Perpetual Limited
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20 August 2020

ASX Limited
ASX Market Announcements Office
Exchange Centre
20 Bridge Street
Sydney NSW 2000

Perpetual FY20 Financial Results

The following announcements to the market are provided:

- FY20 Appendix 4E
- FY20 ASX Announcement
- FY20 Full Year Statutory Accounts
- ✓ **FY20 Results Presentation**
- FY 20 Operating and Financial Review
- Appendix 4G
- FY20 Corporate Governance Statement

Yours faithfully,

Sylvie Dimarco
Company Secretary
(Authorising Officer)

PERPETUAL LIMITED

FY20 RESULTS

12 months to 30 June 2020

Rob Adams
Chief Executive Officer
and Managing Director
Chris Green
Chief Financial Officer

20 August 2020

Perpetual

FY20 RESULTS

ROB ADAMS
CHIEF EXECUTIVE OFFICER
AND MANAGING DIRECTOR

Perpetual

A diversified business

Supported by
balance sheet strength, brand & client relationships

Responding to the current environment

Earning trust every day
supporting our clients, protecting our people, remaining true to label

Executing on our strategy

Clients first, future fit, new horizons

FY20 RESULTS

$489.2m	$356.8m	$82.0m	$93.5m
Operating revenue[1]	Expenses	NPAT	UPAT[1]
↓ 5% on FY19	↑ 1% on FY19	↓ 29% on FY19	↓ 19% on FY19

PERPETUAL INVESTMENTS
FUM $28.4b

Highly regarded investments business adding world-class investment capabilities to drive sustained growth

PERPETUAL PRIVATE
FUA $14.3b

Clear HNW segmentation strategy, well positioned to capitalise on industry disruption

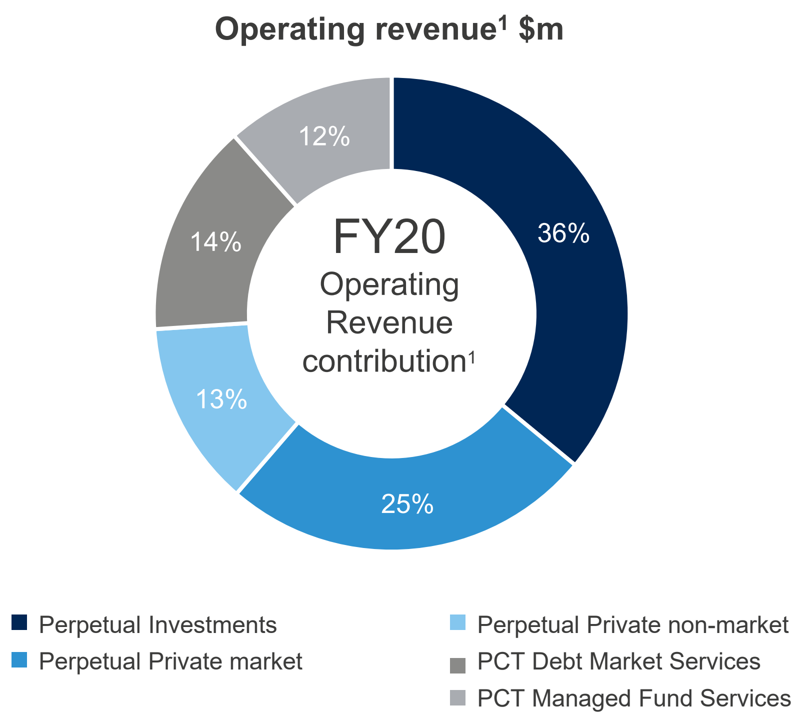
PERPETUAL CORPORATE TRUST
FUA $941.9b

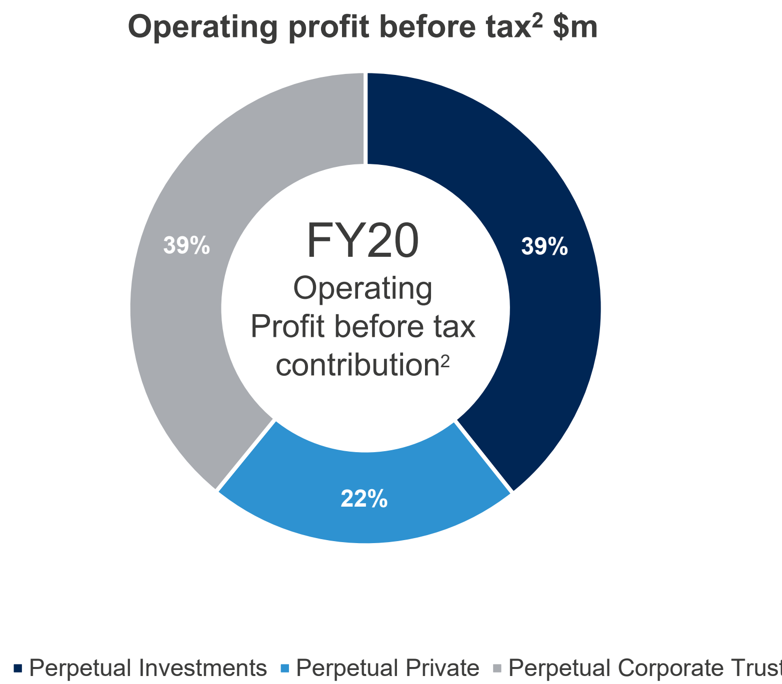
Leader in securitisation and managed fund services, investing in data analytics solutions

1. Operating revenue is presented net of distributions and expenses of the EMCF structured products. For statutory purposes revenue, distributions and expenses are adjusted to reflect the gross revenue and expenses of these products. Refer Appendix B of the operating and financial review for the 12 months ended 30 June 2020 for the definition of UPAT and reconciliation to NPAT.

PERPETUAL'S DIVERSIFIED BUSINESS MODEL

DIVERSIFIED SOURCE OF REVENUES PROVIDE SOME PROTECTION FROM MARKET VOLATILITY



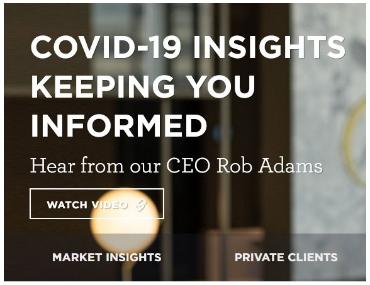


- **61%** of the Group's FY20 operating revenue was impacted by the value of FUM and FUA in Perpetual Investments and Perpetual Private, which are influenced by equity markets, interest rate spreads, and net flows
- The remaining **39% o**f the Group's non-market fiduciary and advisory operating revenue in Perpetual Private and Perpetual Corporate Trust are primarily driven by new clients, securitisation issuances, cross-border flows and asset values
- The **16%** increase in PCT's profit before tax demonstrates its growing importance to the Group

1. Operating revenue contribution excludes Perpetual Group services for the 12 months ended 30 June 2020. FY20 Non-market revenue represented 39% of operating revenue and includes Perpetual Private non-market and Perpetual Corporate Trust revenues. FY20 Market revenues represented 61% of revenue and includes Perpetual Investments and Perpetual Private market revenues
2. Underlying operating profit before tax excludes Perpetual Group services for the 12 months ended 30 June 2020

PERPETUAL SWIFTLY ADAPTED TO COVID-19
CONNECTING WITH OUR CLIENTS AND OUR PEOPLE

Digital solutions for staff and clients



- Seamless transition with more than 95% of staff working remotely under our Crisis Management Plan
- Increased client connectivity through innovative digital solutions
- Delivered 40+[1] client webinars across the business

Record transaction volumes in PCT

- RBA reporting delivered on time despite increased volumes due to COVID-19 issuances
- Working proactively with clients to monitor portfolio performance and understand their response to COVID-19 related risks

Navigating market volatility in PI

Equities insights

WEBINAR: COVID-19, PORTFOLIO IMPLICATIONS AND MARKET OUTLOOK

- One of Australia's largest active equity managers
- Well positioned, and took advantage of market volatility and increased capital market activity[2]
- Increased holdings in a number of companies at historically low valuations via participation in equity raisings[2]

Supporting the NFP sector in PP

HOW PERPETUAL IS HELPING NFPS THROUGH THE COVID-19 CRISIS

- Accelerating the release of funds with $5 million injected into community[3]
- Supporting the most vulnerable in our communities (domestic violence, Indigenous, Torres Strait, refugees) via grants

1. Between 1 March 2020 up to 30 June 2020 across the business
2. $28.5b of corporate equity raised (excluding IPO's) via the Australian Stock Exchange (ASX) between 1 March to 30 June 2020 (source Dealogic)
3. As at 30 June 2020

