

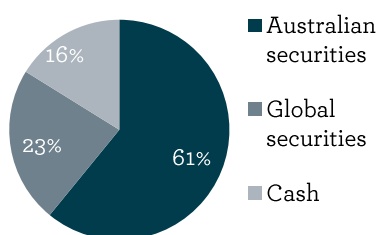
PERPETUAL EQUITY INVESTMENT COMPANY LIMITED

ACN 601 406 419

SEPTEMBER 2015 MONTHLY INVESTMENT UPDATE AND NTA REPORT

PORTFOLIO PROFILE ALLOCATION OF INVESTMENTS

84% of capital invested in securities.



PERFORMANCE

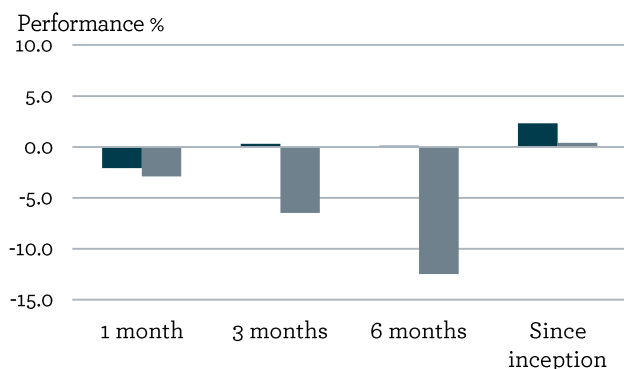
Net of fees, expenses and tax paid

AS AT 30 SEPTEMBER 2015	1 MTH	3 MTHS	6 MTHS	SINCE INCEPTION
PIC	-2.1%	0.3%	0.1%	2.3%
S&P/ASX 300 Accumulation Index	-2.9%	-6.5%	-12.5%	0.4%
Performance Relative to benchmark	0.8%	6.8	12.6%	1.9%

Inception date is 18 December 2014.

PERFORMANCE - PIC VS BENCHMARK

■ PIC
■ S&P/ASX 300 Accum Index



Returns shown for the Company have been calculated on the growth of Net Tangible Assets (NTA) after taking into account all operating expenses (including management fees and any income tax on realised gains) and assuming reinvestment of dividends. Any provisions for deferred tax on set up costs and on unrealised gains and losses are excluded. Past performance is not indicative of future performance.

Inception date is 18 December 2014

KEY ASX INFORMATION

As at 30 September 2015

ASX code: PIC

Listing date: 18 December 2014

Market capitalisation: \$238.474 million

Share price: \$0.95

Shares on issue: 251,024,874

Options on issue: 249,840,777

Options ASX Code: PICO

Options expiry date: 10 June 2016

Options Share price: \$0.013

PORTFOLIO COMMENTARY

The Portfolio fell by 2.1% in September, outperforming the benchmark by 0.8%. Since listing, the Perpetual Equity Investment Company Limited (PIC) has returned 2.3% exceeding the benchmark return by 1.9%.

Over the last several weeks there has been significant volatility in equity markets both abroad and domestically. The high cash weighting that PIC has been carrying for the last 9 months has provided shareholders with protection during the markets' sell-off. It has also provided the Manager with a buffer to take advantage of opportunities and the Manager has invested into high quality companies with good management and strong balance sheets but at levels well below what the Manager believes to be their fundamental value. The portfolio still has no position in Australian Banks and the Manager continues to believe that offshore banks and domestic insurance represent much better value. The balance of the portfolio is invested in Media, both domestic and offshore, agriculture and basic industries such as steel.

Eighty four percent of capital has now been invested in securities. This means that the portfolio has reached the threshold for full deployment. (Under the investment guidelines the Manager may hold up to 25% of the portfolio in Cash). In May 2015 the Board had granted the Manager an extension to the capital deployment period and the Manager's patient, disciplined investment approach has rewarded shareholders enabling PIC to make investments at attractive valuations.

ANNUAL GENERAL MEETING

The first Annual General Meeting (AGM) of PIC will be held at 2.30pm on Thursday, 5 November 2015 at Angel Place, Level 12, 123 Pitt Street, Sydney, New South Wales.

