

PERPETUAL EQUITY INVESTMENT COMPANY LIMITED

ACN 601 406 419

CONDENSED INTERIM
FINANCIAL REPORT

FOR THE HALF-YEAR ENDED
31 DECEMBER 2018

Perpetual


Perpetual Equity Investment Company Limited

ACN 601 406 419

Condensed Interim Financial Report For the half-year ended 31 December 2018

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Directors' Report

The Directors present their report together with the condensed interim financial report of Perpetual Equity Investment Company Limited ("the Company") for the half-year ended 31 December 2018 and the auditor's report thereon.

Directors

The following persons were Directors of the Company during the half-year and up to the date of this report:

Current Directors	Position	Appointment date
Nancy Fox	Chairman and Non-executive Director	1 July 2017
Virginia Malley	Non-executive Director	25 August 2014
John Edstein	Non-executive Director	26 September 2014
Christine Feldmanis	Non-executive Director	26 September 2014
David Lane	Executive Director	20 November 2017

Principal activities

The Company is a listed investment company established to invest predominantly in Australian listed securities with typically a mid-cap bias and cash, deposit products and senior debt, together with opportunistic allocations to global listed securities. 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.

Review of operations

	31 December 2018 \$'000	31 December 2017 \$'000
Profit/(loss) before income tax	(24,796)	28,425
Income tax benefit/(expense)	8,615	(7,763)
Profit/(loss) for the half-year attributable to shareholders	(16,181)	20,662

For the half-year ended 31 December 2018, the Company's Net Tangible Asset (NTA) after tax decreased by 7.4% to \$1.055 per share. In addition, the Company paid a 3.3 cents per share fully franked dividend during the half-year.

As at 31 December 2018, 79% of the Company's portfolio was invested in Australian listed securities, 21% of the portfolio was in cash and nil% was in global listed securities.

The Manager's investment process targets companies with sound management, conservative debt levels, quality businesses and recurring earnings, that are trading at attractive prices. The Manager's commitment to delivering a regular income stream and long-term capital growth to shareholders is underpinned by its ability to identify high quality companies for the portfolio.

Directors' Report (continued)

Dividends

On 18 February 2019, the Directors declared a fully franked interim dividend payment of 3.1 cents per share (2018: 3.0 cents per share).

Capital raising

On 20 August 2018, the Company conducted a capital raising for existing and prospective shareholders via an Entitlement Offer, Shortfall Offer and General Offer (collectively, "the Offer"). The Company raised \$101,245,229 by the issue of 90,397,526 ordinary fully paid shares at an issue price of \$1.12 per share. The additional capital was used to undertake investments consistent with the Company's current investment objectives and guidelines.

Events subsequent to reporting date

The Directors are not aware of any event or circumstance since the end of the half-year not otherwise dealt with in this report that has or may significantly affect the operations of the Company, the results of these operations or the state of affairs of the Company in subsequent financial years.


Lead Auditor's Independence Declaration

A copy of the Lead Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* is set out on page 4.

Rounding of amounts to the nearest thousand dollars

The Company is of a kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*. Amounts in the Directors' Report and the condensed interim financial report have been rounded to the nearest thousand dollars in accordance with the Legislative Instrument, unless otherwise indicated.

Signed on behalf and in accordance with a resolution of the Directors:



Chairman

Sydney
18 February 2019



Director



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Perpetual Equity Investment Company Limited

I declare that, to the best of my knowledge and belief, in relation to the review of Perpetual Equity Investment Company Limited for the half-year ended 31 December 2018 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- ii. no contraventions of any applicable code of professional conduct in relation to the review.