PERPETUAL STRATEGIC IMPERATIVES
SOLID PROGRESS IN STRATEGY EXECUTION

Our vision: Enduring Prosperity for all our stakeholders

CLIENT FIRST
Exceptional products
Outstanding service

FUTURE FIT
Empowering our people to deliver high performance

NEW HORIZONS
New capabilities
Global footprint

FY20 strategic progress and outcomes

Client First

- ✓ **Net Promotor Score +45** up from +40[1] in FY19
- ✓ Perpetual Corporate Trust awarded **"Trustee of the Year"**[2] for the fourth consecutive year and delivered **16%** growth in profit before tax[3]
- ✓ Perpetual Private continues to capitalise on industry dislocation with **30%[4] increase** in advisers making a material contribution to our **7th consecutive year of positive net flows**
- ✓ **Global Innovation Share Fund** reaches three year performance track record, delivering **33%** return above benchmark and included in top **20 global fund managers[5]**

Future Fit

- ✓ New **operating model** executed on time and delivering cost savings at the top end of the **\$18-23 million[6]** range on an annualised basis
- ✓ Chief Operating Officer, Amanda Gazal now on board and leading **Perpetual Client Solutions** to support and leverage expertise across the business
- ✓ Continued investment and redesign of our **Governance, Accountability and Risk frameworks improving** and streamlining decision making
- ✓ Infrastructure transformation projects underway to transition to **contemporary platform** across the business facilitating **new ways of working**

New Horizons

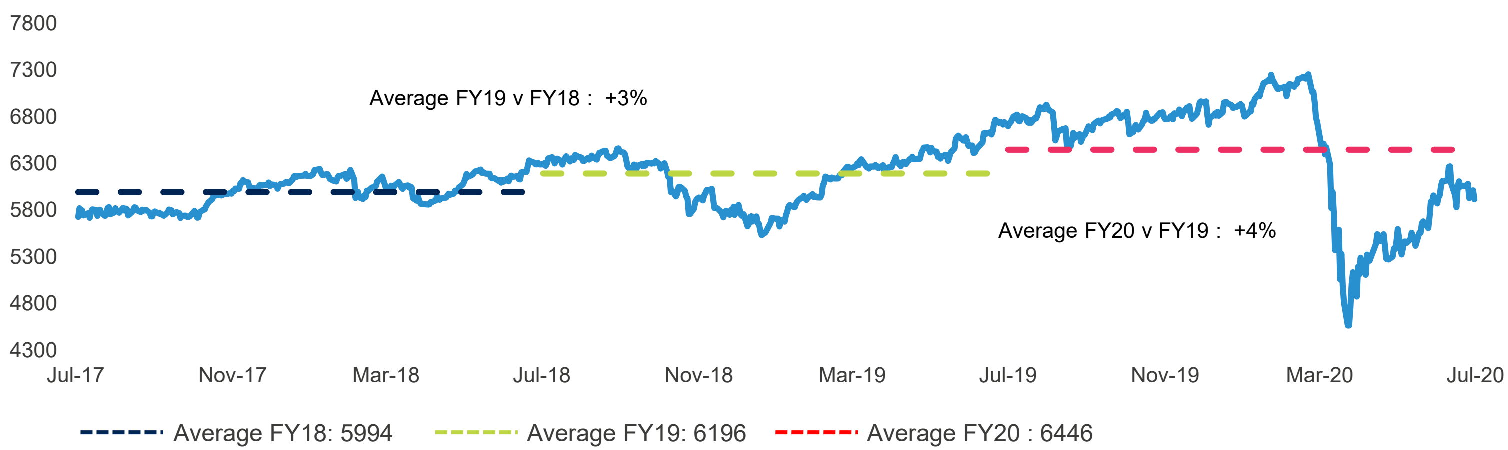
- ✓ **Completed Priority Life and Trillium acquisitions**, extending deep client segment expertise and providing exposure to **fast growing ESG market[7]**
- ✓ Announced the **transformational acquisition** of **Barrow Hanley[8]** providing a platform for Perpetual to compete globally
- ✓ Global Head of Distribution and **US Distribution** team in place to accelerate growth in key markets
- ✓ In advanced discussions regarding **other complementary bolt-on acquisitions** that align with strategic imperatives across each business line

Delivering on strategic imperatives across the business

1. NPS scores may be restated to incorporate acquisitions and or changes to client segmentation within business units to allow for direct comparison year on year. The FY19 NPS score was restated from 39 to 40 to reflect the acquisition of Round Tables in PCT and the addition of the Not-For-Profit client segment within Perpetual Private 2. Kanga Awards 2019 3. For the twelve months ended 30 June 2020 4. Net increase since 30 June 2019, includes new advisers joining Perpetual either via the adviser growth strategy or as part of the Priority Life acquisition 5. For the 12 months ended 30 June 2020, Perpetual Global Innovation Fund included in Morningstar's Top 20 global fund managers June 2020 YoY% compared to MSCI All Country World Index 6. As at 30 June 2020 on an annualised basis. 7. Rainmaker roundup Volume 23 No 4 December 2019 8. Subject to regulatory and customary approvals including Barrow Hanley client consents

PERPETUAL INVESTMENTS
OUTFLOWS AND CHANGE IN ASSET CLASS MIX IMPACTING REVENUE

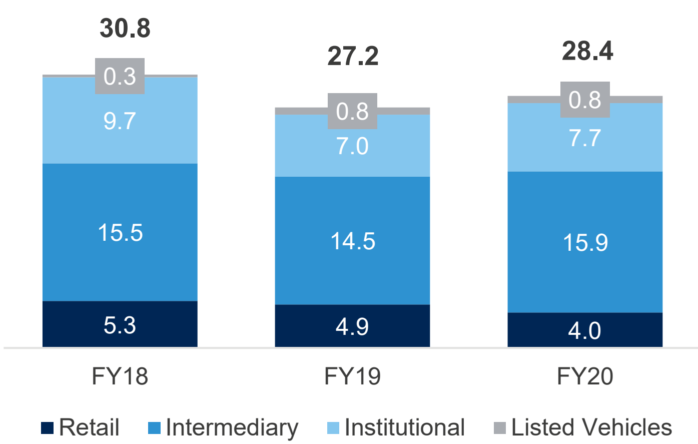
All Ordinaries Index[1]



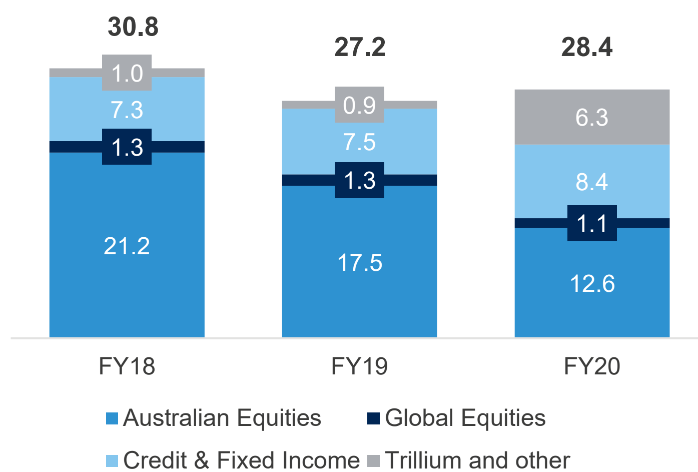
Equity markets collapsed in late February/March in **response to COVID-19 pandemic** before partially rebounding

The average All Ordinaries Index was up 4% on FY19 but closed **10% lower** than 30 June 2019

FUM by channel $b



FUM by asset class $b



Trillium now represents **20% of Perpetual Investments FUM** and provides growth opportunities via the **fast growing ESG market**

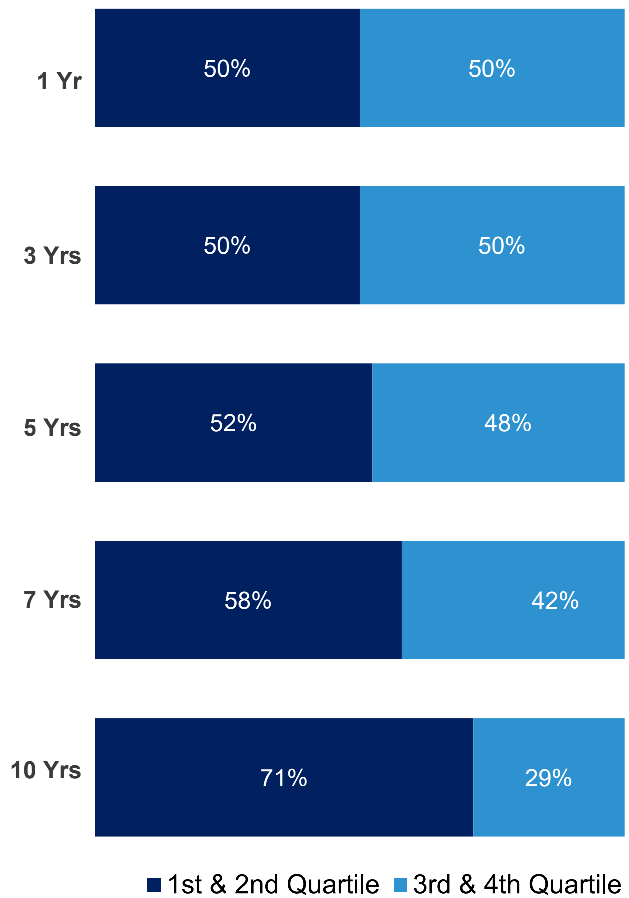
1. Source S&P ASX All ordinaries price index