Perpetual

INVESTOR UPDATE ROADSHOW

We are holding investor updates around the country during the month of October. Michael Gordon, Executive Director* and Vince Pezzullo, Portfolio Manager will present an update on the Company and its investment strategy at a series of investor information sessions. As part of the presentation, they will provide an overview of current market conditions, performance and profile some of the individual Australian and global securities currently being held in the portfolio. To register please go to www.perpetualequity.com.au The dates and locations can be found below:

BRISBANE

Friday 16 October
10.15am for a 10.30 presentation to conclude by 11.30am
Perpetual Offices
Level 15, 345 Queen Street
Brisbane QLD 4000

MELBOURNE

Tuesday 20 October
10.15 for a 10.30 presentation to conclude by 11.30am
Crown Towers
Garden Room, Level 1
8 Whiteman Street
Southbank, Melbourne VIC 3006

ADELAIDE

Wednesday 21 October
10.15am for 10.30am presentation to conclude by 11.30am
Taylor Collison Offices
Level 16, 211 Victoria Square
Adelaide SA 5000

PERTH

Thursday 22 October
9.15am for a 9.30am presentation to conclude by 10.30am
Frasers
60 Fraser Avenue, Kings Park
West Park, WA 6005

SYDNEY

Tuesday 27 October
10.15am for a 10.30am presentation to conclude by 11.30am
Hilton Sydney
Level 4, 488 George Street, Sydney NSW 2000

*Michael Gordon will not be attending the Brisbane event which will be hosted by Tony Harte, State Manager, Perpetual Investments.

MONTH IN REVIEW

The Australian equity market, as measured by the S&P/ASX 300 Accumulation Index, fell 2.9% during September. Global markets were down across the board as weaker than expected economic data from China and the US and inaction from the US Federal Reserve on interest rates led to renewed fears of softening global growth. China's Purchasing Managers Index for August fell to 49.7, its lowest level in three years, while imports for August fell much further than expected, down 13.8% from the prior year. In the US, manufacturing numbers and non-farm payrolls were weaker than expected and the US Federal Reserve postponed raising interest rates. In Australia the Reserve Bank also kept rates on hold. GDP growth for the second quarter of 0.2% was below consensus expectations and down from 0.9% in 1Q15. In mid-September a Liberal Party leadership spill saw Malcolm Turnbull depose Tony Abbott as the Prime Minister of Australia, which led to a brief rally of the Australian dollar. However the gains were short lived with the dollar closing the month at US\$0.7023, down 0.95% from August.

TOP SECURITIES

TOP 5 AUSTRALIAN SECURITIES AS AT 30 SEPTEMBER 2015

COMPANY	PORTFOLIO WEIGHT
Woolworths Ltd	8.5%
Caltex Australia Ltd	6.7%
Suncorp Group Ltd	6.6%
Reckon Ltd	6.0%
Sky Network Television Ltd	5.7%

TOP 3 GLOBAL SECURITIES AS AT 30 SEPTEMBER 2015

COMPANY	PORTFOLIO WEIGHT
Bank of America Corp	6.4%
Banco Bilbao Vizcaya	5.5%
Viacom Inc	5.4%

NET TANGIBLE ASSET (NTA) BACKING PER ORDINARY SHARE¹

AS AT 30 SEPT 2015	AMOUNT
NTA before tax ²	\$0.99
NTA after tax	\$0.997

Daily NTA is available on the website.

¹All figures are unaudited and approximate.

²The before and after tax numbers relate to provisions for deferred tax on set-up costs and on unrealised gains and losses in the Company's investment portfolio.

INVESTMENT PHILOSOPHY

INVESTMENT OBJECTIVE

The investment objective of the Company is to provide investors with a growing income stream and long-term capital growth in excess of its benchmark (the S&P/ASX 300 Accumulation Index) over minimum 5 year investment periods.

INVESTMENT STRATEGY

The Company's investment strategy is to create a concentrated and actively managed portfolio of Australian securities with typically a mid-cap focus and global listed securities.

The Company will provide investors with the opportunity to invest in an actively managed portfolio and to gain access to the investment management experience and expertise of the Manager.

ABOUT THE MANAGER

The Company's investment portfolio is managed by Perpetual Investment Management Limited, part of the Perpetual Group, whose consistent track record of investing excellence is underpinned by its proven investment process that focuses on value and quality.

This monthly report has been prepared by Perpetual Investment Management Limited (PIML) ABN 18 000 866 535, AFSL 234426. 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. No company in the Perpetual Group (Perpetual Group means Perpetual Limited ABN 86 000 431 827 and its subsidiaries) guarantees the performance of the Company or the return of an investor's capital.

CONTACT DETAILS

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