KPMG

KPMG

Martin McGrath
Partner

Sydney

18 February 2019

Perpetual Equity Investment Company Limited
Condensed Interim Statement of Profit or Loss and Other Comprehensive Income
For the half-year ended 31 December 2018

Condensed Interim Statement of Profit or Loss and Other Comprehensive Income

	31 December 2018	31 December 2017
Notes	\$'000	\$'000
Investment income		
Dividends	6,390	3,187
Interest	609	356
Net gains/(losses) on financial instruments held at fair value through profit or loss	(28,928)	27,128
Net foreign exchange gains/(losses)	(36)	(22)
Total investment income	<u>(21,965)</u>	<u>30,649</u>
Expenses		
Management fees	8 1,722	1,485
Other expenses	1,109	739
Total expenses	<u>2,831</u>	<u>2,224</u>
Profit/(loss) before income tax	<u>(24,796)</u>	<u>28,425</u>
Income tax benefit/(expense)	3 8,615	(7,763)
Profit/(loss) after income tax	<u>(16,181)</u>	<u>20,662</u>
Other comprehensive income	-	-
Total comprehensive income for the half-year	<u>(16,181)</u>	<u>20,662</u>
Earnings per share*		
Basic earnings per share - cents per share	4 (5.42)	8.06
Diluted earnings per share - cents per share	4 (5.42)	8.06

* Prior period comparative earnings per share were adjusted retrospectively in accordance with Australian Accounting Standards due to the bonus element of the capital raising. Refer to note 4.

The Condensed Interim Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

Perpetual Equity Investment Company Limited
Condensed Interim Statement of Financial Position
As at 31 December 2018

Condensed Interim Statement of Financial Position

		31 December 2018	30 June 2018
	Notes	\$'000	\$'000
Assets			
Cash and cash equivalents		76,188	69,093
Financial assets held at fair value through profit or loss	7	284,533	224,382
Receivables		384	1,590
Current tax asset		2,245	-
Deferred tax asset		3,776	-
Total assets		367,126	295,065
Liabilities			
Current tax payable		-	531
Payables		3,455	388
Deferred tax liability		-	4,159
Total liabilities		3,455	5,078
Net assets		363,671	289,987
Equity			
Contributed equity	6	351,106	249,861
Retained earnings		(10,698)	10,403
Profit reserve		23,263	29,723
Total equity		363,671	289,987

The Condensed Interim Statement of Financial Position should be read in conjunction with the accompanying notes.

Perpetual Equity Investment Company Limited
Condensed Interim Statement of Changes in Equity
For the half-year ended 31 December 2018

Condensed Interim Statement of Changes in Equity

	Notes	Contributed Equity \$'000	Retained Earnings \$'000	Profit Reserve \$'000	Total \$'000
Balance at 1 July 2018		249,861	10,403	29,723	289,987
Total comprehensive income for the half-year		-	(16,181)	-	(16,181)
Transfers to profit reserve		-	(4,920)	4,920	-
Transactions with members in their capacity as shareholders:					
Shares issued from capital raising	6	101,245	-	-	101,245
Dividends paid	5	-	-	(11,380)	(11,380)
Balance at 31 December 2018		351,106	(10,698)	23,263	363,671

	Notes	Contributed Equity \$'000	Retained Earnings \$'000	Profit Reserve \$'000	Total \$'000
Balance at 1 July 2017		248,712	6,541	22,707	277,960
Total comprehensive income for the half-year		-	20,662	-	20,662
Transfers to profit reserve		-	(11,963)	11,963	-
Transactions with members in their capacity as shareholders:					
Shares issued from dividend reinvestment plan	6	499	-	-	499
Dividends paid	5	-	-	(6,334)	(6,334)
Balance at 31 December 2017		249,211	15,240	28,336	292,787

The Condensed Interim Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Perpetual Equity Investment Company Limited
Condensed Interim Statement of Cash Flows
For the half-year ended 31 December 2018