PERPETUAL INVESTMENTS
MIXED PERFORMANCE ACROSS ASSET CLASSES

Quartile rankings[1]
Period ending 30 June 2020

		1 yr	3 yrs	5 yrs	7 yrs	10 yrs
Australian Equities	Perpetual W Australian Share	3	3	4	4	3
	Perpetual W Concentrated Equity	4	4	4	4	3
	Perpetual W Ethical SRI	3	4	4	3	1
	Perpetual W Geared Australian Share	4	4	4	4	3
	Perpetual W Industrial Share	3	4	4	4	2
	Perpetual W SHARE-PLUS Long-Short	2	3	3	2	1
	Perpetual W Smaller Companies	2	3	3	2	1
	Perpetual Pure Equity Alpha[2]	2	3	2	4	
	Perpetual Pure Microcap	2	4	1		
Global Equities[7]	Perpetual Global Share Fund - Class A	4	3	3		
	Perpetual Global Innovation Share A	1	1			
Trillium	Trillium ESG Global Equity Fund Institutional[3]	1	1	1	1	1
	Trillium Sustainable Opportunities Strategy[4]	1	1	1	1	1
Multi Asset	Perpetual W Balanced Growth	3	3	3	4	3
	Perpetual W Conservative Growth	2	2	2	2	2
	Perpetual W Diversified Growth	2	2	3	3	2
	Perpetual Diversified Real Return	3	2	2	2	
Credit and Fixed Income	Perpetual W Diversified Income[5]	3	2	2	2	2
	Perpetual Active Fixed Interest[6]	4	2	1	1	1
	Perpetual Pure Credit Alpha - Class W[5]	4	2	2	2	
	Perpetual Wholesale Dynamic Fixed Income[5]	2	2	2	2	
	Perpetual High Grade Treasury - R unit	1	1	1	1	

% of funds quartile ranking



1. Perpetual funds included in the Mercer wholesale survey – quartile ranking (sub universe, post fee)
2. Pure Equity Alpha is as per the Mercer Institutional Survey - Australian Shares Absolute Return (net) universe (after fees) which is not an official mercer universe release
3. Trillium Sustainable Opportunities Strategy is sourced from Evestment database, all performance in USD$. Peer Group: MSCI- ACWI-ND index
4. Trillium ESG Global Equity Fund Institutional is as per Morningstar Direct data available on PORIX (US Institutional share class, net of fees). Peer Group: US Open End - World Large Stock
5. Diversified Income, Dynamic Fixed Income and Pure Credit Alpha quartiles are estimated based on net returns against the Wholesale Fixed Income - Global - Income Universe
6. Perpetual Active Fixed Interest is as per the Mercer Institutional Survey - Australia Fixed Income (before fees) universe which is not an official Mercer Universe
7. The Perpetual W Global Hedged Share Fund has been removed following the closing notice issued on 27 July 2020 that this fund will terminate by 4 September 2020

PERPETUAL PRIVATE
STRONG FOUNDATIONS FOR GROWTH IN CHOSEN SEGMENTS

Our vision: Lead the market in advisory and professional services in our chosen segments

Future proof the business and focus on the needs of High Net Worth individuals and families and Not For Profit clients

Capitalise on industry dislocation and accelerate growth through adviser acquisition

Accelerate growth via pursuit of culturally and strategically aligned inorganic opportunities

FY20 strategic progress and outcomes

- ✓ **30%** increase in clients from growth initiatives across chosen segments[1]
- ✓ National roll-out of **scaleable professional services** model completed
- ✓ Repricing & discontinuation of legacy products continues with exit of Australian Eligible Rollover Funds (AERF) and MySuper by **June 21**

- ✓ **20 Advisers** now on board under the Adviser growth strategy representing **30%**[2] uplift in high quality aligned adviser numbers
- ✓ Despite the challenging market conditions continue to see positive flows from both existing and new advisors with **153** new HNW clients added in FY20 contributing **$0.6b of net flows**
- ✓ **85** of the **153** new HNW clients have transitioned to Perpetual with FUA of **$0.3b** out of a potential **$1b+ FUA**

- ✓ **Priority Life acquisition** completed
- ✓ **Priority Life revenue contribution**[3] in line with expectations with client numbers up **10%** post completion
- ✓ Solid pipeline of **complementary bolt-on opportunities** at various stages of development

Trusted brand, uniquely positioned to benefit from industry dislocation with track record of building new referral channels through acquisition

1. Includes 2,500 of Priority Life clients, and other new clients from existing referral channels and the adviser growth strategy
2. Net increase since 30 June 2019, includes new advisers joining Perpetual either via the adviser growth strategy or as part of the Priority Life acquisition
3. Revenue growth year on year for Priority Life on a stand alone basis. Perpetual acquisition completed on 13 November 2019

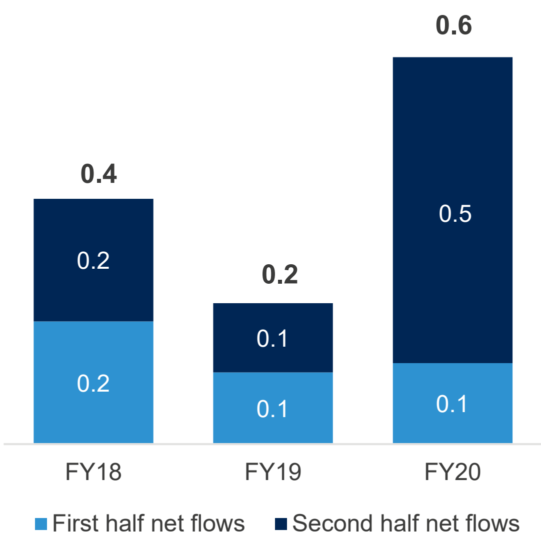
PERPETUAL PRIVATE
ADVISER ACQUISITION STRATEGY CONTRIBUTING TO HIGHER NET FLOWS

7th consecutive year of positive net flows bolstered by adviser growth strategy in 2H20

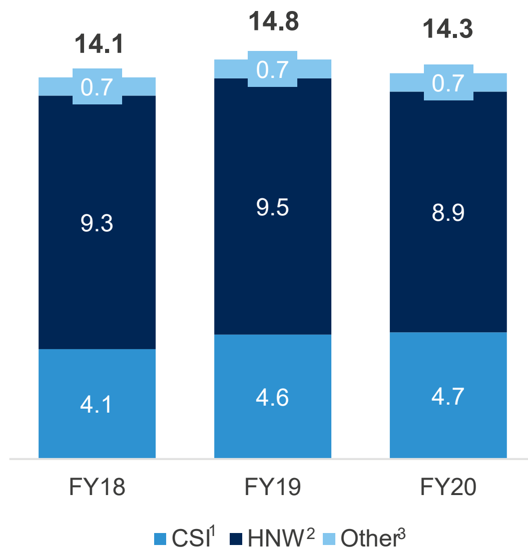
Community and Social Investment providing meaningful contribution

Full range of proprietary multi manager investment solutions available for clients

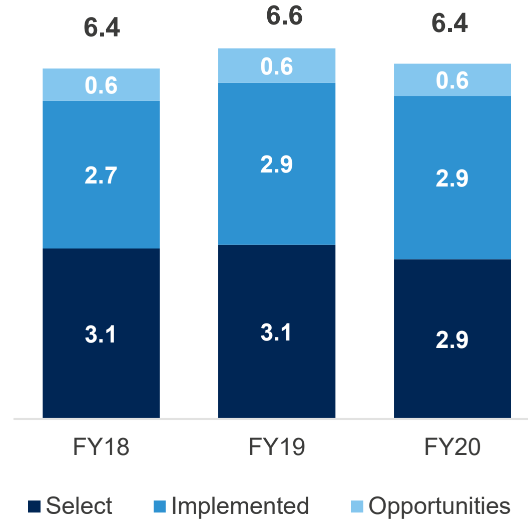
Net flows $b



FUA by segment $b



Funds under management $b



1. Community and Social Investments (CSI) includes Philanthropic, native title and not-for-profit clients
2. High Net Worth (HNW) includes business owners (Fordham referrals) and medical specialists clients
3. Other FUA includes Perpetual Plus and legacy products

PERPETUAL CORPORATE TRUST
A YEAR OF RECORD GROWTH AND CLIENT ADVOCACY

Our vision: Leading provider of fiduciary, custodian, and digital solutions to the financial services industry

Managed Fund Services (MFS)
Full service cross border offering for domestic and global clients

Debt Market Services (DMS)
20+ years of developing new products and service excellence

Data & Analytics Solutions (DAS)
Delivering digital solutions to the financial services industry

FY20 strategic progress and outcomes

- ✓ **MFS** continued its growth momentum, delivering **8%** increase in revenue with the **Singapore office** delivering **double digit** revenue growth
- ✓ **FUA growth of 6% to $285.8b** supported by stable asset prices and demand from domestic and global asset managers
- ✓ Market leader in managed funds industry with a client advocacy **NPS Score of +55**, up from +50
- ✓ Developed **new enhanced fund manager and service provider monitoring** to manage funds liquidity and COVID-19 risk
- ✓ **75%**[1] of MFS's FUA clients manage real asset funds
- ✓ Trustee for **>2500 trusts**

