

MEDIA RELEASE

Perpetual first quarter assisted by improved financial markets and increased inflows

Perpetual's Chairman Mr Charles Curran advised shareholders at the company's annual general meeting today that its profit for the first quarter of this year is ahead of the same period last year.

"This reflects the improvements in financial markets, our continued strong performance and reputation in Australian equities, and the resultant increase in fund inflows. It also reflects the group's careful cost management," he said.

"Funds under management at 30 September were \$18.6 billion, an increase of \$1.2 billion or 7 percent since 30 June."

Mr Curran, told the meeting that the board again intends to pay a special dividend of not less than 50 cents per share fully franked in June 2004. Total dividends paid for the year to 30 June 2003 were \$1.80 per share fully franked, compared to \$1.60 last year, an increase of 12.5 percent.

Mr Curran also told the AGM that the Perpetual group maintains its strong financial position, with net assets of \$287.4 million, which includes cash holdings of \$113.2 million and an investment portfolio valued at \$102.1 million.

"This strong financial position, coupled with our healthy dividend franking account, provides us with the flexibility to enhance shareholder value by exploiting growth opportunities, paying fully franked regular and special dividends, and buying back Perpetual shares when appropriate," Mr Curran said.

Introducing Perpetual's new managing director, Mr Curran said, "It is the intention of the board and Mr Deverall to maintain a strategy focused on our core businesses of wealth management and corporate trust."

Perpetual's managing director, Mr David Deverall told the meeting that Perpetual's businesses operate in markets that are poised for continued growth.

"While we already occupy strong market positions in a number of core businesses, we will continue to work toward growing and expanding our market share in these and related segments.

"To assist in meeting the demands of running this growing and diversified business, I will be drawing upon my background in strategic management, having had responsibility at both the business unit level, and the corporate level, to develop and execute strategies," Mr Deverall said.

Mr Deverall said that Perpetual's diversification strategy is likely to focus mainly on organic growth and development, but may also include joint ventures and acquisitions.

“Any acquisition will need to support our existing businesses, drawing on our core strengths, and must meet our strict investment criteria,” Mr Deverall said.

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20 October 2003