Condensed Interim Statement of Cash Flows

	31 December 2018 \$'000	31 December 2017 \$'000
Cash flows from operating activities		
Dividends received	7,833	3,534
Interest received	609	356
Other income received	156	143
Management fees paid	(1,768)	(1,590)
Income tax paid	(2,096)	(6,084)
Other expenses paid	(1,197)	(796)
Net cash from operating activities	<u>3,537</u>	<u>(4,437)</u>
Cash flows from investing activities		
Proceeds from sale of investments	156,944	112,705
Payments for purchase of investments	(243,251)	(116,652)
Net cash from investing activities	<u>(86,307)</u>	<u>(3,947)</u>
Cash flows from financing activities		
Proceeds from issue of shares under capital raising	101,245	-
Dividends paid - net of dividend reinvestment plan	(11,380)	(5,835)
Net cash from financing activities	<u>89,865</u>	<u>(5,835)</u>
Net increase/(decrease) in cash and cash equivalents	7,095	(14,219)
Cash and cash equivalents held at the beginning of the half-year	<u>69,093</u>	<u>61,421</u>
Cash and cash equivalents at the end of the half-year	<u>76,188</u>	<u>47,202</u>

The above Condensed Interim Statement of Cash Flows should be read in conjunction with the accompanying notes.

1 Reporting entity

Perpetual Equity Investment Company Limited ("the Company") is domiciled in Australia. The Company was incorporated on 25 August 2014. The address of the Company's registered office is at Level 18, 123 Pitt Street, Sydney NSW 2000.

The Company is a listed investment company established to invest predominantly in Australian listed securities with typically a mid-cap bias and cash, deposit products and senior debt, together with opportunistic allocations to global listed securities. 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. The investment activities of the Company are managed by Perpetual Investment Management Limited ("the Manager").

The condensed interim financial report for the half-year ended 31 December 2018 was authorised for issue by the Directors on 18 February 2019.

2 Basis of preparation

The condensed interim financial report has been prepared in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*. The Company is a for-profit entity for the purpose of preparing the condensed interim financial report.

The condensed interim financial report does not include all notes normally included in a full financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2018 and any public announcements made in respect of Perpetual Equity Investment Company Limited during the half-year in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The condensed interim financial report has been prepared on the basis of fair value measurement of assets and liabilities, except where otherwise stated.

Use of estimates

Management makes estimates and assumptions that affect the reported amount of assets, liabilities, income and expenses. Estimates and associated assumptions are continuously evaluated and are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Functional and presentation currency

The condensed interim financial report is presented in Australian dollars, which is the Company's functional currency.

New accounting standards and interpretations

Except as described below, the accounting policies applied in this condensed interim financial report are the same as those applied in the Company's financial report as at and for the year ended 30 June 2018.

The Company has initially adopted AASB 9 *Financial Instruments* and AASB 15 *Revenue from Contracts with Customers* from 1 July 2018. Under the transition methods chosen, comparative information is not restated as detailed below. There was no material effect of the adoption of these standards to the Company for the half-year ended 31 December 2018.

2 Basis of preparation (continued)

New accounting standards and interpretations (continued)

(i) AASB 9 *Financial Instruments*

Classification of financial assets and financial liabilities

AASB 9 largely retains the existing requirements in AASB 139 *Financial Instruments* for the classification and measurement of financial liabilities. However, it replaces the previous AASB 139 categories for financial assets of 'fair value through profit or loss (FVTPL)', 'financial assets held to maturity', 'loans and receivables' and 'available for sale' with 'fair value through profit or loss', 'amortised cost' and 'fair value through other comprehensive income (FVOCI)'. The classification of financial assets under AASB 9 is generally based on the business model in which a financial asset is managed and the characteristics of its contractual cash flows.

The adoption of the standard does not have a material impact on the classification of financial assets and financial liabilities of the Company. This is due to financial instruments currently measured at FVTPL or amortised cost, as relevant, under AASB 139 will continue to be presented as FVTPL or amortised cost under AASB 9.