- ✓ **DMS revenue growth** supported by **33%** growth in the securitisation portfolio to **$638b** from new and existing clients
- ✓ **Continued market leadership** in the securitisation industry with a client advocacy **NPS Score of +59**, up from 57
- ✓ Our custody business saw a **7%** increase of physical customer loan documents to ~759k and a **24% increase of digital** customer loan documents to ~45k
- ✓ Digital transformation strategy of upgrading **legacy custody technology to cloud completed**
- ✓ Trustee and Agent for >**540 trusts**

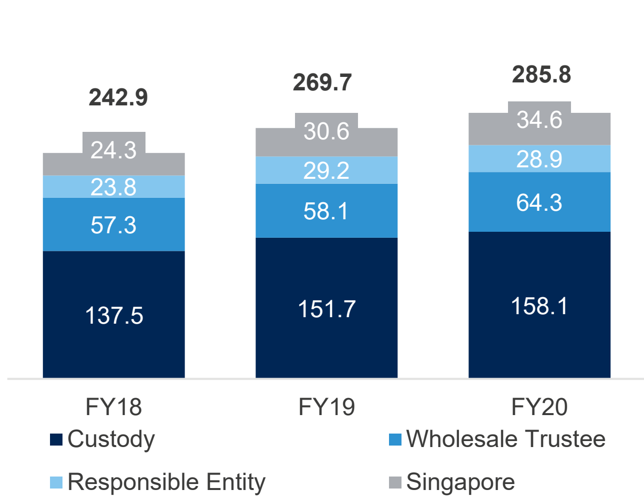
- ✓ **DAS revenue growth**, supported by growth in Perpetual Business Intelligence combined with full year contribution from **Perpetual Roundtables**
- ✓ Demonstrated market leadership to the financial services industry with a client advocacy **NPS Score of +74**, up from +60
- ✓ **51%** growth in securitisation loans distributed to the **RBA**, up from $350b to $528b to support COVID-19 response
- ✓ Increased **frequency** of Portfolio insights and benchmarking **of ~$2.4 trillion of retail loans** from quarterly to monthly and benchmarking to support Industry response to COVID-19
- ✓ **New digital product** launched to support client needs to meet European regulations for securitisation funding

Critical services to the banking and financial services industry supporting COVID-19 response

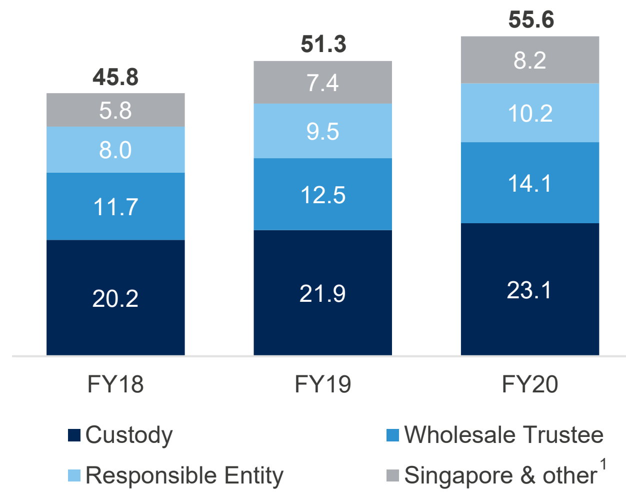
1. Source company records as at 30 June 2020

PERPETUAL CORPORATE TRUST - MFS
GROWTH SUPPORTED BY STABLE ASSET PRICES AND DEMAND FROM DOMESTIC AND GLOBAL INVESTORS

MFS FUA $b



MFS – revenue contribution $m



SIGNIFICANT TRANSACTIONS 2H20

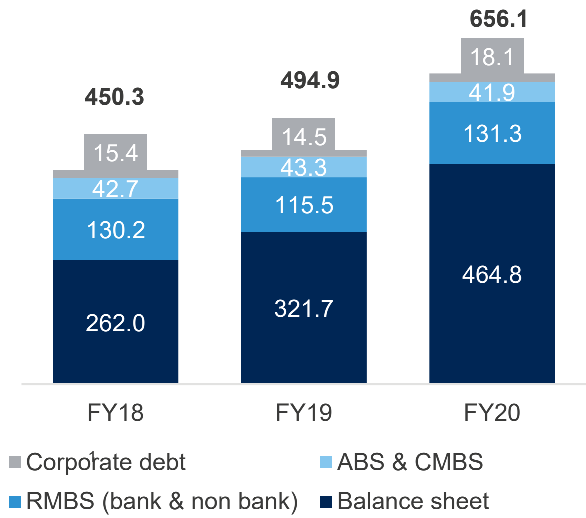
ELITE COMMERCIAL REIT	Anchorage Capital Partners	Willis Towers Watson	Thornburg
$570m FUM	**$927m FUM**	**$175m FUM**	**Responsible Entity**
S-REIT Trustee	**Custodian**	**Responsible Entity**	Global Multisector
European Commercial Real Estate	Private Equity	Global Equities Multi Manager	

1. Singapore & other includes Investment Management and accounting revenues

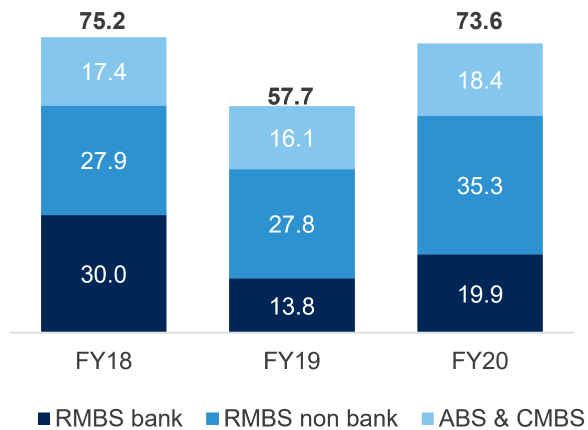
PERPETUAL CORPORATE TRUST - DMS

PRODUCT DEVELOPMENT AND SERVICE EXCELLENCE DRIVING REVENUE GROWTH

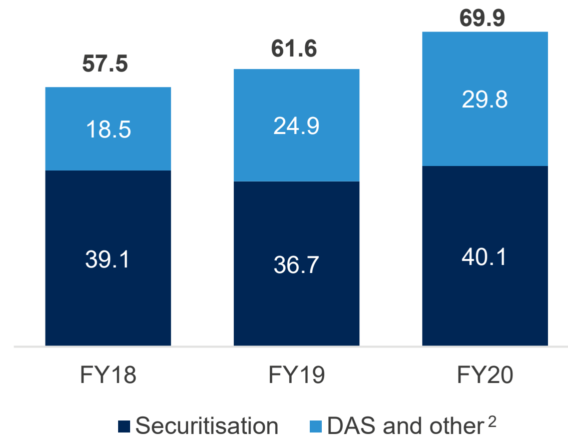
DMS FUA $b



DMS public securitisation issuance $b



DMS revenue composition $m[1]



SIGNIFICANT TRANSACTIONS 2H20

86 400	La Trobe financial	Macquarie Bank	ifm investors
Digital consumer neo bank	**$1.25b** **Residential mortgages**	**$2.8b** **Residential mortgages**	**Perpetual intelligence platform**
DMS - Trustee, security trustee, custodian, standby servicer, trust manager and accounting	DMS - Trustee, security trustee, custodian, investor reporting services, standby servicer DAS – investor and intermediary reporting	DMS - Trustee, security trustee, custodian, RBA reporting DAS – RBA, investor and intermediary reporting	DAS - Portfolio intelligence supporting in-depth customer due diligence & market intelligence

1. FY19 Revenue split has been restated to reclassify investor reporting from Securitisation to DAS and other
2. Data & Analytics Solutions (DAS) and other services includes Roundtables RBA, investor and intermediary reporting, Document custody, standby servicing, trust management, accounting, agency

FINANCIALS

CHRIS GREEN
CHIEF FINANCIAL OFFICER

FINANCIAL PERFORMANCE
GROUP

For the period	FY20 $m	2H20 $m	1H20 $m	FY19 $m	FY20 v FY19
Operating revenue[1]	489.2	235.7	253.5	514.1	(5%)
Total expenses[1,2]	(356.8)	(183.0)	(173.8)	(351.9)	(1%)
Underlying profit before tax (UPAT)	132.3	52.6	79.7	162.2	(18%)
Tax expense	(38.8)	(15.3)	(23.5)	(46.2)	16%
Underlying profit after tax (UPAT)	93.5	37.3	56.2	115.9	(19%)
Significant items[3]	(11.5)	(6.9)	(4.6)	-	n/m
Net profit after tax (NPAT)[4]	**82.0**	**30.4**	**51.6**	**115.9**	**(29%)**
Diluted EPS on NPAT (cps)[5]	172.8	63.6	109.2	246.3	(30%)
Diluted EPS on UPAT (cps)[5]	197.0	78.0	119.0	246.3	(20%)
Dividends (cps)	155.0	50.0	105	250	(38%)
Return on equity on NPAT (%)	12.5%	11.3%	15.6%	17.5%	5pts

