

22 February 2018

ASX Announcement

Perpetual announces 1H18 results

- NPAT of \$68.1 million, up 3% on 1H17
- Fully franked interim dividend of 135 cents per share, up 4% on 1H17
- Solid results highlight the continued diversification across Perpetual Private, Perpetual Investments and Perpetual Corporate Trust

Perpetual Limited (Perpetual) has delivered solid results for the six months to 31 December 2017 with statutory net profit after tax (NPAT) of \$68.1 million, up 3% and revenue of \$266.8 million¹, up 6% on 1H17.

The Board has determined to pay a fully franked interim dividend of 135 cents per share, up 4% on 1H17.

Chief Executive Officer and Managing Director Geoff Lloyd said, "We are pleased to have delivered another solid result, particularly at this time when consistency and returns are highly valued by shareholders and clients alike.

"Over the half we have maintained our steadfast focus on protecting and growing Perpetual for our clients - many of them multi-generational - our people and our shareholders.

"Across Perpetual Investments, Perpetual Corporate Trust and Perpetual Private our clients have continued to benefit from the focus and commitment of our team who diligently ensure client interests are served now and in the future.

"With our Lead & Grow strategy continuing to provide a clear strategic framework for the group, Perpetual is a strong business well positioned to face into changing and often unpredictable market conditions," Mr Lloyd said.

Business Unit overview

Perpetual Investments

In 1H18, Perpetual Investment's profit before tax was \$58.1 million, which was \$0.7 million or 1% down on 1H17.

"We are long term value investors and we look to provide value for our clients across a range of strategies including our highly regarded Australian Equities, Multi Asset, Credit and Fixed Income, and Global Equities products. We have a proven approach, a respected brand and a quality investment team focused on performing.

"We continue to focus on building out our global equities capability and our Global Share Fund has delivered above benchmark performance over 1, 2, 3, 5 and 7 years.

¹ Underlying revenue excluding net structured investments revenue of \$2.5m.

“Our credit and fixed income team has closed the half well with all strategies above benchmark over all time horizons.

“And we have recommended ratings across our suite of Multi Asset products, testament to the strong, stable and experienced team we have in place,” he added.

Perpetual Private

Perpetual Private’s profit before tax was \$23.1 million, which was 24% higher than 1H17. The result reflects the business’ segmented high net worth strategy targeting medical specialists, professionals and high net worth individuals.

“In 1H18 Perpetual Private delivered its ninth consecutive half of net client growth, and importantly, all new clients were within our target segment.

“Fordham’s strong growth continued and it remained the largest referral partner to our advice business, highlighting their ongoing contribution to Perpetual Private’s overall strong result.

“Perpetual Private is a trusted brand with a strong heritage and clients spanning multiple generations. We will continue to execute on our strategy to find new opportunities and deliver growth for the business,” said Mr Lloyd.

Perpetual Corporate Trust

Perpetual Corporate Trust’s profit before tax was \$19.8 million, which was 18% higher than 1H17, with strong revenue growth in both the Debt Markets Services and Managed Fund Services businesses.

“Perpetual Corporate Trust continues to be a strong and consistent contributor to the profitability of Perpetual, and the diversification within the business is proving successful.

“Our Debt Market Services division remains a clear market leader, and saw consistent growth in the first half. And importantly, the Managed Funds business was appointed to a number of significant roles in 1H18, which led to a greater contribution to PCT’s revenue growth,” Mr Lloyd said.

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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