(ii) AASB 15 *Revenue from Contracts with Customers*

The Company's main sources of income are interest, dividends and gains on financial instruments held at fair value. All of these are outside the scope of the new revenue standard. Accordingly, the new revenue recognition rules do not have a significant impact on the Company's accounting policies or the amounts recognised in the financial statements.

A number of other new standards, amendments and interpretations are effective from 1 July 2018. The Company has assessed the impact of these other standards, amendments and interpretations as not material to the Company's financial report in the current or future reporting periods and on foreseeable future transactions.

3 Income tax

	31 December 2018 \$'000	31 December 2017 \$'000
Current tax		
Current income tax benefit/(expense)	680	(3,845)
Adjustment for prior years	-	(2)
Deferred tax		
Temporary differences	7,935	(3,916)
Total income tax benefit/(expense)	<u>8,615</u>	<u>(7,763)</u>

Perpetual Equity Investment Company Limited
Notes to the Condensed Interim Financial Statements
For the half-year ended 31 December 2018
(continued)

4 Earnings per share

	31 December 2018	31 December 2017*
	Cents per share	Cents per share
Basic earnings per share	<u>(5.42)</u>	8.06
Diluted earnings per share	<u>(5.42)</u>	8.06
	\$'000	\$'000
Profit/(loss) after income tax attributable to shareholders	<u>(16,181)</u>	20,662
	Number of shares	Number of shares
Weighted average number of ordinary shares on issue used in the calculation of basic and diluted earnings per share	<u>298,412,355</u>	256,295,848

* The weighted average number of ordinary shares used in the basic and diluted earnings per share calculations for the current and comparative periods were adjusted retrospectively in accordance with Australian Accounting Standards following the capital raising announced on 20 August 2018. The capital raising was conducted at a discount to market price (bonus element), resulting in a theoretical dilution of existing ordinary shares on issue and a decrease in basic and diluted earnings per share.

5 Dividends

(a) Dividends paid

	Cents per share	Total amount \$'000	Franking	Payment date
31 December 2018				
Final 2018 ordinary	3.3	11,380	100%	2 November 2018
	Cents per share	Total amount \$'000	Franking	Payment date
31 December 2017				
Final 2017 ordinary	2.5	6,334	100%	8 September 2017

All dividends paid during the half-year were fully franked at a tax rate of 27.5% (2017: 30%) and paid out of the profit reserve.

5 Dividends (continued)

(b) Subsequent events

On 18 February 2019, the Directors declared the following dividend.

	Cents per share	Total amount \$'000	Franking	Payment date
Interim 2019 ordinary	3.1	10,690	100%	26 April 2019

The interim dividend is fully franked based on a tax rate of 27.5%.

The financial effect of this dividend has not been brought to account in the financial statements for the half-year ended 31 December 2018 and will be recognised in subsequent financial statements.

Dividends are recognised as a liability in the year in which they are declared.

(c) Franking account

	31 December 2018 \$'000	31 December 2017 \$'000
The available balance in the franking account at the reporting date	<u>9,652</u>	<u>8,838</u>
Impact on franking account of the interim dividend declared after the reporting date but not recognised as a liability at the reporting date	<u>(4,055)</u>	<u>(3,264)</u>
The available balance in the franking account after the adjustment for the interim dividend declared	<u>5,597</u>	<u>5,574</u>

The available balance in the franking account includes the adjustments for franking credits that will arise from the payment of current tax liabilities, and franking credits that will arise from the receipt of dividends recognised as receivables at the reporting date.

(d) Dividend reinvestment plan

The Company has established a dividend reinvestment plan under which eligible shareholders may elect to have all or part of their dividend entitlements satisfied by the issue of ordinary shares rather than by being paid in cash. Shares are issued under the plan at a 2.5% discount to the average market price.