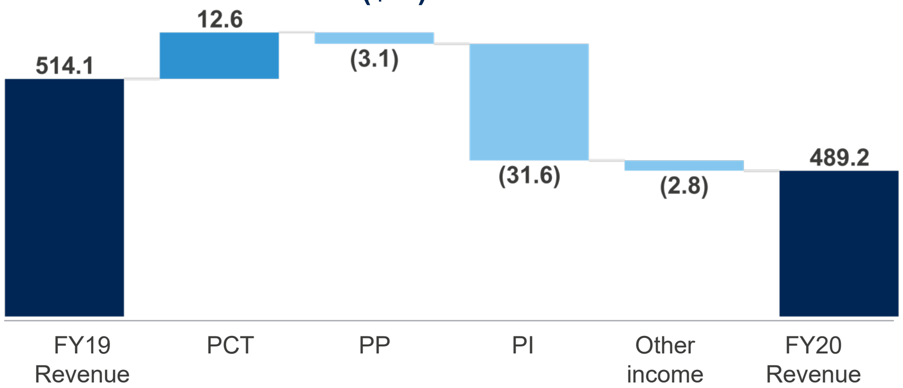
Key themes

- Revenue 5% lower due to lower Perpetual Investment and Perpetual Private revenue offset by higher Perpetual Corporate Trust revenue
- Expense growth of 1% delivered in line with revised guidance reflecting cost discipline in COVID-19 environment combined with operating model cost benefits
- Effective tax rate of 29.7% compared to 28.5% in FY19
- Significant items of $11.5 million includes the costs to implement the new target operating model as well as portion of the completion costs of the Trillium acquisition which was completed on 30 June 2020
- EPS and ROE calculated on weighted average number of shares at end of reporting period and does not reflect the new equity issued on 31 July 2020

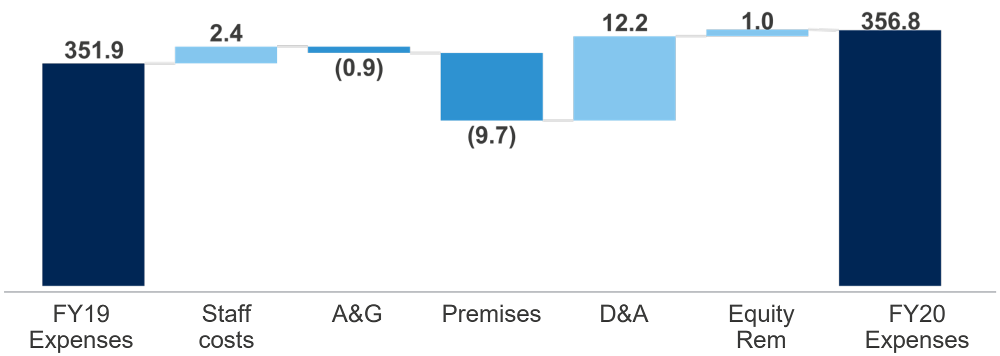
1. Revenue and expenses are presented net of distributions and expenses of the EMCF structured products. For statutory purposes revenue, distributions and expenses are adjusted to reflect the gross revenue and expenses of these products. A reconciliation is included in Appendix B of the operating and financial review for the 12 months ended 30 June 2020 2. Effective 1 July 2019, the Group adopted AASB 16, *Leases*. On adoption, the Group elected the modified retrospective approach, with the effect of the initial application recognised in retained earnings as at 1 July 2019 Comparatives have not been restated 3. Significant items includes the operating model implementation costs and Trillium completion costs and are shown net of tax 4. Attributable to equity holders of Perpetual Limited 5. Fully diluted using the weighted average number of ordinary shares at the end of the reporting period (FY20: 47,455,960)

REVENUE AND EXPENSE ANALYSIS

Movement in Revenue[1] ($m)



Movement in Expenses[2] ($m)



1. Revenue includes net income from structured products.
2. A&G expenses include financing costs excludes expenses from structured products which have been netted off against structured products income

Key revenue movements

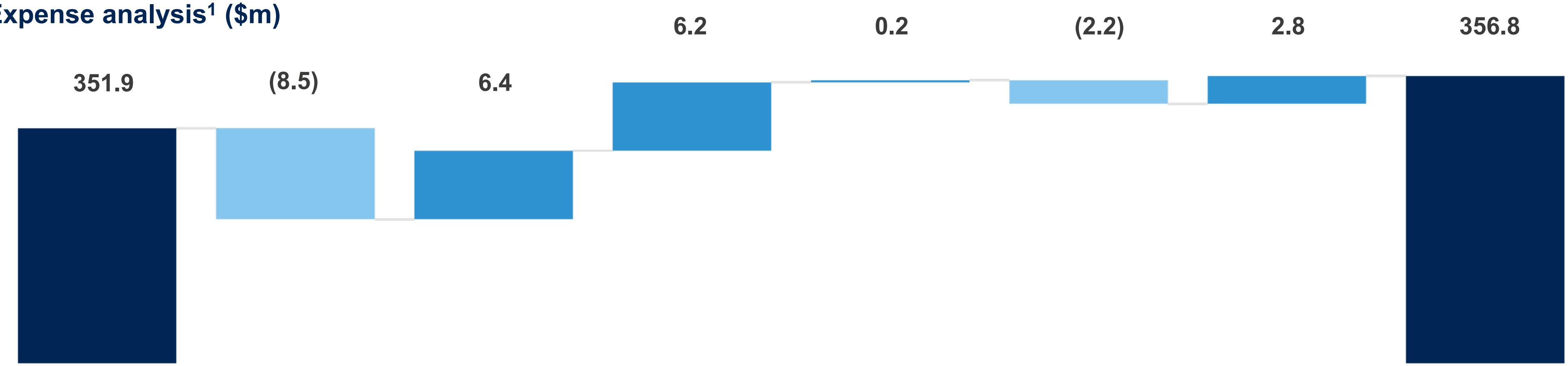
- Higher PCT revenue reflecting growth in both MFS and DMS, as well as growth in Data and Analytic Solutions revenue following RFi acquisition and launch of new Perpetual Business Intelligence products in FY20
- Lower PP revenue down reflecting lower non-market revenue, offset by higher market revenue supported by increased net flows and higher average equity markets
- Lower PI revenue impacted by PI net flows lower, distributions and performance fees
- Lower other income reflecting lower interest, dividends and distributions partially offset by unrealised gains on assets at FVTPL

Key expense movements

- Higher staff costs due to increase in FTE following inorganic activity, partially offset by operating model benefits
- Lower administrative and general expenses (A&G) due to lower professional fees, travel and entertainment and other discretionary expenditure, offset by higher technology costs to support new business initiatives and evaluation of inorganic opportunities
- Lower premises costs due to surrender of office space and reflecting adoption of AASB *Leases,* with the decrease offset by $10.6m increase in D&A
- Higher D&A reflecting adoption of AASB 16 *Leases* and amortisation of acquired intangibles and capitalised software
- Higher equity remuneration resulting from reversals in FY19 following Key Management Personnel (KMP) departures

EXPENSE DEEP DIVE
DISCIPLINED COST MANAGEMENT WITH COST GROWTH LIMITED TO 1%

Expense analysis[1] ($m)



	FY19 Expenses	Target operating model benefits[2]	Technology	Organic & inorganic growth initiatives	Regulatory	Discretionary	Other	FY20 Expenses
Key drivers		Lower staff costs reflecting new structure and discontinuation of other ongoing costs (switch off of legacy systems, IT providers)	Continued investment across the group to replace/refresh core infrastructure & new software licences	Adviser Growth Strategy, Priority life completion costs and other growth initiatives, offset by lower listed strategy costs incurred in FY19	Lower regulatory projects spend partially offset by litigation and remediation costs	Lower discretionary expenditure including travel and entertainment and other cost saving initiatives	Includes equity remuneration reflecting no write-backs this year	

1. The expense analysis presented above provides an alternate breakdown of expense categories presented on the previous page which aligns with the Appendix B of the FY20 Operating and Financial Review
2. Equates to $23 million of cost savings on annualised basis as at 30 June 2020

PERPETUAL INVESTMENTS
LOWER REVENUE DUE TO NET OUTFLOWS AND PERFORMANCE FEES

For the period	FY20 $m	2H20 $m	1H20 $m	FY19 $m	FY20 v FY19
Revenue	**173.4**	78.9	94.5	205.0	(15%)
Operating expenses[1]	**(104.5)**	(54.2)	(50.3)	(115.1)	9%
EBITDA[1,2]	**68.8**	24.6	44.2	89.9	(23%)
Depreciation & amortisation[1,3]	**(6.4)**	(3.1)	(3.3)	(2.6)	n/m
Equity remuneration	**(6.8)**	(3.2)	(3.6)	(7.3)	7%
Interest	**(0.2)**	(0.1)	(0.1)	-	n/m
Profit before tax	**55.4**	**18.2**	**37.2**	**79.9**	**(31%)**
PBT Margin on revenue (%)	**32**	23	39	39	7pts
Closing FUM ($b)[4]	**28.4**	28.4	26.3	27.1	5%
Average FUM ($b)[4]	**25.0**	23.8	26.3	28.8	(13%)
Net flows ($b)	**(2.6)**	(1.1)	(1.5)	(4.3)	40%
Average FUM revenue margin (bps)[4]	**69**	66	72	71	(2bps)

