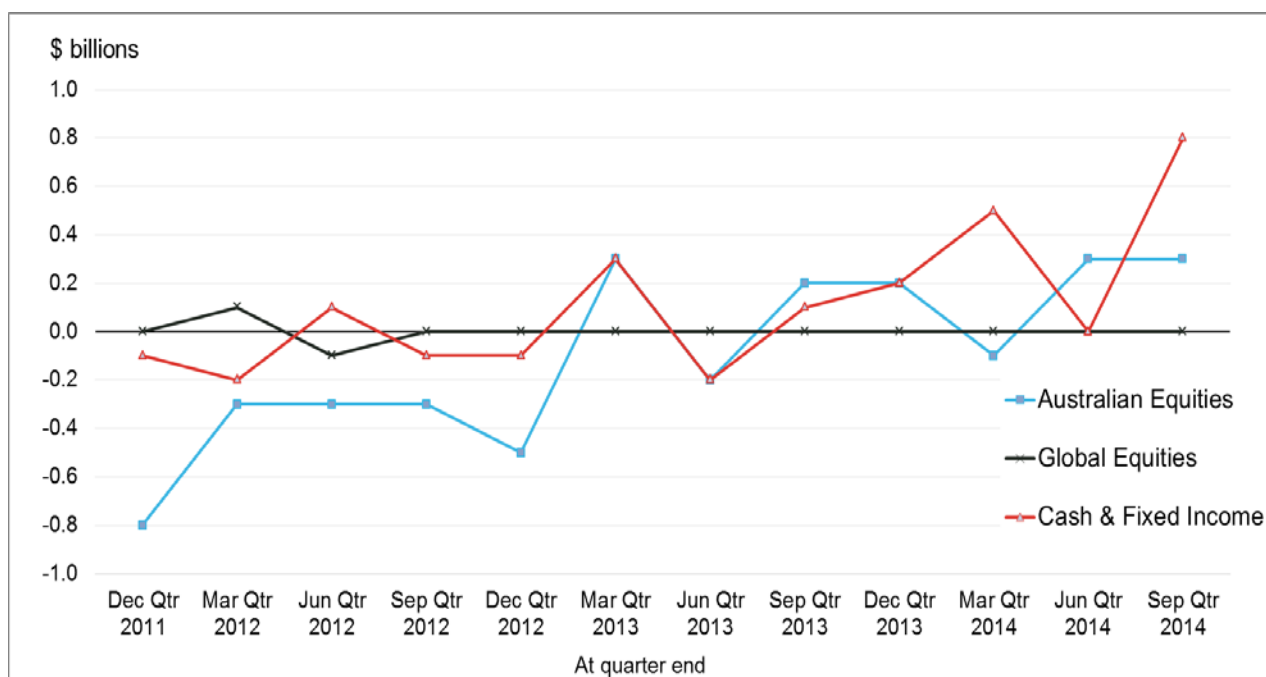
FUM by strategy 30 September 2014 (A\$ billion)	Intermediary & Retail	Institutional	Total FUM
Cash / Enhanced Cash	1.0	2.5	3.5
Credit / Fixed Income	2.3	0.1	2.4
Sub-total	3.3	2.6	5.9
Exact Market Cash			0.3
Total			6.2

Net flows by channel: 2011 – 2014



Note: Excludes returns of capital to investors for mortgage funds and the Perpetual Private portfolio wrap service cash

Net flows by asset class: 2011 – 2014



Note: Excludes 'Other' Asset Class, return of capital to investors for Mortgage Funds and the Perpetual Private portfolio wrap service cash.