6 Contributed Equity

	31 December 2018		31 December 2017	
	Number of shares	\$'000	Number of shares	\$'000
Fully paid ordinary shares	<u>344,840,452</u>	<u>351,106</u>	253,845,980	249,211

Movements in ordinary share capital

	31 December 2018		31 December 2017	
	Number of shares	\$'000	Number of shares	\$'000
Opening balance	254,442,926	249,861	253,366,220	248,712
Shares issued from dividend reinvestment plan	-	-	479,760	499
Shares issued from capital raising	90,397,526	101,245	-	-
Closing balance	<u>344,840,452</u>	<u>351,106</u>	<u>253,845,980</u>	<u>249,211</u>

Ordinary shares

Ordinary shares entitle the holders to receive dividends as declared and one vote per share at shareholders' meetings.

In the event of winding up the Company, ordinary shareholders rank after creditors and are fully entitled to any surplus capital.

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

Capital raising

On 20 August 2018, the Company conducted a capital raising for existing and prospective shareholders via an Entitlement Offer, Shortfall Offer and General Offer (collectively, "the Offer"). The Company raised \$101,245,229 by the issue of 90,397,526 ordinary fully paid shares at an issue price of \$1.12 per share. The additional capital was used to undertake investments consistent with the Company's current investment objectives and guidelines.

The Manager agreed to pay all of the costs incurred in raising capital under the Offer, in accordance with the Prospectus dated 20 August 2018.

7 Fair value measurement

The Company classifies fair value measurement of its financial assets and liabilities using a fair value hierarchy model that reflects the subjectivity of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (level 2); and
- Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

The following table analyses within the fair value hierarchy model, the Company's financial assets and liabilities measured at fair value at the reporting date:

31 December 2018	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000
Financial assets				
Financial assets designated at fair value through profit or loss:				
Listed equities	<u>284,533</u>	-	-	<u>284,533</u>
Total	<u>284,533</u>	-	-	<u>284,533</u>

30 June 2018	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000
Financial assets				
Financial assets designated at fair value through profit or loss:				
Listed equities	<u>224,382</u>	-	-	<u>224,382</u>
Total	<u>224,382</u>	-	-	<u>224,382</u>

Rationale for classification of financial assets as level 1

All listed equities held by the Company are valued using unadjusted quoted prices in active markets and are classified as level 1 in the fair value hierarchy model.

Transfers between levels

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels at the end of the reporting period.

There were no transfers between levels for the half-year ended 31 December 2018 and the year ended 30 June 2018.

8 Management agreement

The Manager, Perpetual Investment Management Limited, receives a management fee of 1.00% per annum (plus GST) for the first \$1 billion of the Portfolio Net Asset Value, and 0.85% per annum (plus GST) of the Portfolio Net Asset Value in excess of \$1 billion. In accordance with the Replacement Prospectus dated 14 October 2014, the Portfolio Net Asset Value means the market value of the assets of the Portfolio, reduced by any accrued but unpaid expenses of the Company, but not provisions for tax payable or unpaid dividends of the Company, and after subtracting any borrowings drawdown and adding back borrowings repaid. The management fees are calculated and accrued daily and paid monthly in arrears.

	31 December 2018 \$'000	31 December 2017 \$'000
Management fees	1,722	1,485

The Manager is appointed for an initial term of five years unless terminated earlier. The Management Agreement will be automatically extended for a further five-year term on the expiry of the initial term unless terminated earlier in accordance with its terms.

If the Management Agreement is terminated during the extended term, then in certain circumstances the Manager will be entitled to a termination payment equal to 5.0%, reduced by one sixtieth (1/60) for each whole calendar month elapsed between the commencement of the extended term and the termination date, of the net tangible asset backing of a share in each class of shares in the Company as calculated under the ASX Listing Rules multiplied by the number of shares on issue in that class of shares as at the termination date.

In addition, the Manager agreed to pay all of the costs incurred in raising capital under the Offer, in accordance with the Prospectus dated 20 August 2018. If the Management Agreement is terminated during the initial or extended term, then in certain circumstances the Manager will be entitled to be reimbursed for these costs, multiplied by the number of days in the period from the date of termination to the last day of the extended term and divided by the number of days in the period from the date of issue of the new shares and the last day of the extended term.