FY20 v FY19

Key factors impacting the result:

- 15% decline in Revenue reflecting 13% lower average FUM due to combination of outflows, lower distributions and mark-to-market movements; and 2bps decline in average margin primarily due to changes in the mix of asset classes with a higher proportion in cash and fixed income
- 31% decline in Profit before tax reflecting 15% decline in revenue, partially offset by lower operating expenses (9%) and equity remuneration (7%) and higher depreciation (146%) and interest expenses following adoption of AASB 16 *Leases*

2H20 v 1H20

Key factors impacting the result:

- 17% decline in 2H20 revenue reflecting lower average FUM due to combination of outflows, mark-to-market movements; and 6bps decline in average margin primarily due to changes in the mix of asset classes with a higher proportion in cash and fixed income
- 51% decline in Profit before tax reflecting 17% decline in revenue, and higher operating expenses (8%) partially offset by lower depreciation (6%) and lower equity remuneration (11%).

1. Re-allocation of 1H20 expenses 2. EBITDA represents earnings before interest costs, taxation, depreciation, amortisation of intangible assets, equity remuneration expense, and significant items 3 Effective 1 July 2019, the Group adopted AASB 16, Leases. On adoption, the Group elected the modified retrospective approach, with the effect of the initial application recognised in retained earnings as at 1 July 2019. FY19 Comparatives have not been restated 4. FY20 Closing FUM includes $5.6 million of Trillium FUM, however as the transaction was completed on 30 June 2020, it has been excluded from Average FUM and Average FUM revenue margin

PERPETUAL PRIVATE
GROWTH IN MARKET REVENUE OFFSET BY LOWER NON-MARKET REVENUE

For the period	FY20 $m	2H20 $m	1H20 $m	FY19 $m	FY20 v FY19
Market related revenue	122.1	59.3	62.8	120.4	1%
Non-market related revenue	60.9	30.1	30.7	65.7	(7%)
Total revenues	183.0	89.5	93.5	186.1	(2%)
Operating expenses[1]	(135.3)	(68.5)	(66.8)	(132.0)	(3%)
EBITDA[1,2]	47.7	20.9	26.8	54.1	(12%)
Depreciation & amortisation[1,3]	(13.1)	(5.7)	(7.5)	(9.7)	(35%)
Equity remuneration	(3.4)	(2.0)	(1.4)	(3.2)	(7%)
Interest	(1.0)	(0.5)	(0.5)	-	n/m
Profit before tax	**30.1**	**12.8**	**17.4**	**41.2**	**(27%)**
PBT Margin on revenue (%)	17	14	19	22	(5 pts)
Closing FUA ($b)	14.3	14.3	15.2	14.8	(3%)
Average FUA ($b)	14.7	14.4	14.9	14.2	3%
Net flows ($b)	0.6	0.5	0.1	0.2	n/m
Market related revenue margin (bps)	83	82	84	85	(2bps)

FY20 v FY19

Key factors impacting the result:

- 2% decline in Revenue reflecting 1% higher market related revenue due to combination of net inflows, and positive mark-to-market movements; offset by 7% decline in non market revenues due to combination of lower interest rates, estate administration and Fordham revenue (which was impacted by the economic slow-down in 2H20) partially offset by Priority Life contribution from November 2019
- 27% decline in Profit before tax reflecting 2% decline in revenue, partially offset by higher operating expenses (3%) reflecting investment in growth initiatives including adviser growth strategy and Priority Life. Higher depreciation (35%) and interest expenses primarily reflect adoption of AASB 16 *Leases*

2H20 v 1H20

Key factors impacting the result:

- 4% decline in Revenue reflecting 5% lower market related revenue lower average FUA due to negative mark-to-market movements, partially offset by positive net flows. Non market revenue decline of 2% reflects combination of lower interest rates and Fordham revenue (which was impacted by the economic slow-down in 2H20) partially offset by Priority Life contribution from November 2019
- 26% decline in Profit before tax reflecting 4% decline in revenue, partially offset by higher operating expenses (3%) reflecting investment in growth initiatives including adviser growth strategy and Priority Life

1. Re-allocation of 1H20 expenses
2. EBITDA represents earnings before interest costs, taxation, depreciation, amortisation of intangible assets, equity remuneration expense, and significant items.
3. Effective 1 July 2019, the Group adopted AASB 16, Leases On adoption, the Group elected the modified retrospective approach, with the effect of the initial application recognised in retained earnings as at 1 July 2019. FY19 Comparatives have not been restated

PERPETUAL CORPORATE TRUST
DOUBLE DIGIT GROWTH IN REVENUE AND PROFIT BEFORE TAX

For the period	FY20 $m	2H20 $m	1H20 $m	FY19 $m	FY20 v FY19
Debt Market Services revenue	69.9	36.7	33.2	61.6	13%
Managed Fund Services revenue	55.6	28.0	27.6	51.3	8%
Total revenues	125.5	64.7	60.8	112.9	11%
Operating expenses[1]	(58.2)	(31.3)	(26.9)	(56.6)	(3%)
EBITDA[1,2]	67.3	33.4	33.9	56.3	20%
Depreciation & amortisation[1,3]	(10.6)	(4.9)	(5.7)	(7.5)	(42%)
Equity remuneration	(1.0)	(0.6)	(0.4)	(1.0)	(1%)
Interest	(0.5)	(0.2)	(0.3)	(0.2)	n/m
Profit before tax	**55.2**	**27.7**	**27.5**	**47.7**	**16%**
PBT Margin on revenue (%)	44	43	45	42	2pts
Closing FUA ($b) – Debt Market Services	656.1	656.1	498.4	494.9	33%
Closing FUA ($b) – Managed Funds Services	285.8	285.8	274.1	269.7	6%

1. Re-allocation of 1H20 expenses
2. EBITDA represents earnings before interest costs, taxation, depreciation, amortisation of intangible assets, equity remuneration expense, and significant items
3. Effective 1 July 2019, the Group adopted AASB 16, Leases. On adoption, the Group elected the modified retrospective approach, with the effect of the initial application recognised in retained earnings as at 1 July 2019. FY19 Comparatives have not been restated

FY20 v FY19

Key factors impacting the result:

- 11% increase in Revenue reflecting increases in both DMS (13%) and MFS (8%). Higher increase in DMS revenue due to growth in the securitisation portfolio from new and existing clients, the impact of the Rfi Roundtables acquisition and growth in Perpetual Business Intelligence. Higher MFS revenue was driven by growth from both existing and new clients within its core commercial property and managed investment schemes segments
- 16% increase in Profit before tax reflecting 11% increase in revenue, partially offset by higher total expenses (8%) reflecting investment into new service offerings and the digital transformation of core trustee operating systems, as well as the acquisition of RFi Roundtables, partially offset by operating model benefits

2H20 v 1H20

Key factors impacting the result:

- 6% increase in Revenue reflecting 11% higher DMS and 1% increase in MFS. Higher DMS revenue due to growth in the securitisation portfolio from new and existing clients and growth in Perpetual Intelligence. Higher MFS revenue was driven by growth from both existing and new clients within its core commercial property and managed investment schemes segments
- 1% increase in Profit before tax reflecting 6% increase in revenue, partially offset by higher total expenses (11%) reflecting investment into new service offerings and the digital transformation of core trustee operating systems, offset by operating model benefits

BALANCE SHEET
MAINTAINING FINANCIAL FLEXIBILITY

For the period ended	FY20	2H20	1H20	FY19	FY20 v FY19	2H20 v 1H20
Cash	164.1	164.1	261.7	299.6	(45%)	(37%)
Liquid investments (FVTPL)	80.7	80.7	79.1	69.7	16%	2%
Goodwill & other intangibles	444.5	444.5	373.4	345.8	29%	19%
Other[1]	243.6	243.6	251.4	185.1	32%	(3%)
Total assets[2]	**932.9**	**932.9**	**965.6**	**900.1**	**4%**	**(3%)**
Corporate debt	-	-	87.0	87.0	n/m	n/m
Other liabilities[1]	278.6	278.6	214.7	150.9	(85%)	(30%)
Total liabilities[2]	**278.6**	**278.6**	**301.7**	**237.9**	**(17%)**	**8%**
Net assets	654.3	654.3	663.9	662.2	(1%)	(1%)
Net Tangible Assets (NTA) per share	$3.95	$3.95	$5.97	$6.47	(50%)	(34%)

FY20 v FY19

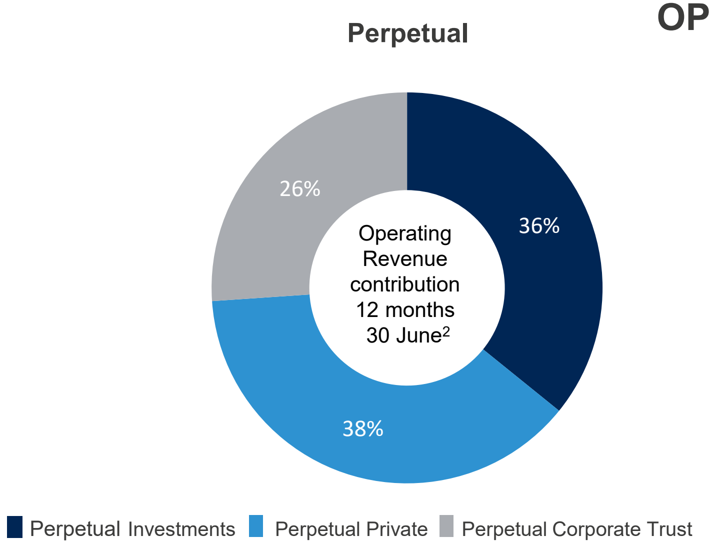
Key movements on the consolidated balance sheet include:

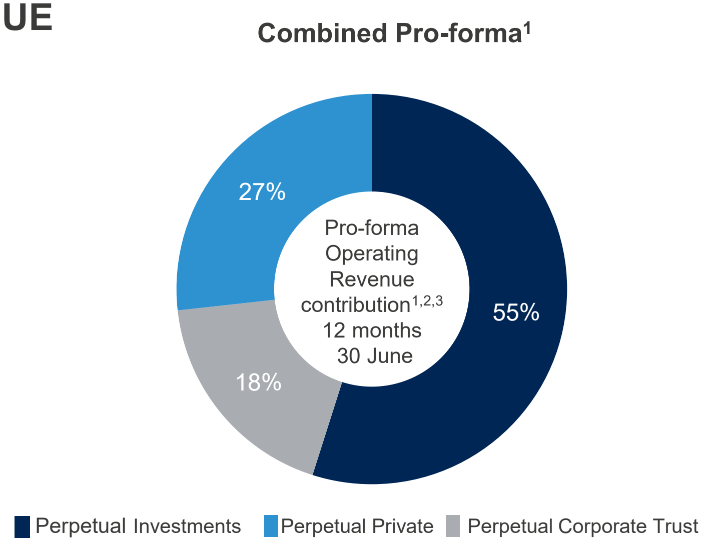
- 45% decrease in **Cash** reflects acquisition of Trillium ($58.3m) and the repayment of corporate debt ($87.0m)
- 16% increase in **Liquid investments** reflects increase in investments in unlisted unit trusts
- 29% increase in **Goodwill and other intangibles** predominantly due to the acquisitions of Priority Life and Trillium Asset Management
- 32% increase in **other assets** primarily due to the recognition of right-of-use assets on adoption of AASB16 *Leases* on 1 July 2019*.* Comparatives were not restated on adoption.
- The decrease in **Corporate debt** reflects repayment of $87m following the refinancing during the year. Under the new facility with Australia and New Zealand Banking Group, the Group has access to a new (undrawn) $50 million debt facility as well as a $135 million bank guarantee facility that has been utilised to meet regulatory requirements
- The 85% increase in **other liabilities** reflect the recognition of lease liabilities on adoption of AASB16 *Leases* on 1 July 2019, and deferred acquisition consideration of acquisitions completed during the year.

1. Effective 1 July 2019, the Group adopted AASB 16, Leases. As a result, the Group as a lessee, has recognised a right of use assets representing its right to use the underlying assets and lease liabilities representing its obligations to make lease payments. On adoption, the Group elected the modified retrospective approach, with the effect of the initial application recognised in retained earnings at 1 July 2019. Comparatives have not been restated
2. Excludes the assets and liabilities for the Perpetual Exact Market Cash Fund (EMCF) structured products

PRO-FORMA IMPACT OF BARROW HANLEY & TRILLIUM ACQUISITIONS
ALIGNS WITH PURSUIT OF DIVERSIFYING REVENUE

OPERATING REVENUE





- Barrow Hanley and Trillium expected to contribute 29% of Perpetual's operating revenue post acquisition
- Acquisitions diversify revenue by asset type and geography, providing a broader array of growth opportunities
- Delivers scale and expands Perpetual's investment strategies across a range of attractive in demand asset classes and strategies
- The investment in distribution to support the acquisitions of Trillium and Barrow Hanley will represent an uplift to the Perpetual Investments expense profile
- Completion of Barrow Hanley expected towards the end of 1H21
- Perpetual remains committed to its diversified portfolio of businesses

1. For further information on this acquisition and 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
2. Operating revenue contribution excludes Group investments and Support Services for the 12 months ended 30 June 2020
3. US denominated items translated at the average exchange rate of AUD:USD 0.69 for the 12 months ended 30 June 2020

FY21 EXPENSE GUIDANCE
CONTINUED INVESTMENT IN GROWTH INITIATIVES OFFSET BY COST SAVINGS FROM OPERATING MODEL

CLIENT FIRST
Exceptional products outstanding service

FUTURE FIT
Empowering our people to deliver high performance

NEW HORIZONS
New capabilities Global footprint

- Underlying expenses[1] expected to be **2 - 4%** lower than FY20
- Trillium and Barrow Hanley costs and the continued build out of the distribution team are expected to add a further **27-29%**[2] to the cost base in FY21
- FY21 Significant items[3] to include material non-recurring items connected with organic and inorganic activity
- Change in treatment of amortisation of acquired intangibles subject to completion of Barrow Hanley acquisition[4]

1. Underlying costs include annualised costs of Priority Life
2. Estimate based on completion of the Barrow Hanley acquisition before the end 1H21 with USD denominated expenses translated at average exchange rate of USD:AUD of 0.69
3. Estimated significant items of $66.9m includes $45.4 million of transaction, integration and other costs and $21.4 million of amortisation of acquired intangibles. USD costs translated at AUD:USD 0.69 as at 30 June 2020. For further information on this acquisition and 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
4. From FY21 and subject to completion of Barrow Hanley acquisition the amortisation of acquired intangibles will be treated as a significant item under the revised definition of underlying profit after tax (UPAT) subject to Board approval. Refer slide 26 for further information on this change

FUTURE DIVIDEND SETTINGS
CHANGE IN UNDERLYING PROFIT DEFINITION

Change in definition of UPAT

- The Barrow Hanley acquisition[1] is a key milestone in Perpetual's growth strategy and will have a material impact on the Group's statutory earnings profile for the foreseeable future
- Revised definition of **UPAT[2]** to reflect the changes to the Group's operating cashflows from both existing and future organic and inorganic opportunities
- From FY21 **NPAT** will be adjusted for two types of significant items:
    1. those that are material in nature and in Perpetual's view do not reflect the normal operating activities; and
    2. non-cash tax-effected amortisation of acquisition intangibles.
- Adjusting items will be clearly defined, consistently applied and disclosed in accordance with ASIC Regulatory Guide – 230 – *Disclosing "non-IFRS financial information"*

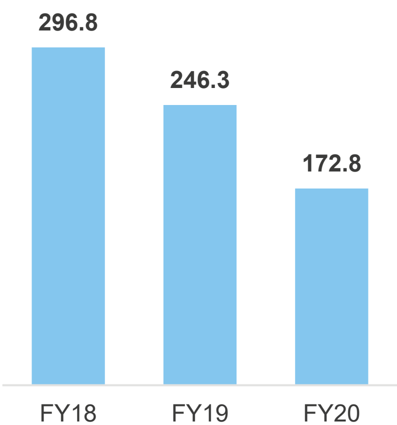
Revised dividend settings

- From FY21 it is likely that future dividends will be paid on the revised Underlying Profit after Tax (UPAT) metric
- The range on which future dividends may be paid out on, is yet to be finalised but will be designed to strike a balance between maximising returns to shareholders, retaining cash to fund operations and repay debt, whilst maintaining adequate cash reserves to absorb periods of economic stress.
- This approach allows the Board to consider "looking through" non-cash transactions impacting statutory NPAT and that are not reflective of the ongoing business operations
- Dividends beyond FY21 are unlikely to be fully franked given a material portion of the Group's earnings will be generated overseas and subject to foreign tax requirements

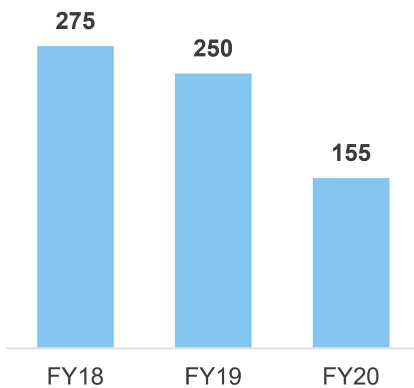
1. For further information on this acquisition refer to the Investor Presentation "Equity Raising: Acquisition of Barrow Hanley, Mewhinny & Strauss LLC" lodged with the ASX on 27 July 2020
2. UPAT is NPAT adjusted to remove significant items which do not to reflect the normal operating activities and are material in nature. Subject to Board approval, from FY21 this definition will be expanded to include amortisation of acquired intangibles. UPAT is attributable to shareholders of Perpetual. UPAT is not subject to audit by the Group's external auditors, however the adjustments (actual and proposed) will be extracted from the books and records that will be subject to audit