9 Related party transactions

All transactions with related parties are conducted on normal commercial terms and conditions.

There have been no significant changes to the related party transactions disclosed in the previous annual financial report.

10 Segment information

The Company is organised into one main operating segment with only one key function, being the investment of funds predominantly in Australia together with opportunistic investments globally.

11 Commitments and contingencies

There are no outstanding contingent assets, liabilities or commitments as at 31 December 2018 and 30 June 2018.

12 Events occurring after the reporting period

On 18 February 2019, the Directors declared a fully franked interim dividend payment of 3.1 cents per share payable on 26 April 2019.

No other significant events have occurred since the reporting date which would have an impact on the financial position of the Company disclosed in the statement of financial position as at 31 December 2018 or on the results and cash flows of the Company for the half-year ended on that date.

Directors' Declaration

1. In the opinion of the Directors of Perpetual Equity Investment Company Limited ("the Company"):
 - (a) the condensed interim financial statements and notes, set out on pages 5 to 16, are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Company's financial position as at 31 December 2018 and of its performance for the half-year ended on that date; and
 - (ii) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.
 - (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
2. The Directors have been given the declarations required by Section 295A of the *Corporations Act 2001* from the persons performing the functions of the Chief Executive Officer and the Chief Financial Officer for the half-year ended 31 December 2018.

Signed in accordance with a resolution of the Directors:



Chairman

Sydney
18 February 2019



Director



Independent Auditor's Review Report

To the members of Perpetual Equity Investment Company Limited

Report on the Condensed Interim Financial Report

Conclusion

We have reviewed the accompanying **Condensed Interim Financial Report** of Perpetual Equity Investment Company Limited (the Company).

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Condensed Interim Financial Report of the Company is not in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the Company's financial position as at 31 December 2018 and of its performance for the half-year ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The **Condensed Interim Financial Report** comprises:

- Condensed interim statement of financial position as at 31 December 2018
- Condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows for the half-year ended on that date
- Notes 1 to 12 comprising a summary of significant accounting policies and other explanatory information
- The Directors' Declaration.

Responsibilities of the Directors for the Condensed Interim Financial Report

The Directors of the Company are responsible for:

- the preparation of the Condensed Interim Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*
- for such internal control as the Directors determine is necessary to enable the preparation of the Condensed Interim Financial Report that is free from material misstatement, whether due to fraud or error.



Auditor's responsibility for the review of the Condensed Interim Financial Report

Our responsibility is to express a conclusion on the Condensed Interim Financial Report based on our review. We conducted our review in accordance with *Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the Condensed Interim Financial Report is not in accordance with the *Corporations Act 2001* including:

- giving a true and fair view of the Company's financial position as at 31 December 2018 and its performance for the half-year ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

As auditor of Perpetual Equity Investment Company Limited, *ASRE 2410* requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a Condensed Interim Financial Report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with *Australian Auditing Standards* and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

KPMG

Martin McGrath
Partner

Sydney

18 February 2019

DIRECTORY

COMPANY

Perpetual Equity Investment Company Limited
ACN 601 406 419

DIRECTORS

Nancy Fox – Chairman
Virginia Malley
John Edstein
Christine Feldmanis
David Lane

COMPANY SECRETARIES

Sylvie Dimarco
Eleanor Padman

INVESTMENT MANAGER

Perpetual Investment Management Limited
Level 18, 123 Pitt Street
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AUDITOR

KPMG
International Towers Sydney 3
300 Barangaroo Avenue
Sydney NSW 2000

AUSTRALIAN SECURITIES EXCHANGE CODES

Shares: PIC

SHARE REGISTRY

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WEBSITE

www.perpetualequity.com.au

Perpetual 