FINANCIAL INDICATORS

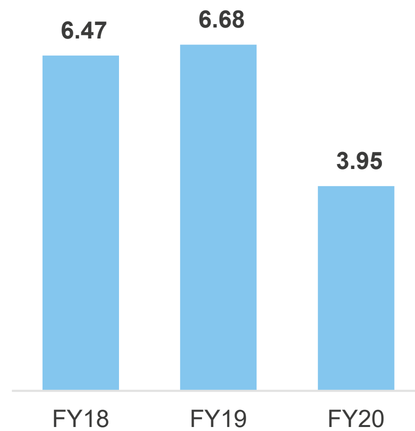
EPS[1] cps



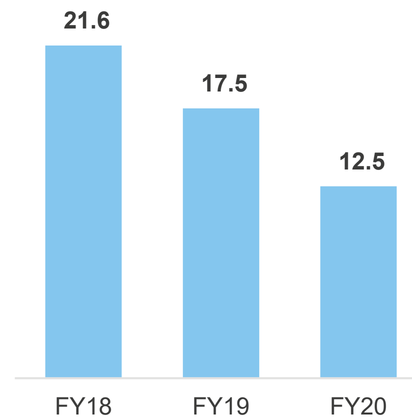
DPS cps



NTA per share



ROE[2] %



$0.50

FULLY FRANKED FINAL DIVIDEND

94%

PAYOUT RATIO[3]

25 September 2020

DIVIDEND PAYABLE

1. Fully diluted on an underlying basis calculated using the weighted average number of ordinary shares at the end of the reporting period (47,455,960 for FY20) and exclude equity raised under the institutional placement completed on 31 July 2020
2. ROE is calculated using NPAT attributable to equity holders of Perpetual Limited for the period divided by average equity attributable to equity holders of Perpetual Limited at the end of the reporting period (FY20: 47,455,960)
3. Dividends payable as a proportion of annual NPAT on with the based on estimated number of shares at time of payment (including the approximately 7.4 million shares allotted under the institutional placement), pending issuance of shares under the Share Purchase Plan

FY21 STRATEGIC PRIORITIES

ROB ADAMS
CHIEF EXECUTIVE OFFICER
AND MANAGING DIRECTOR

Perpetual

PERPETUAL'S STRATEGIC IMPERATIVES
FY21 PRIORITIES

CLIENT FIRST
Exceptional products outstanding service

FUTURE FIT
Empowering our people to deliver high performance

NEW HORIZONS
New capabilities Global footprint

FY21 strategic priorities

Client First

- Improve or maintain **leadership** positions in chosen **markets**
- Expand range of **investment capabilities** to **retail** and **institutional** clients
- **Explore** other distribution channels
- **Maintain strong client advocacy** for existing businesses and develop **action plans** for areas requiring improvement
- **Benchmark** client service of **acquired businesses** and develop action to support future growth
- Invest in **innovative digital solutions** to improve client connectivity including **upgrade to the corporate website**

Future Fit

- Continue to decommission legacy architecture and **migrate to cloud-based digital infrastructure** to build an agile, efficient and scaleable operating platform
- Further align and embed the **governance, accountability and risk frameworks improving** with the new operating model and newly acquired businesses
- Continue **to invest in our people** to ensure they have the requisite skills and tools and are positively challenged and empowered to operate within our stated risk appetite

New Horizons

- Complete acquisition of **Barrow Hanley acquisition before the end of 1H21**
- Implement **Global Distribution plan** across four key regions (Australia, US, Europe and Asia) promoting Barrow Hanley, Trillium and Perpetual Investment capabilities
- Given new depth and breadth of investment capabilities become more **"solution focused'** across channels
- Continue to **develop** and **deliver contemporary solutions** to our clients across the business
- Expand **seed funding** to **incubate and deliver** new asset management products
- Continue to identify and explore complementary bolt-on **opportunities** that **build scale** across three business lines

ENABLERS

Brand | Leadership | Innovation

A diversified business

Supported by
balance sheet strength, brand & client relationships

Responding to the current environment

Earning trust every day
supporting our clients, protecting our people, remaining true to label

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Executing on our strategy

Clients first, future fit, new horizons

KEY DATES FOR REMAINDER OF 2020

Event	Date
Shareholder update	Friday, 21 August 2020 12.30pm (Sydney AEST Time)
Share Purchase Plan (SPP) Closing Date	Wednesday, 26 August 2020 5pm (Sydney AEST time)
Announcement of results of SPP	Monday, 31 August 2020
Issue Date for SPP Shares & record date for FY20 Final dividend	Friday, 4 September 2020
Commencement of Trading of SPP Shares	Monday, 7 September 2020
Holding Statements for SPP Shares Dispatched	Tuesday, 8 September 2020
Payment of FY20 Final dividend	Friday, 25 September 2020
Perpetual Annual General Meeting	Thursday, 15 October 2020

1. The timetable is indicative only and may be subject to change. Perpetual reserves the right to amend any and all of these dates and times without notice, subject to the Corporations Act, the ASX Listing Rules and other appropriate laws. In particular Perpetual reserves the right to extend the closing date of the Offer, to accept late application under the Offer (either generally or in particular cases) and to withdraw the Offer without prior notice. Any extension of the closing dates will have a consequential effect on the issue of New Shares

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About Perpetual

Perpetual is an ASX-listed, diversified financial services company which has been serving Australians since 1886. Across our three businesses: Perpetual Investments, Perpetual Private and Perpetual Corporate Trust, we protect and grow our clients' wealth, knowing that by doing so we can make a difference in their lives.

We have been earning the trust of our clients for more than 130 years and pride ourselves on our long-standing client relationships – **Trust is earned, every day**. For further information, go to www.perpetual.com.au

Perpetual

DISCLAIMER

Important information

This presentation has been prepared by Perpetual Limited ABN 86 000 431 827 (Perpetual). It is general information on Perpetual and its subsidiaries (Perpetual Group) current as at 20 August 2020. It is in summary form and is not necessarily complete. It should be read together with the company's consolidated financial statements lodged with the ASX on 20 August 2020. The information in this presentation is not intended to be relied upon as advice to investors or potential investors and does not take into account your financial objectives, situation or needs. Investors should obtain their own professional advice in connection with any investment decision.

The information in this presentation may include information contributed by third parties. The Perpetual Group does not warrant the accuracy or completeness of any information contributed by a third party. No representation or warranty is made as to the accuracy, adequacy or reliability of any statements, estimates, opinions or other information contained in the presentation (any of which may change without notice). To the extent permitted by law, no liability is accepted for any loss or damage as a result of any reliance on this presentation. Past performance is not indicative of future performance.

This presentation contains forward looking statements, including statements regarding Perpetual's intent, objective, belief or current expectation relating to Perpetual's businesses and operations, market conditions or results of operations and financial condition, including any statements related to or affected by the ongoing impact of the COVID-19 pandemic. These are based on Perpetual's current expectations about future events and is subject to risks, uncertainties, which may be beyond the control of the Perpetual Group. Actual events may differ materially from those contemplated in such forward looking statements. Forward looking statements are not representations about future performance and should not be relied upon as such. Perpetual does not undertake to update any forward-looking statement to reflect events or circumstances after the date of this presentation, subject to its regulatory and disclosure requirements.

Underlying profit after tax (UPAT) attributable to equity holders of Perpetual Limited reflects an assessment of the result for the ongoing business of the Group as determined by the Board and management. UPAT has been calculated with regard to ASIC's Regulatory Guide 230 *Disclosing non-IFRS financial information*. UPAT attributable to equity holders of Perpetual Limited has not been reviewed or audited by the Group's external auditors, however the adjustments to NPAT attributable to equity holders of Perpetual Limited have been extracted from the books and records that have been audited. UPAT is disclosed as it is useful for investors to gain a better understanding of Perpetual's financial results from normal operating activities.

Nothing in this presentation should be construed as either an offer to sell or solicitation of an offer to buy or sell Perpetual Limited securities or units in any fund referred to in this presentation in any jurisdiction. The Product Disclosure Statement (PDS) for these funds are issued by Perpetual Investment Management Limited. The applicable PDS should be considered before deciding whether to acquire or hold units in a fund and can be obtained by calling 1800 022 033 or visiting our website www.perpetual.com.au.

All references to currency in this presentation are to Australian currency, unless otherwise stated.

Certain figures may be subject to rounding differences.

Note:
FY20 refers to the financial reporting period for the twelve months ended 30 June 2020 with similar abbreviations for previous and subsequent periods.
2H20 refers to the financial reporting period for the six months ended 30 June 2020 with similar abbreviations for previous and subsequent periods.
1H20 refers to the financial reporting period for the six months ended 31 December 2019 with similar abbreviations for previous and subsequent periods.

Perpetual